

FOSTER CARE PLACEMENT SERVICES MASTER CONTRACT

FOR

SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAM

BY AND BETWEEN

COUNTY OF LOS ANGELES



AND

(CLICK HERE AND ENTER NAME OF CONTRACTOR)

(CLICK HERE AND ENTER CONTRACT NUMBER)

Catalog of Federal Domestic Assistance (CFDA) #93.658

Department of Children and Family Services
Contracts Administration Division
425 Shatto Place, Room 400
Los Angeles, California 90020

AND

The Probation Department
Placement Administrative Services
9150 East Imperial Highway
Downey, California 90242

Month 2019

Yellow Highlights = Updates as of January 2, 2018

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AND THE PROBATION DEPARTMENT
SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAM (STRTP)
MASTER CONTRACT FOR FOSTER CARE PLACEMENT SERVICES**

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LIST OF EXHIBITS:

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Exhibit A-2	STRTP Service Delivery Sites
Exhibit A-3	Criminal Record Exemption Notification
Exhibit A-4	Notification of Subsequent Arrest, Conviction, Probation, or Parole Violation
Exhibit A-5	Special Incident Reporting Guide (SIR) for Foster Care Placement Services Providers
Exhibit A-6	STRTP Monthly Utilization Self-Report Template
Exhibit A-7	Safety Performance Outcome Summary
Exhibit A-8	Permanency Performance Outcome Summary
Exhibit A-9	Access to Effective and Caring Services/Well-Being Performance Outcome Summary
Exhibit A-10	STRTP Discharge Summary
Exhibit A-11	Provider Needs and Service Plan
Exhibit A-12	Intentionally Left Blank
Exhibit A-13	STRTP Plan of Operation and Program Statement
Exhibit A-14	STRTP Facility License(s)
Exhibit A-15	STRTP Rate Letter
Exhibit A-16	Transfer of Medication Form
Exhibit B	Line Item Budget
Exhibit C	Office of Management and Budget (OMB) Title 2 Code of Federal Regulations (CFR) Chapter I, Chapter II, Part 200 et. al and 2 CFR 1.100, Title 2, Part 1
Exhibit C-1	Department of Auditor-Controller Contract Accounting and Administration Handbook
Exhibit C-2	Auditor-Controller/Department of Children and Family Services/Probation Department Fiscal Audit Phases, Fiscal Audits of Foster Care Services Contractors
Exhibit C-3	Short-Term Residential Therapeutic Program Cost Report (Form SR 3)
Exhibit C-4	Semi-Annual Expenditure Reports: Payroll and Fringe Benefit Report (Form SR 4) and Federal Revenue Certification (Form SR 9)
Exhibit D	Contractor Acknowledgment and Confidentiality Agreement
Exhibit D-1	Contractor Employee Acknowledgment and Confidentiality Agreement
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Exhibit D-3	Confidentiality of Criminal Offender Record Information
Exhibit E	Statement of Dangerous Behaviors and California Department of Social Services Child Welfare Services Manual Section 31-405

Exhibit F	IRS Notice 1015 - Notice to Employees Regarding Federal Earned Income Credit
Exhibit G	Payment Resolution Notification
Exhibit H	Overpayment Policy
Exhibit I	Contractor's Certification of Compliance with Child, Spousal and Family Support Orders
Exhibit J	Contractor's Certification of Compliance with all Federal and State Employment Reporting Requirements
Exhibit K	Contractor's Equal Employment Opportunity Certification
Exhibit L	Charitable Contributions Certification
Exhibit M	Certification of Compliance with the County's Defaulted Property Tax Reduction Program
Exhibit N	Contract Investigation/Monitoring/Audit Remedies and Procedures
Exhibit O	Federal Debarment and Suspension Certification Form
Exhibit P	Contractor's Compliance with Encryption Requirements Form
Exhibit Q	Zero Tolerance Human Trafficking Policy Certification Form
Exhibit R	Contractor's Certification of Compliance with Background and Security Investigations
Exhibit S	Safely Surrendered Baby Law
Exhibit T	County of Los Angeles Contractor Employee Jury Service Program Certification Form
Exhibit U	County's Administration Form
Exhibit V	Contractor's Administration Form
Exhibit W	Sample Report on Outside Employment Activities
Exhibit W-1	Sample Report on Conflict of Interest
Exhibit X	Discharge Outcome and Placement Stability Report
Exhibit Y	Target Demographics with Corresponding Rate Classification Levels

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AND THE PROBATION DEPARTMENT
FOSTER CARE PLACEMENT SERVICES MASTER CONTRACT FOR
SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAM**

This is the Short-Term Residential Therapeutic Program Master Contract for Foster Care Placement Services (hereinafter referred to as "Contract").

This Contract is made and entered into this ____ day of _____, 2019 by and between

County of Los Angeles
hereinafter referred to as "COUNTY"

and

Contractor
hereinafter referred to as "CONTRACTOR"

RECITALS

WHEREAS, pursuant to Government Code Sections 26227, 31000, and 53703, COUNTY is permitted to Contract for services; and

WHEREAS, COUNTY desires and has the duty to provide care and protection for children placed in its charge pursuant to the provisions of the Welfare and Institutions Code (WIC) Section 16500 et seq; and

WHEREAS, existing COUNTY facilities do not have the capacity or the specialized programs to provide the care and protection for all children in its charge; and

WHEREAS, COUNTY finds it impractical to develop and maintain facilities to care for all of the children in its charge; and

WHEREAS, COUNTY has determined that the services to be provided under this Contract are economically advantageous to COUNTY and to provide a safe, secure, and nurturing living environment in which the children can develop physically, emotionally, socially, educationally, spiritually, and culturally; and

WHEREAS, pursuant to the provisions of WIC Section 11460, the California Department of Social Services (CDSS) is designated to administer a state system for establishing rates in the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under the Catalog for Federal Domestic Assistance Number 93.658; and

WHEREAS, CONTRACTOR warrants that it possesses the competence, expertise, and personnel necessary to provide such services, and understands for purposes of this contract considers itself a sub-recipient insofar as compliance with Office of Management and Budget (OMB) 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto do agree as follows:

PART I: UNIQUE TERMS AND CONDITIONS

1.0 APPLICABLE DOCUMENTS

1.1 This Contract and the Exhibits hereto, constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous Contracts, written or oral, and all other communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Part II, Section 5.0, “Changes and Amendments”, and signed by both parties.

1.2 Exhibits A through A16, B, C through C-3, D through D-3, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, W-1, and X set forth below, are attached to and incorporated by reference in this Contract.

1.3 The headings, page numbers, sections, and sub-section numbers contained in this Contract are for convenience and reference only and are not intended to define the scope of any provision herein.

1.4 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, service, schedule, contents, or description of any task, deliverable, product, service, or other work between this Contract, the Statement of Work, and the Exhibits, or among the Exhibits, said conflict or inconsistency shall be resolved by giving precedence first to the Contract, the Statement of Work, and then to the Exhibits according to the following priority:

Exhibit A	Statement of Work (STRTP)
Exhibit A-1	STRTP Reference Links
Exhibit A-2	STRTP Service Delivery Sites
Exhibit A-3	Criminal Record Exemption Notification
Exhibit A-4	Notification of Subsequent Arrest, Conviction, Probation, or Parole Violation
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Exhibit A-14	STRTP Facility License(s)
Exhibit A-15	STRTP Rate Letter
Exhibit A-16	Transfer of Medication Form
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Exhibit W-1	Sample Report on Conflict of Interest
Exhibit X	Discharge Outcome and Placement Stability Report
Exhibit Y	Target Demographics with Corresponding Rate Classification Levels

2.0 DEFINITIONS

The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:

- 2.1 “Aid to Families with Dependent Children-Foster Care (AFDC-FC)” – means foster care financial assistance paid on behalf of children in out-of-home placement who meet the eligibility requirements specified in applicable state and federal regulations and laws. The program is administered by Department of Children and Family Services (DCFS).
- 2.2 “Allowable Costs” – means that reported costs shall be allowable and reasonable as defined in federal statutes and regulations including 45 CFR Part 74, 45 CFR Part 1356, and in California CDSS Manual of Policies and Procedures Section 11-402.8.
- 2.3 “Case Plan” – means a written document based on an assessment of the circumstances, which required child welfare services intervention. It is developed by the Children’s Social Worker (CSW) or Deputy Probation Officer in partnership with the parent/guardian (whenever possible) and designed to reduce or eliminate the risk factor(s) which precipitated the referral to DCFS or Probation Department (Probation). It identifies a Case Plan goal (the desired outcome), objectives (the desired outcome of the successful completion of specified tasks), tasks/activities (for which a participant is accountable and the completion of which moves toward achievement of a specified Case Plan objective), the specific services to be provided and time frames for completion of the objectives and goals. Case Plan goals include: Family Maintenance, Family Preservation, Reunification, and Permanency Planning (Adoption, Legal Guardianship and Long-Term Foster Care).
- 2.4 “Child” or “Children” - means any child, children or youth placed by COUNTY receiving Services from CONTRACTOR pursuant to this Contract, including non-minor dependents.
- 2.5 “Child and Family Team” or “CFT” – means a group of individuals who are convened by the placing agency and who are engaged through a variety of team-based processes to identify the strengths and needs of the child or youth and his or her family, and to help achieve positive outcomes for safety, permanency, and well-being.

- 2.6 “Children’s Social Worker” or “CSW” – means an employee of DCFS who performs a wide range of professional casework services for children and families receiving services from Department of Children and Family Services.
- 2.7 “Community” – means the area/zip code where the Placed Child and his/her family were living at the time the child was taken into custody or where the Placed Child's family is living when the child is placed.
- 2.8 “Community Care Licensing Division” or “CCLD” – means the Division of the California Department of Social Services that licenses community care facilities including Short-Term Residential Therapeutic Program. They also monitor compliance with Title 22 regulations.
- 2.9 “Contract” – means an agreement executed between COUNTY and CONTRACTOR. It sets forth the terms and conditions for the issuance and performance of Exhibit A, Statement of Work.
- 2.10 “CONTRACTOR” – means the sole proprietor, partnership, or corporation that has entered into a contract with the COUNTY to perform or execute the work covered by Exhibit A, Statement of Work.
- 2.11 “Core Practice Model” – means a process that is family centered, solution focused, trauma responsive, strength-based, team driven, and improves outcomes for children and families prioritizes child safety by enabling stronger teamwork with children and families, grounded in strong community support through Engagement, Teaming, Assessment and Understanding, and Tracking and Adapting.
- 2.12 “Core Services and Supports” – means services made available to children either directly or secured through formal agreements with other agencies, which are trauma-informed and culturally relevant which includes: Specialty Mental Health Services; Transition Services; Education, Physical, Behavioral, Mental Health, and Extracurricular supports; Transition to Adulthood Services; Permanency Support Services; and Indian Child Services.
- 2.13 “Corrective Action Plan” or “CAP” – means a document that serves as CONTRACTOR’s commitment to remedy deficiencies in response to findings uncovered in investigations, as further described in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan, Sub-section 16.1 and Exhibit N, Department of Children and Family Services/Probation Short-Term Residential Therapeutic Program Contract Investigation/Monitoring/Audit Remedies and Procedures.
- 2.14 “COUNTY” – means the Department of Children and Family Services and/or the Probation Department on behalf of the County of Los Angeles and its Board of Supervisors.

- 2.15 “County Program Director” – means COUNTY representative at the Division Chief level responsible for oversight of the contracted program.
- 2.16 “COUNTY’s Program Manager” or “CPM” – means COUNTY representative responsible for daily management of contracted program operation and administering this Contract, consulting on policy, providing technical assistance and overall coordination and implementation of this Contract between the CONTRACTOR and COUNTY. (see Exhibit U, County’s Administration Form)
- 2.17 “County Contract Program Monitor” – means COUNTY representative responsible for the oversight of monitoring activities, compliance with the requirements of the Contract, and the delivery of services.
- 2.18 “COUNTY Worker” – means for a DCFS-Placed Child, COUNTY Worker is a Children’s Social Worker (CSW); for a Probation-Placed Child, COUNTY Worker is a Deputy Probation Officer; and for Department of Mental Health COUNTY, Worker is a professional.
- 2.19 “Day” or “Days” – means whether singular or plural, whether with initial letter capitalized or not, shall mean calendar days, and not business or workday, unless otherwise specifically stated.
- 2.20 “Day Rehabilitation Program” – programs funded by the Department of Mental Health that operate Short-Term Residential Therapeutic Program. These programs provide an organized and structured mental health treatment program to assist a distinct group of children/adolescents with serious emotional disturbance. The programs focus on addressing delayed personal growth and development. Services are intended to maintain individuals in their settings, consistent with their requirements for learning, development, and enhanced self-sufficiency.
- 2.21 “DCFS” - means COUNTY’s Department of Children and Family Services.
- 2.22 “Department of Mental Health” – The County of Los Angeles Department of Mental Health that, through its Children’s System of Care, provides services for emotionally disturbed children including those in Short-Term Residential Therapeutic Program. These services include:
- 2.22.1 Certification of the mental health services component for any proposed Short Term Residential Therapeutic Program prior to the Foster Care Funding and Rates Bureau establishing these rate levels;
 - 2.22.2 Support for the development of Day Rehabilitation Programs in Short-Term Residential Therapeutic Program;
 - 2.22.3 Support for the development of Day Treatment Programs in Short-Term Residential Therapeutic Program; and

2.22.4 Providing Therapeutic Behavioral Services in Short-Term Residential Therapeutic Program.

- 2.23 “Dependent Children” – a child who is within the jurisdiction of the Juvenile Court under Welfare and Institutions Code, Sections 300(a), (b), (c), (d), (e), (f), (g), (h), (i), and (j). DCFS supervises Dependent Children.
- 2.24 “Deputy Probation Officer” or “DPO” - an employee of the Probation Department who provides direct supervision of youth on formal probation.
- 2.25 “Developmental Disability” – a disability which originates before an individual attains age 18, continues, or can be expected to continue indefinitely, and constitutes a substantial disability for that individual. This term shall include mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature (WIC Section 4512(a)).
- 2.26 “Director” - means COUNTY’s Director of Children and Family Services or his or her authorized designee.
- 2.27 “Do Not Refer Status” or “DNR Status” – means all new referrals to CONTRACTOR are suspended, as further discussed in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan, Sub-section 16.3, Do Not Refer Status and Exhibit N, DCFS/Probation Short-Term Residential Therapeutic Program Contract Investigation/Monitoring/Audit Remedies and Procedures.
- 2.28 “Do Not Use Status” or “DNU Status” – means all new referrals to CONTRACTOR are suspended, and all Placed Children are removed from CONTRACTOR’s facility(ies), as further discussed in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan, Sub-section 16.4, Do Not Use Status and Exhibit N, DCFS/Probation Short-Term Residential Therapeutic Program Contract Investigation/Monitoring/Audit Remedies and Procedures.
- 2.29 “Emancipation” – means successful passage of foster youth to adulthood, including becoming a responsible and contributing member of the Community.
- 2.30 “Emancipation Planning” – means services designed to enable Placed Children age 14 years or older to successfully develop competencies in areas that will enhance their passage to adulthood once jurisdiction of case status has terminated.

- 2.31 "Excess Payment" or "Payment Error" - refers to any payment that is not an "Overpayment" as defined in this section, but which the CONTRACTOR received, but was not entitled to, and therefore, the CONTRACTOR must return it to the COUNTY.
- 2.32 "Expended Funds" or "Expended" or "Expenditures" – means AFDC-FC funds, received through this Contract that are subsequently spent by CONTRACTOR for the care and Services of Placed Children. Expended funds must be reasonable and allowable in accordance with Part I, Section 25.0 Use of Funds, Sub-section 25.3 of this Contract.
- 2.33 "Federal Tax Exempt Status" – means the status of organization or agency that is exempt from Federal income tax under Section 501-(c)-(3) of the Internal Revenue Code.
- 2.34 "Fiscal Year(s)" - means the twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.35 "Foster Care Funding and Rates Bureau" – means the Division of the California Department of Social Services that establishes Aid to Families with Dependent Children-Foster Care rates for Short-Term Residential Therapeutic Program.
- 2.36 "Foster Care Payment Hotline" – means a telephone number that CONTRACTOR may call under circumstances described in this Contract (i.e., within 24 hours of child leaving the Short-Term Residential Therapeutic Program) or may call to request payment or Medi-Cal information. The Foster Care Payment Hotline Number is (800) 697-4444.
- 2.37 "Hold Status" – means a temporary suspension of referrals of children to CONTRACTOR by placing CONTRACTOR on Hold Status for up to a 45-Day period at any time during investigations, as further defined in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan, Sub-section 16.2 of this Contract and Exhibit N, DCFS/Probation Short-Term Residential Therapeutic Program Contract Investigation/Monitoring/Audit Remedies and Procedures.
- 2.38 "Independent Living Program" or "ILP" – means the program authorized under 42 U.S.C. 677 of the Social Security Act for services and activities to assist/prepare Placed Children age 14 or older to make the transition from out-of-home care to independent living. Youths receiving family reunification and permanent placement services, and those in out-of-home care are eligible. Youths receiving emergency response and family maintenance services and those in psychiatric hospitals are not eligible for the program. DCFS and Probation may also provide ILP services to former foster youths up to age 21. ILP is a major component of Emancipation Planning.

- 2.39 "Interagency Placement Committee" – means a committee established by the COUNTY, with a membership that includes at least the COUNTY placement agency and a licensed mental health professional from the Department of Mental Health pursuant to Section 4096(c) of the Welfare and Institutions Code.
- 2.40 "Manual of Policies and Procedures" – refers to the manual promulgated by the California Department of Social Services.
- 2.41 "Needs and Services Plan" – means a comprehensive, individualized, time-limited, goal oriented plan, developed by CONTRACTOR identifying the specific needs of an individual Placed Child, including, but not limited to, those items specified in Title 22, Division 6, Chapter 5, Section 84068.2, that delineates those Services necessary in order to meet the Placed Child's identified needs.
- 2.42 "Overpayment" – AFDC-FC Overpayments are those payments defined and governed by the State Manual of Policies and Procedures 45-304.1.11 as follows: "any amount of aid paid which a foster care provider received on behalf of a child to which the provider was not entitled or an expenditure made by a Foster Family Agency provider not in conformity with Section 11-404. Amounts a provider is not entitled to also includes amounts paid where the provider did not care for the child for the period of time the child was no longer in the home and may include a temporary absence. AFDC-FC Overpayments are governed by MPP 11-425, 22-001, 22-003, 22-009, and 45-302 through 45-306, and 11-404 inclusive."
- 2.43 "Placed Child" or "Placed Children" – means any child or children placed by COUNTY receiving Services from CONTRACTOR pursuant to this Contract.
- 2.44 "Pool Rate" – means the rate of interest to be charged as determined by COUNTY's Auditor-Controller.
- 2.45 "Probation" – means the COUNTY's Probation Department.
- 2.46 "Probation Children" – a Child who is a ward of the Delinquency Juvenile Court under Welfare and Institutions Code, Section 601(a) or (b) or Section 602(a) or (b). Probation supervises Probation Children.
- 2.47 "Program" - means the work to be performed by CONTRACTOR as defined in Exhibit A, Statement of Work.
- 2.48 "Plan of Operation and Program Statement" – means a comprehensive description of the STRTP's program in effect during the term of this Contract.
- 2.49 "Real Property" – means land and anything growing on, attached to, or erected on it.

- 2.50 “Seriously Emotionally Disturbed” – defined by Welfare and Institutions Code, Section 5600.3(a)(2) as a child who has a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of mental disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child’s age according to expected developmental norms. Members of this target demographic shall meet one or more of the following criteria:
- 2.50.1 As a result of the mental disorder, the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the Community, and either of the following occur:
- 2.50.1.1 The child is at risk of removal from home or has already been removed from the home; or
- 2.50.1.2 The mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment.
- 2.50.2 The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a mental disorder; and
- 2.50.3 The child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code.
- 2.51 “Severely Emotionally Disturbed/Severe Emotional Disorder” – refers to a complex of emotional and behavioral problems that are slightly less profound in either degree or extent than the “Seriously Emotionally Disturbed”.
- 2.52 “Service(s)”- means CONTRACTOR’s obligations under the Contract, including but not limited to the basic needs CONTRACTOR agrees to meet for each Placed Child as outlined in this Contract, the Statement of Work, the California Department of Social Services Regulations, and CONTRACTOR's Plan of Operation and Program Statement.
- 2.53 “Short-Term Residential Therapeutic Program” or “STRTP” – A residential facility that provides an integrated program of specialized and intensive care and supervision, services and supports, treatment, and short-term 24-hour care and supervision to children.
- 2.54 “State” – means the State of California.
- 2.55 “Subcontract” – means a contract by which a third party agrees to provide services or materials necessary to fulfill an original contract.

- 2.56 “Subcontractor” – means an organization or individual that enters into a contract with CONTRACTOR to provide specific program Services. Such individuals are not considered employees of CONTRACTOR or COUNTY. In foster care, a Subcontractor usually provides hourly or fixed fee Services based on the number of Placed Children in the program.
- 2.57 “Therapeutic Behavioral Services” or “TBS” – services provided in some STRTPs through the Department of Mental Health to provide temporary support for an individual child who may be experiencing a life crisis, when a life crisis is imminent, or who requires additional support to transition from a higher to lower level of care or to prevent movement to a higher level of care. TBS services are funded by Medi-Cal under the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Program.
- 2.58 “Title 22” – means the California Code of Regulations for community care facilities including STRTPs.
- 2.59 “Un-Expended Funds” or “un-Expended” – means AFDC-FC funds, received through this Contract, which are retained and not spent by CONTRACTOR. (See Part I, Section 25.0, Use of Funds, Sub-section 25.6 of this Contract.)
- 2.60 “Youth Development Services” - includes but is not limited to: plans for emancipating youth, vocational training, work experience, and educational opportunities.

3.0 TERM

- 3.1 The term of this Contract shall be ___ months, commencing after execution by the Director of DCFS and the Probation’s Chief Probation Officer, through June 30, 2020 unless terminated earlier or extended, in whole or in part, as provided in this Contract.
- 3.2 The COUNTY shall have the sole option to extend the Contract term for up to four (4) additional 12-month periods for a maximum total Contract term of five (5) years. Each such option and extension shall be exercised at the discretion of the Director of DCFS and the Chief Probation Officer; and extended by the Director of DCFS, by written notice to the CONTRACTOR thirty (30) days prior to the expiration of the Contract term, provided that approval of County Counsel is obtained prior to any such extension.
- 3.3 The term of this Contract may also be extended by the Director of DCFS by written notice to the CONTRACTOR thirty (30) days prior to the expiration of the Contract term, after County Counsel approval, for a period not to exceed six (6) months beyond the expiration of the then current Contract term, if such additional time is necessary to complete the negotiation or solicitation of a new Contract.

4.0 PAYMENT RATE

- 4.1 COUNTY and CONTRACTOR agree that payments referenced in this Contract are based on rates established by CDSS Foster Care Funding and Rates Bureau. During the term of this Contract, COUNTY shall compensate CONTRACTOR for the Services set forth in this Contract and in the Statement of Work (SOW) (Exhibit A), for each Placed Child at the STRTP as further described in Part I, Section 7.0, Invoices and Payments.
- 4.2 CONTRACTOR shall submit to COUNTY a current budget (within fifteen (15) Days of request by COUNTY) for the work to be performed under this Contract (Exhibit B, Line Item Budget). The line items shall provide sufficient detail to determine the Services to be delivered. Projected expenses in CONTRACTOR's budget shall be periodically adjusted based on actual population and associated revenues. CONTRACTOR represents and warrants that the budget is true and correct in all respects, based upon information and belief available to CONTRACTOR at the time, and Services shall be delivered hereunder in accordance with the budget. If there is a shift in any line item budget category which exceeds fifteen percent (15%) of the amount budgeted for that category, CONTRACTOR shall notify COUNTY of such change. COUNTY reserves the right to reject any budget changes submitted by CONTRACTOR.

5.0 GENERAL INSURANCE REQUIREMENTS

Without limiting CONTRACTOR's and COUNTY's indemnification, and during the term of this Contract, CONTRACTOR shall provide and maintain, and shall require all of its Subcontractors (except as noted in Sub-section 6.1) to maintain, the following programs of insurance specified in this Contract, including those insurance coverage requirements listed in Section 6.0. Such insurance shall be primary to any other insurance or self-insurance programs maintained by COUNTY, with respect to liability resulting from or connected to CONTRACTOR's acts or omissions, and such coverage shall be provided and maintained at CONTRACTOR's own expense.

- 5.1 Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to COUNTY shall be delivered to:

County of Los Angeles
Department of Children and Family Services
Attention: Contracts Administration Division
425 Shatto Place, Room 400
Los Angeles, CA 90020

Prior to commencing Services under this Contract, such certificates or other evidence shall:

- 5.1.1 Specifically identify this Contract.

- 5.1.2 Clearly evidence all coverages required in this Contract.
- 5.1.3 Contain a provision that COUNTY shall receive written notice of cancellation or any change in required insurance including insurer, limits of coverage, and term of coverage or policy period. The written notice shall be provided to COUNTY at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance 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 COUNTY may suspend or terminate this Contract.
- 5.1.4 Include copies of the additional insured endorsement to the CONTRACTOR's general liability, professional liability, and Sexual misconduct liability policies, adding the County, its Special Districts, elected and appointed officers, employees, agents and volunteers as insured for all activities arising from this Contract.
- 5.1.5 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 shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to affect such waiver.
- .
- 5.2 Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to COUNTY with an A.M. Best rating of not less than A:VII, unless otherwise approved by COUNTY. Such approval will not be unreasonably withheld.
- 5.3 Failure to Maintain Insurance: CONTRACTOR's failure to maintain or to provide acceptable evidence that it maintains the required insurance shall constitute a material breach of the Contract, upon which COUNTY immediately may withhold payments due to CONTRACTOR, and/or suspend or terminate this Contract. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, the COUNTY may, upon notice to CONTRACTOR, purchase the required insurance, and deduct the premium cost from sums due to CONTRACTOR or pursue CONTRACTOR reimbursement.
- 5.4 Notification of Incidents, Claims or Suits: CONTRACTOR shall report to COUNTY:

- 5.4.1 Any accident or incident relating to Services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY. Such report shall be made in writing within 24 hours of occurrence.
- 5.4.2 Any third party claim or lawsuit filed against CONTRACTOR arising from or related to Services performed by CONTRACTOR under this Contract.
- 5.4.3 Any injury to a CONTRACTOR employee, which occurs on COUNTY property. This report shall be submitted on a COUNTY “Non-Employee Injury Report” to COUNTY Program Manager.
- 5.4.4 Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of COUNTY property, monies, or securities entrusted to CONTRACTOR under the terms of this Contract.
- 5.5 Compensation for COUNTY costs: In the event that CONTRACTOR fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to COUNTY, CONTRACTOR shall pay full compensation for all costs incurred by COUNTY.
- 5.6 Insurance Coverage Requirements for Subcontractors: CONTRACTOR shall ensure any and all Subcontractors performing Services under this Contract, consistent with Sub-section 6.1, meet the insurance requirements of this Contract by either:
 - 5.6.1 CONTRACTOR providing evidence of insurance covering the activities of Subcontractors, or
 - 5.6.2 CONTRACTOR providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. COUNTY retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

6.0 INSURANCE COVERAGE REQUIREMENTS

6.1 General Liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits equal to the maximum allowed under contractor's policy, or the following, whichever is greater:

General Aggregate (if CONTRACTOR’s facility has a total licensed capacity of seven or more beds):	\$2 million
General Aggregate (if CONTRACTOR’s facility has a total licensed capacity of six or less beds):	\$1 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

Note: General Aggregate limits for Subcontractors shall not be less than \$1 million.

- 6.2 Automobile Liability insurance (written on ISO policy form CA 00 01 or its equivalent) with a limit of liability of not less than one million dollars (\$1,000,000) for each accident. Such insurance shall include coverage for all “owned,” “hired”, and “non-owned” vehicles, or coverage for “any auto,” and include a deductible no greater than \$1,000 in accordance with County Code (Section 2.38.060).
- 6.3 Workers’ Compensation and Employer’s Liability insurance providing workers’ compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which CONTRACTOR is responsible.

In all cases, the above insurance also shall include Employers’ Liability coverage with limits of not less than the following:

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

- 6.4 Professional Liability: Insurance covering CONTRACTOR’s liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement’s expiration, termination or cancellation.
- 6.5 For STRTPs on County owned Property, the following additional coverage is required: Property Coverage: Such insurance shall be endorsed naming the COUNTY of Los Angeles as loss payee, provide deductibles of no greater than 5% of the property value.
- 6.6 Sexual Misconduct Liability: Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than \$2 million per claim and \$2 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 sexual nature.

7.0 INVOICES AND PAYMENTS

- 7.1 The CONTRACTOR shall maintain Foster Care Funding and Rates Bureau STRTP authorization for payment with AFDC-FC funds throughout the term of the Contract. A copy of the current rate letter shall be included as Exhibit A-15 in this Contract. COUNTY shall pay CONTRACTOR for each Placed Child the monthly STRTP Rates established by the CDSS, Foster Care Funding and Rates Bureau.

- 7.2 CONTRACTOR shall complete and submit vouchers in arrears, for Services rendered in the previous month. All vouchers shall be received within five (5) Days of the last day of the previous month. COUNTY requires CONTRACTOR to provide a voucher as a condition of payment pursuant to Manual of Policies and Procedures 45-303.1 through 45-303.5. Failure to provide the voucher by the deadline set forth in the voucher statement, along with any information required, may result in delay of payment no later than fifteen (15) Days after the voucher information is submitted to COUNTY by CONTRACTOR. Failure to provide the required information may result in COUNTY not making payment.

Vouchers for DCFS shall be sent to:

County of Los Angeles
Department of Children and Family Services
Attention: Revenue Enhancement Division
Vendor Voucher Validation Unit
P.O. Box 368
Glendora, CA 91740-0368

- 7.3 Placements lasting less than a full month shall be prorated. Payment shall commence the day the child is placed with CONTRACTOR and terminate the day before the Placed Child is removed. When CONTRACTOR agrees to hold a bed open for a Placed Child, CONTRACTOR shall document the CSW's agreement to pay for the open bed in the Placed Child's record and shall request **an email** confirmation from the County Worker. COUNTY will not pay for an open bed for a period in excess of seven (7) Days.

Should CONTRACTOR, after having a Placed Child admitted to a psychiatric or medical hospital, unilaterally decide not to take the Placed Child back, all foster payments made to CONTRACTOR to keep the space available for that Placed Child shall be returned immediately to COUNTY by CONTRACTOR, unless otherwise agreed to by COUNTY and CONTRACTOR in writing.

- 7.4 COUNTY shall mail to CONTRACTOR the amount due by the 15th of the month following the month Services were provided, except retroactive, partial, and supplemental payments to CONTRACTOR, which shall be paid through the supplemental payment system. COUNTY has the right to delay payment or not make payment, per MPP 45-303.2 through 45.303.5, inclusive, and condition CONTRACTOR'S payments on timely return of a voucher and the provision of requested information, by a date certain. Requested information can include, but not be limited to, reports that the child received care for the full month, date the child left placement, reason the child left placement and/or the number of days in the month the provider cared for the child. Delay in providing this information as set forth in Part I, Sub-section 7.2, may result in delay of

payment, not to exceed fifteen (15) Days from the date after the information is submitted to COUNTY, including relevant verifications, upon COUNTY request. The failure to provide required confirmation may result in COUNTY not making payment.

Questions regarding payment should be directed to the Foster Care Hotline at (800) 697-4444.

- 7.5 CONTRACTOR shall notify COUNTY, within thirty (30) Days of the receipt of any payment that is incorrect. Notification must be made by completing the Payment Resolution Notification Form (COV 71) (Exhibit G) and emailing it to cov71@dcfs.lacounty.gov. Interest charges may be assessed from the 30th Day following identification and written confirmation by the COUNTY of the incorrect payment, at a rate equal to COUNTY's current Pool Rate, as determined by COUNTY's Auditor-Controller, per day on the delinquent amount due. Interest charges shall be paid by CONTRACTOR upon demand. Interest charges pertaining to notification of incorrect specified payments, which are defined as Overpayments will be governed by MPP 45-305.3.33 and 45-306 inclusive. Interest on defined Overpayments shall be collected and interest assessed as set forth in MPP 45-305.3.34 and MPP 11-402.66 inclusive, and any other related State regulations pertaining to the application of interest for Overpayments.

(Business Information Systems Division (BIS) is currently in the process of modifying The Foster Care Search System (FCSS) to allow Foster Care Services Contractors and non-contracted Foster Care Providers (FFA, STRTP, and ISFC-FFA) to submit their Foster Care payment discrepancies online.)

- 7.6 COUNTY will resolve payment discrepancies within thirty (30) Days of receipt of the Payment Resolution Notification Form. COUNTY will provide CONTRACTOR with written notice of payment resolutions. CONTRACTOR will be required to repay any excess funds. COUNTY shall make every effort to pay CONTRACTOR any underpayment within thirty (30) Days of written notice of payment resolution to CONTRACTOR.
- 7.7 If COUNTY identifies an Overpayment, governed by MPP 45-304 through 45-306 and 11-404, inclusive, COUNTY will comply with MPP 45-304.1.122 and 126. COUNTY will provide CONTRACTOR with State Form Notice of Action 1261 as required by MPP 45-305.1 and a voluntary repayment agreement for the overpaid amount identified by CONTRACTOR. The repayment agreement will be in compliance with MPP 45-305.2.231 (a) – (d).
- 7.8 In addition to the requirements in Exhibit A, SOW, Part C, Section 15.0 Core Services and Supports, Sub-section 15.2.1 Prior Authorization for Movement of Children, CONTRACTOR shall notify DCFS Foster Care Hotline at (800) 697-4444 within 24 hours whenever a Placed Child is moved from one site/home to another or a child leaves the CONTRACTOR's program.

7.9 Excess Payments

7.9.1 In the event that COUNTY identifies an excess payment made to CONTRACTOR, including but not limited to, excess payments for clothing allowance, and/or any other excess funds issued by COUNTY on behalf of Placed Children during the term or within five (5) years after expiration of this Contract or Contract extension, COUNTY will notify CONTRACTOR of such in writing. Upon receipt of such notice, CONTRACTOR and COUNTY shall attempt to resolve the discrepancy within thirty (30) Days. Within thirty (30) Days after the date of receipt of such notice, CONTRACTOR shall return the excess payment to COUNTY, execute a Contract to pay within another mutually agreed upon time frame, or register a notice of dispute with accompanying documentation to:

County of Los Angeles
Department of Children and Family Services
Contracts Administration Division
Compliance Section - Fiscal
Attn.: Financial Specialist IV - Insert Name of Contractor
3530 Wilshire Boulevard, 5th Floor
Los Angeles, CA 90010

7.9.2 In the event CONTRACTOR identifies an excess payment made by COUNTY, CONTRACTOR will notify COUNTY and, upon written confirmation by COUNTY of excess payment amount, CONTRACTOR will return all excess payments within thirty (30) Days to the address above (Exhibit H, Overpayment Policy).

7.9.3 In the event CONTRACTOR does not return payment, or enter into an agreement for payment on a mutually agreed upon time-frame within thirty (30) Days of resolution of payment discrepancy or register a dispute within thirty (30) Days of overpayment notice, COUNTY may place CONTRACTOR on Do Not Refer Status pursuant to Part I, Section 16.0, Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan.

7.9.4 If CONTRACTOR registers a notice of dispute pursuant to this Section, Sub-section 7.9, the Division Chief will evaluate the adequacy of the CONTRACTOR's written response. Within twenty-five (25) calendar days of DCFS' receipt of CONTRACTOR's written response, DCFS will provide CONTRACTOR with DCFS' written response, which sets forth the required DCFS CAP. Should CONTRACTOR disagree with the contents of the CAP, CONTRACTOR shall submit a response to the DCFS CAP within fifteen (15) business days to DCFS Fiscal Monitoring Section. DCFS will review the CONTRACTOR's response to the DCFS

CAP and issue a final required DCFS CAP within five (5) calendar days. Should CONTRACTOR not comply with the Corrective Action Plan, DCFS may, in its sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use Status.

7.9.5 Except as limited in Part I, Section 7.0 - Invoices and Payments, Subsections 7.9.4, 7.10, and 20.8, CONTRACTOR may appeal the final decision pursuant to Part I, Section 20.0 Dispute Resolution Procedures.

7.10 Overpayments

7.10.1 In the event that COUNTY or CONTRACTOR discovers a payment made to CONTRACTOR which can be defined as an Overpayment, including but not limited to:

7.10.1.1 Vouchers setting forth dates a child was not in placement but, for which CONTRACTOR was paid during the term or discovered within five (5) years after expiration of the contract or contract extension, COUNTY, after review of MPP 45-304.1.126 and 45-304.4, will issue CONTRACTOR a written State Form Notice of Action 1261 on collectible amount.

7.10.1.2 Thereafter, CONTRACTOR and COUNTY shall attempt to resolve the Overpayment prior to any informal or formal action taken by CONTRACTOR. If resolved voluntarily in favor of COUNTY, CONTRACTOR's voluntary agreement to repay shall be in compliance with MPP 45-305.2.21 through 45-305.23.231 (a)-(b).

7.10.1.3 If not resolved voluntarily, COUNTY may institute involuntary collection remedies pursuant to MPP 45-305.3 and Overpayment recoupment actions required by MPP 45-304.3.

7.10.1.4 CONTRACTOR may request an informal hearing, a State fair hearing, or both, as provided pursuant to MPP 45-306.1 through .3, inclusive.

7.10.1.5 CONTRACTOR shall have thirty (30) Days from the date COUNTY mails the State Form Notice of Action 1261 to request the informal hearing. If the informal hearing is requested, COUNTY will conduct an informal hearing in accordance with the procedures set forth in MPP 45-306.1 through .2, inclusive.

- 7.10.1.6 CONTRACTOR, if forgoing an informal hearing, must request the State Fair hearing within ninety (90) Days from the date COUNTY mailed the State Form Notice of Action 1261.
- 7.10.1.7 If CONTRACTOR has requested an informal hearing and desires a State Fair Hearing, CONTRACTOR must request the State Fair Hearing within ninety (90) Days of the date that a written decision letter for the informal hearing is mailed that CONTRACTOR withdraws their request for an informal hearing, or that CONTRACTOR does not appear at the informal hearing, whichever is earlier.
- 7.10.1.8 Once due process has expired or administrative remedies are exhausted in favor of COUNTY, COUNTY may seek additional recourse for collection in compliance with MPP 45-304 through 45-306, inclusive, including interest and other remedies as set forth in the CONTRACT, by and between COUNTY and CONTRACTOR.
- 7.10.2 In the event CONTRACTOR does not return an Overpayment, governed by MPP 45-304 through 45-306 either under the terms of a voluntary agreement pursuant to MPP 45-305.2.23 -45-305.2.24 or 45-304.124 or under the terms of an involuntary repayment agreement after exhaustion of due process pursuant to MPP 45-304 through 45-306 and 11-402.66, inclusive, in favor of the COUNTY, COUNTY may place a DNR/DNU/HOLD under Section 17.0 Hold Status, Do Not Refer Status, Do Not Use Status, Corrective Action Plan. County shall provide a written notice of its intention to place CONTRACTOR on a Do Not Refer Status at least 15 days in advance.
- 7.10.3 In matters involving overpayments, governed by MPP 45-304 through 45-306 and if the amount is determined collectible, CONTRACTOR will have thirty (30) days from the date of COUNTY'S mailing of a State Form Notice of Action 1261, to request an informal hearing. The informal hearing process, if elected by CONTRACTOR, will be compliant with hearing procedures set forth in MPP 45-306.1 through 45-306.3. CONTRACTOR may, at its election, forgo an informal hearing and request a State Fair hearing within ninety (90) days from the date of COUNTY'S mailing of State Form Notice of Action 1261.
- 7.10.4 CONTRACTOR must comply with the required time periods to request a formal or informal hearing. Contractors' failure to timely request a formal or informal hearing as set forth in MPP 45-306.1 through 45-306.3 will result in the collection by COUNTY pursuant to MPP 45-304 through 45-305 and 11-402.66.

- 7.11 For overpayments, governed by MPP 45-304 through 45-306 CONTRACTOR shall submit payment after exhaustion of due process in favor of COUNTY, and which results in identification of the Overpayment, as defined in MPP 45-304.5.52, CONTRACTOR shall submit re-payment in conformity with the priority of repayment, including lump sum repayment, voluntary repayment terms or involuntary repayment terms, as set forth in MPP 45-305.2 and 45-305.3, inclusive, including referenced directions on methods of voluntary and involuntary collection and interest collection. Further, COUNTY may employ and implement CONTRACT actions as set forth in Part I, Sections 17.0 and 21.0 of this Contract.
- 7.12 With regard to overpayments, COUNTY shall be entitled to pre-judgment interest at the highest rate permitted by governing MPP 45-305.3.331 (a) and (b), MPP 45-305.3.332, MPP 45-305.3.34, or by any other applicable law. With regard to underpayments, CONTRACTOR shall be entitled to pre-judgment interest at the highest rate permitted by law.
- 7.13 Provided that COUNTY shall remove all Placed Children on or prior to the expiration or other termination of this Contract, CONTRACTOR shall have no claim against COUNTY for payment of any money or reimbursement, of any kind whatsoever, after the expiration or other termination of this Contract. Should CONTRACTOR receive any such payment it shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for Services rendered after expiration/termination of this Contract shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Contract. Notwithstanding the foregoing, if COUNTY does not remove a Placed Child from a Certified STRTP following termination of this Contract, COUNTY will pay based upon the STRTP Rates.

8.0 BACKGROUND AND SECURITY INVESTIGATIONS

- 8.1 For the safety and welfare of the children to be served under this Contract, CONTRACTOR shall, as permitted by law, ensure that its staff, employees, independent contractors, volunteers, or subcontractors who may come in contact with children in the course of their work, undergo and pass a background investigation to the satisfaction of COUNTY as a condition of beginning and continuing to work under this Contract. Such background investigation may include, but shall not be limited to, criminal conviction information obtained through fingerprints submitted to the California Department of Justice. The fees associated with the background investigation shall be at the expense of the CONTRACTOR, regardless if the member of CONTRACTOR's staff passes or fails the backgrounds investigation.
- 8.2 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.

- 8.3 Disqualification of any member of CONTRACTOR's staff pursuant to this Sub-section shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.
- 8.4 CONTRACTOR shall immediately notify COUNTY of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent contractor, volunteer staff, or subcontractor who may come in contact with children while providing services under this Contract when such information becomes known to CONTRACTOR.
- 8.5 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare, or safety of others, including but not limited to, the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender), and those crimes listed in the Penal Code which involve murder, rape, kidnap, abduction, assault, and lewd and lascivious acts.

9.0 NOTICES

- 9.1 Unless otherwise specifically provided in this Contract, all notices to COUNTY shall be given in writing, sent by electronic or first class mail, by enclosing the same in a sealed envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices to COUNTY shall be sent by first class mail in duplicate, addressed to the following:

Department of Children and Family Services
Contracts Administration Division
425 Shatto Place, Room 400
Los Angeles, CA 90020

AND

Probation Department
Placement Permanency & Quality Assurance
Short-Term Residential Therapeutic Program
Monitoring/Investigations
11701 South Alameda Street, 2nd Floor
Lynwood, CA 90262

Unless otherwise specifically provided in this Contract, all notices to CONTRACTOR shall be given in writing, by enclosing the same in a sealed

envelope addressed to the intended party and by depositing such envelope with postage prepaid in the United States Post Office or any substation or public letterbox. All notices to CONTRACTOR shall be sent to CONTRACTOR as indicated on Exhibit V, Contractor's Administration or such other person and/or location as may hereinafter be designated in writing by CONTRACTOR.

- 9.2 All notifications from COUNTY enclosing an amendment or new or revised policy, procedure, protocol, or exhibit to this Contract shall be sent by first class and electronic mail.
- 9.3 All written notification from COUNTY regarding CAPs, Hold Status, Do Not Refer or Do Not Use Status shall be sent via first class mail or by electronic mail.

10.0 CONFIDENTIALITY

- 10.1 Pursuant to applicable WIC sections, including, but not limited to sections 5328 through 5330, 10850, and 827, all Placed Children's records are confidential. Portions of these confidential records, pertaining to the treatment or supervision of the Child, shall be shared with CONTRACTOR pursuant to the DCFS and Probation policies in effect and applicable State and federal law. The Juvenile Court has exclusive jurisdiction over juvenile records, documents, and case information as well as the responsibility to maintain their confidentiality and the confidentiality of dependent children. A child under DCFS' or Probation's supervision may not be videotaped, photographed, voice recorded, or interviewed for media, research, or other purposes, unless the Juvenile Court has issued an order permitting such access. Anyone requesting to review a Placed Child's case records, interview a Placed Child for research or media purposes, or photograph or videotape a Placed Child, must obtain written approval in accordance with Juvenile Court policy as described in Los Angeles Superior Court, Local Rules, Chapter 17, Juvenile Division, Dependency Proceedings effective May 1, 1999. CONTRACTOR agrees to maintain the confidentiality of its records and conform to existing orders of the Juvenile Court and policies promulgated by State and federal laws and COUNTY policies regarding the Placed Child's confidentiality.
- 10.2 If CONTRACTOR's staff qualify as members of a Child and Family Team, as defined in WIC Sections 830 and 18951(d), such staff may access and disclose information regarding children accordingly.
- 10.3 CONTRACTOR shall maintain the confidentiality of all records, including but not limited to, COUNTY records and client records, in accordance with all applicable federal, State and local laws, regulations, ordinances, and directives regarding confidentiality. CONTRACTOR shall inform all of its officers, employees, and agents providing Services and care hereunder of the confidentiality provisions of this Contract. All employees of CONTRACTOR who have access to confidential records and data must sign and adhere to the attached "Contractor Employee Acknowledgment and Confidentiality Agreement" (Exhibit D-1).

10.4 To the extent that CONTRACTOR, or any of its employees, affiliates or Subcontractors, is a “covered entity” under the Federal Health Insurance Portability and Accountability Act (HIPAA), CONTRACTOR and COUNTY agree that CONTRACTOR, or any of its employees, affiliates or Subcontractors, may release “protected health information,” as that term is defined by HIPAA, to DCFS, without a signed authorization, for the purpose of coordinating or managing the care of Placed Children.

10.5 Confidentiality Requirements for Probation

10.5.1 By State law (California WIC § 827 and 828, and Penal Code § 1203.05, and 1203.09 and 11140 through 11144) all juvenile records and Probation case information which is in the CONTRACTOR’s care and possession is confidential and no information relating to any adult or minor is to be in any way released to anyone except those authorized employees of the Los Angeles COUNTY Probation Department and law enforcement agencies.

10.5.2 Employees of CONTRACTOR shall be given copies of all cited code sections, and a form to sign Exhibit D-3, “Confidentiality of Criminal Offender Record Information”, regarding confidentiality of the information in the juvenile records. Copies of the form are to be sent to County Program Manager (Probation) within five (5) business days of start of employment.

11.0 COUNTY’S RESPONSIBILITY

CONTRACTOR’s covenants and responsibilities under the Contract shall not be conditional upon COUNTY’s performance of the covenants contained in this Section 11.0 except to the extent that CONTRACTOR’s ability to perform is dependent on COUNTY’s performance. COUNTY’s contractual covenants and agreements as set forth herein do not create mandatory duties for COUNTY, nor do they preclude enforcement of this Contract by CONTRACTOR pursuant to Government Code Section 814.

11.1 COUNTY shall have the right to monitor, including but not limited to, review and audit CONTRACTOR for compliance with this Contract, SOW, and all applicable laws and regulations pertaining to STRTP.

11.2 CONTRACTOR shall be given reasonable access to appropriate COUNTY personnel. CONTRACTOR shall be given pertinent documentation and information, relevant to providing foster care Services, in accordance with COUNTY DCFS/Probation policy and court policy for confidentiality. CONTRACTOR shall hold all such information in confidence pursuant to the provisions of Part I, Section 10.0 of this Contract.

- 11.3 COUNTY shall provide CONTRACTOR with all available information about the Placed Child that may be released in accordance with applicable laws and regulations concerning confidentiality and the release of DCFS or Probation case records to service providers. This information may include court orders and court reports; medical and mental health information; and educational and placement history information. COUNTY Worker will assist CONTRACTOR in obtaining all the necessary information. The information needed to assess the needs of the Placed Child shall include, but is not limited to: 1) the items identified in Title 22, Division 6, Chapter 1, Section 80070(b) and Chapter 5, Section 84070(b)(1)-(11); and 2) a description of dangerous propensities of the Placed Child as outlined in the CDSS, Manual of Policies and Procedures, Division 31, Section 31-310.16. COUNTY shall report to CONTRACTOR any additional information related to dangerous propensities learned subsequent to placement, in accordance with Exhibit E, Statement of Dangerous Behaviors.
- 11.4 COUNTY shall arrange for a child to visit a potential placement prior to placement whenever possible (DCFS only). If CONTRACTOR, the child's COUNTY Worker, and the child agree, the child may be placed at the time of the pre-placement visit.
- 11.5 COUNTY Worker shall acknowledge that an orientation discussion with the Placed Child and COUNTY Worker was completed by signing the LIC 613B (Exhibit A-4).
- 11.6 COUNTY Worker shall provide CONTRACTOR, at the time of placement or within 24 hours, with a placement packet, including valid proof of Medi-Cal coverage and a signed DCFS 4158, Authorization for Medical Care for a Child Placed by Order of the Juvenile Court. If a child is placed during regular business hours without these items, CONTRACTOR shall immediately notify the Foster Care Payment Hotline at (800) 697-4444. If a child is placed after regular business hours, CONTRACTOR shall call the Foster Care Payment Hotline the following business day with the Placed Child's name and date of placement, so that a placement packet may be obtained, because COUNTY cannot fund the placement until the placement packet is issued.
- 11.7 COUNTY shall be responsible for obtaining clothing available to the Placed Child within two days of placement and shall issue supplemental funds in accordance with COUNTY regulations and limitations to meet the Placed Child's needs based on the Clothing Standard (Exhibit A-1).
- 11.8 COUNTY Worker shall work cooperatively with CONTRACTOR to provide input to and approval of the Needs and Services Plans and updates in accordance with SOW, Part C, Section 22.0 Needs and Services Plan.
- 11.9 COUNTY Worker shall include written reports from CONTRACTOR in the next court report.

- 11.10 COUNTY Worker shall provide CONTRACTOR with a copy of each court report to the extent permitted by confidentiality laws.
- 11.11 COUNTY will monitor for CONTRACTOR's compliance with State laws, regulations and policies applicable to the visitation of children in placement.
- 11.12 COUNTY Worker shall seek parental or Juvenile Court consent, as needed and as permitted by law, for the Placed Child's medical and dental care, mental health treatment, and participation in recreational and school activities.
- 11.13 COUNTY Worker shall provide CONTRACTOR with a copy of the court authorization for psychotropic medication, when applicable, within one day of placement. COUNTY Worker shall also provide CONTRACTOR with copies of all court re-authorizations for psychotropic medication, when applicable, prior to the expiration of the existing court authorization for psychotropic medication.

12.0 DESCRIPTION OF SERVICES

- 12.1 CONTRACTOR covenants and agrees to provide all Services as described in this Contract and set forth in the SOW (Exhibit A) of this Contract. CONTRACTOR shall provide such Services to each Placed Child in accordance with CONTRACTOR's Plan of Operation and Program Statement, Exhibit A-13. CONTRACTOR warrants that it possesses the competence, expertise, and personnel necessary to provide such Services.
- 12.2 CONTRACTOR has submitted a Plan of Operation and Program Statement(s) to CCLD and has received CCLD approval of such Plan of Operation and Program Statement(s).
- 12.3 COUNTY may, during the term of this Contract, request that CONTRACTOR make revisions to its Plan of Operation and Program Statement by notifying CONTRACTOR in writing thirty (30) Days in advance of any proposed changes. Also, CONTRACTOR shall submit a revised Plan of Operation and Program Statement to COUNTY at any time during the term of this Contract when CONTRACTOR makes changes to its program. COUNTY shall review such Plan of Operation and Program Statement revisions for approval in accordance with Part II, Section 5.0, Changes and Amendments.
- 12.4 CONTRACTOR shall provide a brief description of the Short-Term Residential Therapeutic Program and send it to:

Department of Children and Family Services
Contracts Administration Division
425 Shatto Place, Room 400
Los Angeles, CA 90020

AND

Probation Department
Placement Permanency & Quality Assurance
Short-Term Residential Therapeutic Program
Monitoring/Investigations
11701 South Alameda Street, 2nd Floor
Lynwood, CA 90262

This program description shall not exceed two 8 ½ by 11 pages in Arial font, size 12. CONTRACTOR shall provide this description in both hard copy and on a compact disk in Microsoft Word. (DCFS will put this information on a website for DCFS placement staff's use; it will not be subject to audit.)

12.4.1 CONTRACTOR shall provide the following program information: 1) name of the *Short-Term Residential Therapeutic Program Organization*; office address; telephone number; email address, if applicable; 2) *for each site* the city (but no street address), zip code, license number, and licensed capacity, including sex and age range; 3) target demographic(s) or population to be served include children ages 0-17 and Non-Minor Dependents (NMDs) of any sex or gender, including those who identify as members of the Lesbian, Gay, Bisexual, Transgender, Queer/Questioning (LGBTQ) community, who may speak a language other than English, with physical, mental, emotional, behavioral, or developmental conditions and/or disorders requiring specialized, intensive and individualized services; Some of which may include (but not limited to) or be described as those with substance abuse disorders, physically and/or sexually assaultive behavior, suicidal/homicidal thoughts with intent of self-harm or harm to others, history of property destruction, gang affiliation, encopresis and/or enuresis, pregnant and/or parenting teens, deaf or hearing impairment, blind or vision impairment, non-ambulatory, learning and/or developmental disabilities, special health care needs, and victims of commercial sexual exploitation. 4) whether CONTRACTOR accepts children receiving psychotropic medications; 5) emergency care provided, if applicable, as described in the SOW, Part B, Sub-section 2.4; 6) on-grounds school, if applicable; 7) availability of off-grounds non-public schools; 8) the ratio of awake child care and supervision staff (including the facility manager) to Placed Children for each shift including weekends; 9) the number of individual and group therapy sessions provided to Placed Children per week by the facility's social worker, psychologist, and psychiatrist; 10) the number of sessions provided to natural parents per month by the facility's social worker, psychologist, and psychiatrist; 11) community resources used; and 12) any other outstanding program feature(s).

12.4.2 If CONTRACTOR has more than one Short-Term Residential Therapeutic Program, CONTRACTOR shall provide the above information for each program on separate documents and separate compact disks.

12.4.3 If, after the program information has been provided, it needs to be updated, CONTRACTOR shall provide the updated information to DCFS Contracts Administration.

12.5 Nothing herein establishes a right of CONTRACTOR to the placement of children by COUNTY, or of the continued placement of children by COUNTY.

12.6 CONTRACTOR shall allow County Worker to visit, interview, and conduct case planning with youth when necessary.

13.0 STATE LICENSE

13.1 CONTRACTOR shall maintain a Short-Term Residential Therapeutic Program Facility License(s) (Exhibit A-14) for each contracted facility, issued by the CDSS, CCLD Division, throughout the term of the Contract.

13.2 If planning to add additional STRTP site(s) during the term of the Contract, CONTRACTOR shall notify and receive written approval from COUNTY Program Managers prior to the placement of and/or serving Placed Children at the additional site(s). CONTRACTOR's decision to pursue licensure of additional sites from CDSS, CCLD Division does not ensure placements from Los Angeles COUNTY.

14.0 FEES

CONTRACTOR shall not charge any Placed Child or his/her family or guardian, or receive any fee or payment from any Placed Child or his/her family or guardian, for Services rendered pursuant to this Contract. CONTRACTOR shall not charge or receive fees or payments from any child or his/her family or guardian for children referred to CONTRACTOR pursuant to this Contract who are not accepted for placement.

15.0 OTHER SOURCES OF INCOME

15.1 CONTRACTOR shall forward any income (e.g., SSI, inheritance, personal injury, and victims of crime awards, etc.) received on behalf of a Placed Child, other than the Placed Child's personal earnings, to the following address:

DCFS Finance Office
Attention: Deposit Unit
425 Shatto Place, Room 204
Los Angeles, CA 90020

CONTRACTOR shall work with COUNTY to ensure the payer pays future income payments directly to COUNTY.

15.2 The provisions of this Section do not, in any way, require CONTRACTOR to apply revenue, income, private grants, or gifts that are unrestricted, to any cost or expense of CONTRACTOR, which is reimbursable by COUNTY hereunder.

16.0 HOLD STATUS, DO NOT REFER STATUS, DO NOT USE STATUS, CORRECTIVE ACTION PLAN

COUNTY may, during the normal course of its monitoring or investigation, place CONTRACTOR on Hold Status, Do Not Refer Status and/or Do Not Use Status, when the COUNTY reasonably believes, in its sole discretion, that the CONTRACTOR has engaged in conduct which may jeopardize a minor or minors; there has been a serious event that may implicate the CONTRACTOR, in issues of abuse or neglect; there is serious risk of abuse or neglect; or noncompliance with a significant fiscal/programmatic requirement of the Contract. The local agency procedures referred to in Sub-sections 16.2, 16.3, and 16.4 are internal DCFS/Probation procedures and are titled, respectively, Hold Status, Do Not Refer Status, and Do Not Use Status. DCFS/Probation may vary from the current protocol and procedures when such variance is required to protect the health and safety of Placed Children. A copy of the COUNTY's current policies and procedures is attached herein as Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.1 Corrective Action Plan (CAP)

When DCFS/Probation reasonably determines in its sole discretion, that a CONTRACTOR's deficiencies are amenable to correction, DCFS/Probation may require CONTRACTOR to provide a CAP and DCFS/Probation and CONTRACTOR may enter into a CAP. A CAP shall serve as CONTRACTOR's commitment to remedy such deficiencies. The CAP procedures are further discussed in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.1.1 Notwithstanding the above, Audit Remedies and Procedures which require a CAP to include repayment of Overpayments, governed by MPP 45-304 through 45-306 inclusive, will be included in the CAP after COUNTY's review of MPP 45-304.126, if appropriate. CONTRACTOR will be provided with State Form Notice of Action 1261. The voluntary agreement to repay an Overpayment by CONTRACTOR, set forth in a CAP shall be in compliance with MPP 45-305.2.23. If CONTRACTOR disputes the Overpayment, COUNTY's additional contract remedies available for a CAP including, but not limited to, those remedies described in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status and CAP, if the issue in dispute is solely the repayment of the identified Overpayment, governed by MPP 45-304 through 45-306, inclusive, will be contingent on: a) exhaustion of due process in favor of COUNTY, and CONTRACTOR fails to repay the Overpayment; and/or, b) a voluntary or involuntary agreement to repay the

Overpayment exists with COUNTY, and CONTRACTOR fails to repay the Overpayment pursuant to the voluntary or involuntary agreement.

16.1.2 However, when any other additional disputes exist, either solely or in addition to the Overpayment issues, COUNTY may employ the use of contract remedies as described in Part I, Section 16.0 Hold Status, Do Not Refer Status, Do Not Use Status and CAP above, as it pertains to non-Overpayment, regardless of the Overpayment being in dispute and any outstanding due process or administrative remedies which may exist for a disputed Overpayment.

16.2 Hold Status

Notwithstanding any other provision of this Contract, COUNTY retains the right to temporarily suspend referrals of children to CONTRACTOR by placing CONTRACTOR on Hold Status, for up to a 45-day period at any time during investigations, auditing, or monitoring when based on prima facie evidence, DCFS/Probation reasonably believes, in its sole discretion, that the CONTRACTOR has engaged in conduct which may jeopardize a minor or minors; there has been a serious event that may implicate the CONTRACTOR, in issues of abuse or neglect; there is serious risk of abuse or neglect; or noncompliance with a significant administrative/fiscal/programmatic requirement of this Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Sub-section 16.1, and as further described in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.2.1 Notwithstanding the above, COUNTY may also elect to employ a Hold status (Sub-section 16.2.), unless child safety is at issue, involving Overpayments only after compliance with MPP 45-304 through 45-306 inclusive, under circumstances where CONTRACTOR has failed to repay COUNTY per voluntary agreement (MPP 45-305.2.21 through 45-305.2.24), failure to repay per voluntary agreement pursuant to MPP 45-304.1.124, or failure to voluntarily repay COUNTY and after exhaustion of due process in COUNTY's favor (MPP 45-304.51 through 45-304.52).

16.2.2 Under warranted circumstances, a Hold Status may be rescinded, on a Short-Term Residential Therapeutic Program as provided in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.3 Do Not Refer Status

Notwithstanding any other provision of this Contract, COUNTY retains the right to suspend referrals of children to CONTRACTOR by placing CONTRACTOR on Do Not Refer Status, when COUNTY reasonably believes, in its sole discretion based upon prima facie evidence that the CONTRACTOR has engaged in conduct which may jeopardize a minor or minors; there has been a serious event that may implicate the CONTRACTOR, in issues of abuse or

neglect; there is serious risk of abuse or neglect; or in issues of noncompliance with significant administrative/fiscal/programmatic requirement of this Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Sub-section 16.1, and as further described in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

When Do Not Refer Status is implemented, a CAP may be established, as provided in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures. Do Not Refer Status is removed if the CONTRACTOR conforms to the CAP in terms of content and timeframe, or as provided in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.3.1 Notwithstanding the above, COUNTY may also elect to employ a Do Not Refer status (Sub-section 16.3), unless child safety is at issue, involving Overpayments only after compliance with MPP 45-304 through 45-306 inclusive, under circumstances where CONTRACTOR has failed to repay COUNTY per voluntary agreement (MPP 45-305.2.21 through 45-305.2.24), failure to repay per voluntary agreement pursuant to MPP 45-304.1.124, or failure to voluntarily repay COUNTY and after exhaustion of due process in COUNTY's favor (MPP 45-304.51 through 45-304.52).

16.4 Do Not Use Status

Notwithstanding any other provision of this Contract, COUNTY retains the right to remove or cause to be removed any or all Placed Children from the CONTRACTOR's care by placing CONTRACTOR on Do Not Use Status, when COUNTY reasonably believes, in its sole discretion, based upon prima facie evidence that the CONTRACTOR has engaged in conduct which may jeopardize a minor or minors; there has been a serious event that may implicate the CONTRACTOR, in issues of abuse or neglect; there is serious risk of abuse or neglect; or in issues of noncompliance with significant administrative/fiscal/programmatic requirement of this Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Sub-section 16.1, and as further described in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

Under unique, warranted circumstances, a Do Not Use Status may be rescinded, as provided in Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures.

16.4.1 Notwithstanding the above, COUNTY may also elect to employ a Do Not Use status (Sub-section 16.4), unless child safety is at issue, involving Overpayments only after compliance with MPP 45-304 through 45-306 inclusive, under circumstances where CONTRACTOR has failed to repay COUNTY per voluntary agreement (MPP 45-305.2.21 through 45-305.2.24), failure to repay per voluntary agreement pursuant to MPP 45-

304.1.124, or failure to voluntarily repay COUNTY and after exhaustion of due process in COUNTY's favor (MPP 45-304.51 through 45-304.52).

16.5 Notice Requirements

COUNTY will notify CONTRACTOR in writing within 72 hours of DCFS'/Probation's decision to place CONTRACTOR on Child Safety/Endangerment/Insurance Provisions Holds. Verbal notification of such actions will be provided prior to or at the time of CONTRACTOR's placement on Hold/DNR/DNU Status to the extent possible. To the extent possible and reasonable, and without interfering with any law enforcement investigation, and consistent with statutes and regulations related to confidentiality laws, notification will include the reason(s) for placing CONTRACTOR on Hold Status, or implementing Do Not Refer or Do Not Use Status.

COUNTY will notify CONTRACTOR in writing fifteen (15) Days prior to DCFS'/Probation's intention to place CONTRACTOR on Hold Status for Administrative reasons (except insurance provisions). COUNTY will notify CONTRACTOR in writing seventy-two (72) hours prior to DCFS' intention to implement Do Not Refer, or Do Not Use Status related to Administrative reasons (except insurance provisions). Verbal notification of such actions will be provided prior to or at the time of CONTRACTOR's placement on Hold/DNR/DNU Status to the extent possible. To the extent possible and reasonable, and without interfering with any law enforcement investigation, and consistent with statutes and regulations related to confidentiality laws, notification will include the reason(s) for placing CONTRACTOR on Hold Status.

When Do Not Refer or Do Not Use Status is recommended, the written notification letter will also invite CONTRACTOR to participate in a Review Conference (as described in Exhibit N) to discuss the COUNTY's decision and include a deadline by which the CONTRACTOR must indicate its intent to participate in the Review Conference (please refer to Exhibit N, Contract Investigation/Monitoring/Audit Remedies and Procedures).

16.6 Disagreement with Decision

Other than overpayment determinations subject to MPP 45-304 through 45-306 inclusive, CONTRACTOR may challenge the COUNTY action in accordance with DCFS/Probation local agency policies and procedures (please refer to Exhibit N) then in effect, and thereafter, CONTRACTOR may appeal through the dispute resolution procedures described in Part I, Section 20.0 herein.

16.7 Termination Hold Status

COUNTY may place CONTRACTOR on Termination Hold if COUNTY decides to allow this Contract to expire and is not renewing this Contract. COUNTY

may also place CONTRACTOR on Termination Hold if CONTRACTOR's facility license is suspended or revoked, or if CONTRACTOR receives notice that its Foster Care Rate Letter will be terminated. Notwithstanding any other provision of this Contract, in the event either COUNTY or CONTRACTOR terminates this Contract for convenience or for default, COUNTY shall suspend referrals of children to CONTRACTOR and remove, or cause to be removed, all Placed Children from the CONTRACTOR's supervision. In such event, no DCFS/Probation local agency grievance policies and procedures will occur.

17.0 FINANCIAL REPORTING

This section may be changed, updated or amended to incorporate The CDSS Financial reporting and cost reporting forms for Short-Term Residential Therapeutic Program as identified in the Interim Licensing Standards, Version 2, or in All County Letters, Information Notices, Foster Care Audits and Rates Letters or other notices issued by CDSS.

- 17.1 CONTRACTOR shall report annual revenues and expenditures on the Semi-Annual Expenditure Report (Exhibit C-3). This report will require sign-off, under penalty of perjury, by CONTRACTOR'S Chief Executive Officer, or Chief Financial Officer or CONTRACTOR's Administrator, as defined in the STRTP Interim Licensing Standards, version 2. These Standards implement provisions of Assembly Bill 403 (Chapter 773, Statutes of 2015) and Assembly Bill 1997 (Chapter 612, Statutes of 2016) that govern STRTPs effective January 1, 2017
- 17.2 The Semi-Annual Expenditure Report (Exhibit C-3), along with the Short-Term Residential Therapeutic Program Cost Report (Exhibit U), shall be submitted to the County 120 days following the close of the CONTRACTOR's Fiscal Year.

17.2.1 Submission of IRS and EDD Transcripts

CONTRACTOR shall submit to COUNTY a true and correct and complete copy of its Internal Revenue Service (IRS) and Employment Development Department (EDD) Account Transcripts showing each of its quarterly IRS Form 941 and EDD Form DE-9 filings (hereafter "IRS and EDD Transcripts"). CONTRACTOR shall submit its IRS and EDD Transcripts in a timely fashion, as set forth in this Contract, and time shall be of the essence with regard to the submission of the IRS and EDD Transcripts to the COUNTY.

- 17.2.1.1 CONTRACTOR shall submit to the COUNTY its IRS and EDD Transcripts which includes its IRS Form 941 and EDD Form DE-9 filings, filed during the first and second quarters of the calendar year, not later than September 30, of the year in which the IRS Form 941 and EDD Form DE-9 were filed.

- 17.2.1.2 CONTRACTOR shall submit to the COUNTY its IRS and EDD Transcripts which includes its IRS Form 941 and EDD Form DE-9 filings, filed during the third and fourth quarters of the calendar year, not later than March 31, of the year immediately following the year in which the IRS Form 941 and EDD Form DE-9 were filed.
- 17.2.1.3 In the event CONTRACTOR does not file the IRS Form 941 and EDD Form DE-9 during a quarter, CONTRACTOR shall submit to the COUNTY, in addition to the transcripts identified in 17.2.1.1 and 17.2.1.2, a true and correct copy of its Internal Revenue Service Verification of Nonfiling (“IRS VN”) and Employment Development Department Employer Account Statement (“DE-2176”).
- 17.2.1.4 CONTRACTOR shall submit its IRS and EDD Transcripts, and any IRS VN and EDD DE-2176 by mail, addressed as set forth below:
- Department of Children and Family Services
Contracts Administration Division
Compliance Section - Fiscal
3530 Wilshire Boulevard, 5th Floor
Los Angeles, CA 90010
- 17.2.1.5 CONTRACTOR and COUNTY agree that each and every IRS and EDD Transcript and IRS VN and EDD DE-2176 submitted to the COUNTY, or which should have been submitted by CONTRACTOR to the COUNTY pursuant to the terms of this Contract, is incorporated by reference into this Contract and the parties shall not assert that any such document constitutes parole evidence.
- 17.2.1.6 CONTRACTOR and COUNTY agree that the copies of each and every IRS and EDD Transcript and IRS VN and EDD DE-2176 submitted to the COUNTY pursuant to the terms of this Contract shall become the property of the COUNTY.
- 17.2.1.7 CONTRACTOR understands and acknowledges that COUNTY is subject to the provisions of the California Public Records Act; consequently, every IRS Transcript and EDD Transcript and IRS VN and EDD DE-2176 submitted to the COUNTY pursuant to the terms of this Contract becomes a matter of public record, with the exception of those parts of each submitted document which are specifically identified, and plainly marked, by the CONTRACTOR, at the time of submission to the COUNTY, as exempt from disclosure

pursuant to the provisions of the California Public Records Act. For purposes of this Contract, parts of each submitted document are not specifically identified and plainly marked unless they specifically identify the legal authority and operative facts which exempt the part from disclosure pursuant to the California Public Records Act.

17.2.1.8 CONTRACTOR and COUNTY agree that the COUNTY shall not, in any way, be liable or responsible for the disclosure of any IRS and EDD Transcripts, IRS VN and EDD DE-2176, or any part of any IRS and EDD Transcripts or IRS VN and EDD DE-2176, if disclosure is required or permitted under the California Public Records Act or otherwise by law.

17.2.1.9 CONTRACTOR and COUNTY agree that a blanket statement of exemption, confidentiality or the marking of each page of an IRS Transcript and EDD Transcript or IRS VN and EDD DE-2176 as exempt or confidential shall not be sufficient to exempt the IRS and EDD Transcripts, IRS VN and EDD DE-2176, or any portion thereof, from disclosure by the COUNTY. The CONTRACTOR must specifically label only those portions of the IRS and EDD Transcripts or IRS VN and EDD DE-2176 which are exempt from disclosure pursuant to the California Public Records Act and provide a citation to the legal authorities which render the portion exempt from disclosure.

17.3 If the Contract starts on a date other than the beginning of the CONTRACTOR's Fiscal Year, then the initial report shall be for a period less than twelve (12) months, ending on the last day of the CONTRACTOR's fiscal year.

17.4 In the event that the Semi-Annual Expenditure Report is not timely submitted, the COUNTY may take action, pursuant to policies and procedures outlined in Part I, Section 16.0. In the event the "Notice of Intent to Place on Administrative Hold status is implemented, the COUNTY shall notify CONTRACTOR in writing within ten (10) days prior to such status being used.

17.5 The Semi-Annual Expenditure Report and Program Cost Report for STRTP that serve DCFS and Probation children shall be mailed to:

Department of Children and Family Services
Contracts Administration Division
Fiscal Compliance Section
Attn: Annual revenue and Expenditure Report
3530 Wilshire Boulevard, 5th Floor
Los Angeles, CA 90010

The Semi-Annual Expenditure Report and Program Cost Report for STRTP that serve Probation and Dually Supervised children shall be mailed to:

Probation Department
Fiscal Services
Placement Out-of-Home Compliance Unit
Supervising Deputy Probation Officer
9150 East Imperial Highway
Downey, California 90242

(This may be changed to a web portal for electronic submission by the Contractor's)

18.0 REPORTING REQUIREMENTS

- 18.1 The CONTRACTOR shall prepare and submit a report in each instance enumerated in Part I, Sub-section 5.4, Notification of Incidents, Claims or Suits.
- 18.2 COUNTY shall maintain the confidentiality of all data collected in monthly and quarterly reports to the extent they are not subject to disclosure under the Public Records Act or other laws or regulations.
- 18.3 The CONTRACTOR shall: 1) maintain copies of the Board of Directors' minutes in a readily accessible location; 2) provide COUNTY with copies of Board of Directors' minutes within twenty-four (24) hours of request by COUNTY, except when the minutes requested describe a meeting that occurred during the past forty-five (45) days; 3) for minutes from a meeting that occurred within forty-five (45) days of COUNTY's request, provide the COUNTY with a copy of those minutes within three (3) days of the request; and 4) report in writing all changes of membership, and officers of the Board of Directors, to the Program Manager(s) within one (1) week of such changes (whether or not COUNTY requests information on such changes).
- 18.4 CONTRACTOR shall maintain, and provide to the County as requested, an Annual Report listing all Outside Employment Activities Exhibit W, for all CONTRACTOR's employees. If the CONTRACTOR uses independent contractors to provide case management, social work, or any other services to children and families described in this contract, those independent contractors should be included in the Report on Outside Employment Activities. CONTRACTOR's employees and independent contractors shall certify the accuracy of the information provided on the Report on Outside Employment Activities.
- 18.4.1 CONTRACTOR shall maintain, and provide to the County as requested, an Annual Report on Conflict of Interest Exhibit W-1, for all CONTRACTOR's Corporate Officers, Board of Director's members, and volunteers. CONTRACTOR's Corporate Officers, Board of Director's members, and volunteers shall certify the accuracy of the information provided on the Report on Conflict of Interest.

19.0 RECORDS AND INVESTIGATIONS

19.1 CONTRACTOR shall maintain and retain minimally a copy of records on Placed Children where they reside. Such records shall include, but not be limited to, Needs and Services Plans, placement and termination/discharge documents, medical and dental records, a record of court orders allowing psychotropic medication, Placed Children's financial records (clothing, allowances, earnings, medical expenses, etc.), diagnostic evaluations and studies, Placed Child interviews, special incident reports, social worker progress notes (including treatment, school, extracurricular activities at school or in the Community, etc.), and notes on Services provided by the various professional and paraprofessional staff (treatment, recreation, child care, etc.). The records shall be in sufficient detail to permit an evaluation of Services provided. The information in the Placed Child's record, maintained at CONTRACTOR's offices, shall be confidential, kept in a locked file, and made available only to selected staff who requires it for needs and services planning.

19.1 CONTRACTOR shall maintain accurate and complete financial records of all its activities and operations relating to this Contract in accordance with generally accepted accounting principles and which meet the requirements for contract accounting described in Auditor-Controller Contract Accounting and Administration Handbooks, Exhibit C-1. CONTRACTOR shall also maintain accurate and complete employment and other records relating to its performance of this Contract.

19.2 CONTRACTOR shall maintain and retain records on each employee and volunteer as required by California Code of Regulations, Title 22, Division 6, Chapter 1, Section 80066 and Chapter 5, Sections 84066 and 84066.1. Such records shall include, but not be limited to, fingerprint clearances, Child Abuse Index clearances, and CONTRACTOR's employees' original employment applications.

19.3 All records described in Sub-sections 19.1 through 19.3 hereof, supporting documents, statistical records, and all other records pertinent to performance of this Contract, including, but not limited to, all timecards and other employment records and confidential information, shall be kept and maintained by CONTRACTOR at a location in Los Angeles County or contiguous county and shall be made available to COUNTY, State, or Federal authorities, as provided by applicable law, during the term of this Contract and either for a period of five (5) years after the expiration of the term of this Contract or for a period of three (3) years from the date of the submission of the final expenditure report, whichever date is later. If before the expiration of that time period, any litigation, claim, financial management review, or audit is started, the records shall be retained until all litigation, claims, financial management reviews, or audit findings involving the records have been resolved and final action taken. If such material is located outside of Los Angeles County or contiguous county, then, at COUNTY's sole option, CONTRACTOR shall pay COUNTY for travel per diem and other costs incurred by COUNTY in exercising its rights under this Section. CONTRACTOR shall maintain all records in accordance with California State records and retention regulations including the provisions of CDSS' MPP, Section 23-353.

- 19.4 COUNTY retains the right to inspect, monitor, and conduct investigations of CONTRACTOR's program/fiscal operations, performance and contract compliance without prior notice to CONTRACTOR 7 days a week, 24 hours a day. Unannounced audits, monitoring, interviews with children and investigations may occur without prior notice when COUNTY, in its sole discretion, deems it necessary. CONTRACTOR will be given reasonable prior notice of routine audits, monitoring, and inspections. CONTRACTOR agrees that COUNTY, or its authorized representatives, the State of California, or its authorized representatives, or the Federal Government, or its authorized representatives, including but not limited to, the U.S. Comptroller General, shall have access to and the right to inspect, examine, monitor, audit, excerpt, copy or transcribe any pertinent transaction, activity, or records relating to this Contract. The Auditor-Controller/Department of Children and Family Services/Probation Department Fiscal Audit Phases, Fiscal Audits of STRTP Foster Care Services Contractors (Exhibit C-2) details the audit protocols followed by the Auditor-Controller and DCFS/Probation during fiscal audit reviews.
- 19.5 Such program and performance reviews, investigations, and/or audits shall encompass all of CONTRACTOR's financial, program, Subcontractor, and Placed Children's records related to Services provided under this Contract, and any other financial transactions, as determined necessary by COUNTY to ensure that AFDC-FC funds have been accounted for and Expended in accordance with Part I, Section 25.0, Use of Funds. Methods of inspection may include, but are not limited to, the interview of CONTRACTOR's staff, insurance agents, banks, personnel, vendors and Subcontractor(s) and inspection of accounting ledgers, journals, canceled checks, timecards, personnel records, Subcontracts, space and equipment leases and other relevant books, records, worksheets and logs as appropriate for ensuring CONTRACTOR accountability of expenditures and program performance under this Contract. CONTRACTOR's employee records may be reviewed in accordance with State and federal labor laws. CONTRACTOR shall enlist the cooperation of all Subcontractors, staff, and Board members in such efforts.
- 19.6 Upon request, CONTRACTOR shall provide COUNTY with photocopies of records and documents, including Placed Children records, and personnel records, unless prohibited by federal, state, or local laws. CONTRACTOR shall be responsible for the cost of providing photocopies to COUNTY.
- 19.7 CONTRACTOR shall be responsible for annual or triennial financial audits, as applicable, of its agency and shall require Subcontractors to be responsible for its annual or triennial financial audits, as applicable, when required by any governmental entity (e.g. Federal government, CDSS, COUNTY) to be conducted by an independent audit firm and in accordance with generally accepted governmental auditing standards. Within thirty (30) days after issuance of the audit reports, CONTRACTOR shall forward copies of such reports to:

Attention: STRTP Contract Analyst
DCFS, Contracts Administration Division

425 Shatto Place, Room 400
Los Angeles, CA 90020

and to:

Attention: Supervising Deputy Probation Officer
Probation Department
Placement Permanency & Quality Assurance
Short-Term Residential Therapeutic Program Monitoring/Investigations
11701 South Alameda Street, 2nd Floor
Lynwood, CA 90262

19.8 In the event that an audit is conducted of CONTRACTOR specifically regarding this Contract by any Federal or State Auditor, or by any auditor employed by CONTRACTOR or otherwise, then CONTRACTOR shall file a copy of such audit report with COUNTY's Auditor-Controller within thirty (30) Days of CONTRACTOR's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. COUNTY shall make a reasonable effort to maintain the confidentiality of such audit report(s).

19.9 Record Keeping During and After a Disaster

CONTRACTOR shall ensure that all records for placed children/youth are current and accessible to the greatest extent possible at all times, including during and after a disaster(s). This includes, but is not limited to records related to Health, Medical, Dental, Mental Health, Vision, Education, Job Training, etc.

19.10 Failure on the part of CONTRACTOR to comply with the provisions of this Section shall constitute a material breach of this Contract upon which COUNTY may take all appropriate action including but not limited to, implementation of Hold Status, Do Not Refer Status, and/or Do Not Use Status, as set forth in Part I, Section 16.0, Hold Status, Do Not Refer Status, Do Not Use Status, CAP. If CONTRACTOR disagrees that there has been a material breach, CONTRACTOR may exercise its rights consistent with Part I, Section 20.0 Dispute Resolution Procedures of this Contract.

20.0 DISPUTE RESOLUTION PROCEDURES

20.1 CONTRACTOR and COUNTY agree to act promptly and diligently to first mutually resolve any disputes, pursuant to procedures set forth in this Contract. All such disputes shall thereafter be subject to the provisions of this Section 20.0.

20.2 CONTRACTOR and COUNTY agree that, the existence and details of a dispute notwithstanding, both parties shall continue to perform hereunder, except for any performance which COUNTY determines should not be performed as a result of such dispute consistent with Part I, Section 16.0 of this Contract. COUNTY shall

continue to pay sums not in dispute, during any such period of continued performance.

20.3 Nothing in this Section 20.0 herein prevents COUNTY or CONTRACTOR from seeking provisional remedies, such as injunction or extraordinary relief such as a writ. If the matter involves an overpayment, CONTRACTOR or COUNTY shall have first implemented the remedies and relief mandated by State regulations prior to seeking other forms of relief set forth in Section 20.0.

20.4 CONTRACTOR shall retain all rights to appeal COUNTY action through the filing of a claim pursuant to Los Angeles County Code, Title 4, Chapter 4.04, which pertains to all claims against COUNTY for money or damages which are excepted by Section 905 of the Government Code from the provisions of Division 3.6 of the Government Code (Section 810 et seq.) and which are not governed by any other statutes or regulations expressly relating hereto.

20.5 If the matter involves an overpayment, CONTRACTOR or COUNTY shall have first implemented the remedies and relief mandated by State regulations prior to seeking other forms of relief set forth in Section 20.0. As to any dispute arising out of or relating to this Contract, which is not governed by other statutes or regulations expressly relating hereto, including but not limited to Overpayments, including the breach, termination or validity thereof, which has not been resolved by the filing of a claim pursuant to Sub-section 20.4 herein, or the California Tort Claims Act (Government Code Sections 810-996.6), CONTRACTOR and COUNTY hereby waive their respective right to trial by jury **(and instead agree to trial by a judge _____ [please initial])** of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either CONTRACTOR against COUNTY or COUNTY against CONTRACTOR.

20.6 Nothing herein precludes COUNTY and CONTRACTOR from mutually agreeing in writing to settle any disputes by binding arbitration or any other alternative dispute resolution procedure.

20.7 This provision shall not apply to third party claims brought by or on behalf of an individual, his/her heirs, assigns and/or successors-in-interest, based upon, or relating to, injuries allegedly sustained by that individual when he/she was a Placed Child.

20.8 As to any dispute arising out of or relating to this contract which specifically involves an Overpayment, dispute resolution and remedies set forth in the identified MPP are controlling and administrative remedies shall be exhausted by COUNTY and CONTRACTOR prior to any other remedy or resolution being implemented under Part I, Section 20.0 or any other applicable law, statute, or regulation.

21.0 INTERPRETATION OF CONTRACT

21.1 Validity

The invalidity, unenforceability, or illegality of any provision of this Contract shall not render the other provisions thereof invalid, unenforceable, or illegal.

21.2 Governing Laws, Jurisdiction and Venue

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

21.3 Waiver

Any waiver by COUNTY of any breach of any one or more of the covenants, conditions, terms and agreements herein contained shall be in writing and shall not be construed to be a waiver of any subsequent or other breach of the same or of any other covenant, condition, term or agreement herein contained, nor shall failure on the part of COUNTY to require exact, full and complete compliance with any of the covenants, conditions, terms or agreements herein contained be construed as in any manner changing the terms of this Contract or stopping COUNTY from enforcing the full provisions thereof.

21.4 Caption Headings

This Contract contains a Table of Contents with pagination. In addition, each paragraph and certain subparagraphs of this Contract have been supplied with captions. Also, each page, including exhibits, contains page numbers. The Table of Contents with pagination, captions, paragraph numbers, section numbers and page numbers serve only as guides to the contents and do not control the meaning of any paragraph or subparagraph or in any way determine this Contract's interpretation or meaning.

22.0 CONTRACT ENFORCEMENT, OUT-OF-HOME CARE MANAGEMENT, MONITORING AND REVIEW

22.1 The Directors shall be responsible for the enforcement of this Contract on behalf of COUNTY and shall be assisted therein by those officers and employees of COUNTY having duties in connection with the administration thereof. Directors hereby reserve the right to assign such personnel as are needed in order to inspect and review CONTRACTOR's performance of and compliance with all contractual Services, duties, obligations, responsibilities, administrative procedures and staffing as set forth in this Contract.

22.2 CONTRACTOR hereby agrees to cooperate with the Director, Program Manager, and any duly authorized County, State or Federal government representative, in

the review and monitoring of CONTRACTOR's program, records and procedures, as set forth in Part I, Section 19.0, Records and Investigations.

- 22.3 COUNTY or its agent will evaluate CONTRACTOR's performance under this Contract on not less than an annual basis. Such evaluation will include assessing CONTRACTOR's compliance with all the Contract's terms and performance standards. CONTRACTOR deficiencies which COUNTY determines are severe or continuing and that may place performance of this Contract in jeopardy if not corrected may be reported to the Board of Supervisors. The report may include CONTRACTOR's response to these deficiencies and improvement/ corrective action measures taken by COUNTY and CONTRACTOR. If improvement does not occur in a manner consistent with such corrective action measures, COUNTY may terminate this Contract or take action consistent with Part I, Section 16.0, Hold Status, Do Not Refer Status, Do Not Use Status, CAP.
- 22.4 At the request of COUNTY, upon reasonable notice, CONTRACTOR, or its appropriate representative, shall attend meetings and/or training sessions, as determined by COUNTY.

23.0 LIMITATION OF COUNTY'S OBLIGATION DUE TO NON-APPROPRIATION OF FUNDS

- 23.1 COUNTY's obligation is payable only and solely from funds appropriated for the purpose of this Contract.
- 23.2 All funds for payment are conditioned upon COUNTY Board of Supervisors' appropriation of sufficient funds for this purpose. Payments during subsequent Fiscal Year periods are dependent upon similar Board of Supervisors' action.
- 23.3 In the event COUNTY Board of Supervisors does not allocate sufficient funds for the next succeeding Fiscal Year to meet COUNTY's anticipated obligations to providers under contracts, then Services may be: 1) terminated in their entirety; or 2) reduced in accordance with available funding as deemed necessary by COUNTY. COUNTY shall notify CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.
- 23.4 In the event that COUNTY's Board of Supervisors adopts, any Fiscal Year, a COUNTY budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY contracts, COUNTY reserves the right to reduce its payment obligation correspondingly for that Fiscal Year and any subsequent Fiscal Year for Services provided by CONTRACTOR under this Contract. COUNTY's notice to CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) Days of the Board's approval of such actions, unless this Contract is terminated for convenience.

24.0 TERMINATION OF CONTRACT BY CONTRACTOR FOR CONVENIENCE

- 24.1 This Contract may be terminated when such action is deemed by CONTRACTOR to be in its best interest. Termination of this Contract shall be effective by the delivery to COUNTY of written notice of termination pursuant to Part I, Section 9.0, Notices, specifying the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ninety (90) Days after the notice is sent, unless COUNTY notifies CONTRACTOR, pursuant to Part I, Section 9.0, Notices, that the termination will be effective in thirty (30) Days. In the event of a breach by COUNTY under this Contract, CONTRACTOR shall have all remedies available at law, subject to the terms of Part I, Section 20.0 Dispute Resolution Procedures.
- 24.2 CONTRACTOR shall submit to COUNTY in the form and with the certification as may be prescribed by COUNTY, its termination claim and invoice. Such claim and invoice shall be submitted promptly. COUNTY will not accept any such invoice submitted later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit its termination claim and invoice within the time allowed, COUNTY may determine, on the basis of information available to COUNTY, the amount, if any, due to CONTRACTOR in respect to the termination, and such determination shall be final. After such determination is made, COUNTY shall pay CONTRACTOR the amount so determined as full and complete satisfaction of all amounts due CONTRACTOR under this Contract for any terminated Services, provided that such amounts may be offset against any amounts COUNTY claims are due from CONTRACTOR pursuant to the terms of this Contract.
- 24.3 After receipt of a notice of termination, COUNTY will provide for the continued placement or removal of Placed Children in a fashion that is consistent with the best interests of children.

25.0 USE OF FUNDS

- 25.1 CONTRACTOR shall be organized and operated as a Federal Tax Exempt (if applicable) non-profit corporation throughout the term of this Contract and conduct itself in accordance with all accounting and operating requirements of such status.
- 25.2 CONTRACTOR shall use AFDC-FC funds paid to and Expended by CONTRACTOR only for the placement, care and Services of Placed Children, in order to maintain the standards of care and Services consistent with the SOW and the AFDC-FC payments received, and including expenditures consistent with MPP 11-404. By August 1 of each year, CONTRACTOR shall submit to COUNTY a cost allocation plan, which provides for the reasonable allocation of CONTRACTOR's Expenditures for the then current fiscal year. CONTRACTOR's cost allocation plan shall be developed in accordance with the principles included in OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Exhibit C) or any publication that

supersedes these OMB circulars and the Auditor-Controller STRTP Contract Accounting and Administration Handbooks, Exhibit C-1.

- 25.3 CONTRACTOR shall expend foster care funds on reasonable and allowable Expenditures in providing the necessary placement, care and Services, as specified in this Contract, for children placed by COUNTY. The determination of reasonable and allowable Expenditures shall be in accordance with OMB - 2 CFR Chapter I, Chapter II, Part 200, et al (Exhibit C) or any publication that supersedes these OMB circulars; MPP Sections 11-400, 11-402, 11-403, 11-404, and 11-420; 45 CFR 74.27; and the Auditor-Controller STRTP Contract Accounting Administration Handbooks, Exhibit C-1. Any AFDC-FC funds not Expended in accordance with the above will be disallowed on monitoring/audit, and will require repayment by CONTRACTOR. Any dispute regarding repayment of funds will be governed by the provisions outlined in Part 1, Section 20.0 Dispute Resolution Procedures. If the dispute is solely pertaining to an Overpayment, the procedures and remedies set forth in MPP 45-304 through 45-306 and 11-404 inclusive, shall be controlling and must be exhausted, per Part I, Sub-section 20.8, prior to any other remedy or resolution being implemented under Part 1, Section 20.0 or other applicable law, statute, or regulation.
- 25.4 All uses of AFDC-FC funds paid to and Expended by CONTRACTOR and other financial transactions related to CONTRACTOR's provision of Services under this Contract are subject to review and/or audit by DCFS, Probation, COUNTY's Auditor-Controller or its designee, as set forth in Exhibits C, C-1, and C-2. In the event this Contract is subject to audit exceptions, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR's liability for such audit exceptions, as determined by DCFS or Probation, upon demand by COUNTY. Upon notice by CONTRACTOR, COUNTY will, upon verification by COUNTY, reduce the audit disallowance claimed by COUNTY by the amount subject to repayment to the state for duplicated disallowed Expenditures during the time period covered by COUNTY's audit.
- 25.5 Notwithstanding any other provision of this Contract, in addition to all other rights to monitor, including but not limited to audit, CONTRACTOR and COUNTY agree that it is the intent of the parties that COUNTY shall have the right to audit any and all use of AFDC-FC funds, paid to and Expended by CONTRACTOR, in order to ensure that all Expended and unspent funds are accounted for and that unspent funds are held for the future benefit of Placed Children, and to determine the appropriate disposition of unallowable Expenditures.
- 25.6 Total accumulated unexpended funds shall include CONTRACTOR's current unexpended funds; if facts suggest the possibility of fraud or significant abuse, COUNTY reserves the right to review uses of unexpended funds accumulated in periods prior to the Contractor's current fiscal year. CONTRACTOR's TAUF shall be reflected on its Semi-Annual Expenditure Report (Exhibit C-3), and discussed in the Contractor's Annual Cost Allocation Plan.

At the end of any given CONTRACTOR fiscal year, any TAUF that is equal to or less than the total expenditures for the COUNTY's Program for the two most current months in the Contractor's completed fiscal year, will hereafter be referred to as the TAUF Ceiling, must be used for the benefit of Placed Children for reasonable and allowable costs. In the event that CONTRACTOR's TAUF, at the end of any given CONTRACTOR fiscal year, exceeds the TAUF Ceiling, CONTRACTOR shall develop a plan regarding how to utilize the TAUF for the benefit of Placed Children for reasonable and allowable costs, and shall submit the plan to DCFS for review and approval within 180 Days of the fiscal year end. The Uniform Administrative Requirements in 2 CFR 1.100 title 1, section 100 and in the Section 11-404.2 through 11-404.2.24 of the State of California MPP provides examples of permissible uses of unexpended funds. Said Sections may provide a guideline for permissible uses of TAUF. However, all CONTRACTOR plans for uses of TAUF require pre-approval by the CDSS Foster Care Audits and Rates Bureau.

The CONTRACTOR shall submit its requested plan to the County DCFS, that includes a copy of the pre-approval issued by the CDSS Foster Care Audits and Rates Bureau to DCFS and allow 60 days to receive a response. CONTRACTOR's failure to develop an appropriate plan for the utilization of TAUF, or the expenditure of TAUF without a COUNTY approved plan shall constitute a material breach of the Contract. In such instance, COUNTY may take appropriate action, pursuant to this Contract, including, but not limited to, that under Part I, Section 16.0, Hold Status, Do Not Refer Status, Do Not Use Status, CAP, with the understanding that CONTRACTOR may appeal the final decision pursuant to the Dispute Resolution Procedures in Part I, Section 20.0.

26.0 REAL PROPERTY, EQUIPMENT, FIXED ASSETS

26.1 CONTRACTOR shall fully comply with all applicable federal, State, and County laws, ordinances, and regulations in acquiring any and all real property, furniture, fixtures, equipment, materials, and supplies with funds obtained under this Contract.

26.2 A Fixed Asset is defined as an article of nonexpendable tangible personal property having a useful life of more than two (2) years and an acquisition cost of \$5,000 or more of COUNTY funds per unit capitalized.

26.3 CONTRACTOR shall for any Real Property, land, or Fixed Asset costing \$35,000 or more of funds provided to CONTRACTOR through this Contract, submit to COUNTY, at least fifteen (15) business days prior to any purchase (including Capital Leases as defined by Generally Accepted Accounting Principles (GAAP)), an analysis demonstrating that the purchase is less costly to CONTRACTOR than other leasing alternatives. CONTRACTOR shall also stipulate the source of all funds to be used for the purchase of the subject property. In the event that any funds to be used in the purchase will be from the current year Contract or TAUF (as defined in Part I, Sub-section 25.6), then CONTRACTOR shall obtain COUNTY's prior written approval for the purchase by notifying COUNTY by U.S. or electronic mail. COUNTY shall, within

fifteen (15) working days of receipt of any such request for approval, provide a written response to CONTRACTOR by U.S. or electronic mail. If COUNTY's response is not received within ten (10) working days, CONTRACTOR will notify the Director's designee.

26.4 Upon obtaining COUNTY's prior written approval, the items referenced in Sub-section 26.3 may be purchased and owned by CONTRACTOR as provided by law. If such prior written approval is not obtained by CONTRACTOR, no title to any of the items referenced in Sub-section 26.3 will vest with CONTRACTOR. All Fixed Assets not requiring COUNTY's prior written approval, as described in Sub-section 26.3, shall be deemed owned by CONTRACTOR.

27.0 INDEMNIFICATION

The CONTRACTOR shall indemnify, defend and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees, agents and volunteers ("COUNTY Indemnities") 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 Indemnities.

28.0 SALARIES AND COMPENSATION

28.1 Executive Compensation

All executive compensation shall be reported for each executive officer. The reasonableness standards and criteria for executive compensation are contained in Internal Revenue Code Section 4958. This rule shall apply to all individuals of the non-profit corporation deemed by the Internal Revenue Service (IRS) to be anyone in a position to exercise substantial influence over a non-profit corporation's affairs. This rule may apply to the individual's immediate family as well as to family-controlled entities. Compensation provided in accordance with Internal Revenue Code Section 4958 shall be deemed to be reasonable for the purposes of reporting AFDC-FC costs.

28.2 Social Work Services

Salaries for Social Work services shall be for the reasonable social work activities as defined in Section 11-400s (4) of the CDSS MPP.

28.3 In the event COUNTY discovers an Excess Salary or Excess Compensation, or Excess Benefits payment was made to CONTRACTOR which can be defined as a collectable Overpayment, CONTRACTOR may avail of the informal and formal hearing procedures provided for in MPP 45-306. Once due process has expired, or administrative remedies are exhausted in favor of COUNTY, COUNTY may seek additional recourse for collection in compliance with MPP 45-304 through 45-306,

inclusive, including interest and other remedies as set forth in the CONTRACT, by and between COUNTY and CONTRACTOR.

29.0 USE OF DONATED FUNDS

29.1 CONTRACTOR shall not commingle funds paid by COUNTY to the CONTRACTOR for the purchase of goods or the provision of services performed pursuant to this contract with any other funds, regardless of the source of those other funds.

29.1.1 If CONTRACTOR receives outside donations, it shall record all donated funds separately in their accounting records from funds paid by COUNTY to the CONTRACTOR for the purchase of goods or the provision of services performed and paid for pursuant to this Contract under the CONTRACTOR's CDSS Foster Care Rates Program Number(s) as identified on Exhibit A-15, associated with the CDSS Community Care Licensing Division Facility license number(s) as identified on Exhibit A-14.

29.2 If CONTRACTOR uses any donated funds to pay for any expenses related to the purchase of good or the provision of services performed pursuant to this Contract, then the CONTRACTOR shall maintain accounting records that clearly identify the specific item, or items, service, or services, on which the donated funds were expended. The CONTRACTOR shall also maintain accounting records that clearly identify that donated funds were expended. Furthermore, CONTRACTOR's accounting records shall conform to the accounting requirements of this Contract, which include, but are not necessarily limited to, the cost reporting requirements of Exhibit C, OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and the Auditor-Controller STRTP Contract Accounting and Administration Handbooks, Exhibits C-1.

29.3 CONTRACTOR must also conform to the audit provisions in OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, or any publication that supersedes these OMB circulars; applicable provisions of CDSS CCLD MPP sections 11-402, 11-403, 11-404, and 11-405; and Exhibit C-1, Auditor-Controller STRTP Contract Accounting and Administration Handbooks.

**SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAM FOSTER CARE
SERVICES CONTRACT**

PART II: STANDARD TERMS AND CONDITIONS

PART II: STANDARD TERMS AND CONDITIONS

1.0 ADMINISTRATION OF CONTRACT – COUNTY

A listing of all COUNTY Administration referenced in the following Sub-sections is designated in Exhibit U, COUNTY’s Administration. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

1.1 COUNTY’s Program Manager

The responsibilities of the COUNTY’s Program Manager include:

- ensuring that the objectives of this Contract are met;
- advise changes in the terms and conditions of this Contract in accordance with Part II, Section 5.0, Changes and Amendments;
- providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements;
- meeting with CONTRACTOR’s Program Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of 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.

1.2 COUNTY’s Contract Program Monitor

The COUNTY’s Program Monitor is responsible for overseeing the day-to-day administration of this Contract. The Program Monitor reports to the COUNTY’s Program Manager.

- 1.3 The COUNTY maintains databases that track/monitor CONTRACTOR performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the COUNTY will exercise a contract term extension option.

2.0 ASSIGNMENT AND DELEGATION

- 2.1 CONTRACTOR shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of the County. Any unapproved assignment or

delegation shall be null and void. Any payments by COUNTY to any approved delegate or assignee on any claim under the Contract shall be deductible, at COUNTY's sole discretion, against the claims, which the CONTRACTOR may have against COUNTY.

- 2.2 Any assumption, assignment, delegation, or takeover of any of the CONTRACTOR's duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without COUNTY's express prior written approval, may result in the termination of this Contract.
 - 2.2.1 Any withdrawal or change of shareholders, members, directors or other persons named on CONTRACTOR's Community Care license application (which significantly changes CONTRACTOR's program as it existed at the time of the execution of this Contract) or any change in the license under CONTRACTOR's Community Care license is an assignment requiring COUNTY consent.
 - 2.2.2 Any payments by COUNTY to CONTRACTOR or its assignee, or acceptance of any payments by COUNTY from CONTRACTOR or its assignee on any claim under this Contract shall not waive or constitute COUNTY consent.
 - 2.2.3 Upon assignment and/or delegation, each and all of the provisions, agreements, terms, covenants, and conditions herein contained, shall be binding upon both CONTRACTOR and upon any assignee/delegate thereof.
- 2.3 Any assumption, assignment, delegation, or takeover of any of the CONTRACTOR's duties, responsibilities, obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, Subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without COUNTY's express prior written approval, shall be a material breach of the Contract which may result in the termination of the Contract. In the event of such termination, COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by CONTRACTOR.

3.0 AUTHORIZATION WARRANTY

CONTRACTOR represents and warrants that the signatory to this Contract is fully authorized to obligate CONTRACTOR hereunder and that all corporate acts necessary to the execution of this Contract have been accomplished.

4.0 BUDGET REDUCTIONS

In the event that the County's Board of Supervisors adopts, in any fiscal year, a COUNTY Budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY contracts, 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 shall also be reduced correspondingly. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within thirty (30) calendar Days of the Board's approval of such actions. Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Contract.

5.0 CHANGES AND AMENDMENTS

COUNTY reserves the right to change any portion of the work required under this Contract, or make amendment to such other terms and conditions as may become necessary. For any material change to the Contract not requested by CONTRACTOR, COUNTY shall give CONTRACTOR (30) Days prior written notice delivered by certified mail, of its intent to make an amendments. Any significant cost impact associated with such an amendment shall be addressed in developing the amendment. A significant cost impact, as used in this section, is defined as a cumulative cost increase of \$1,200 annually. Contract changes shall be in writing and accomplished in the following manner:

- 5.1 Exhibits A-1, A-5, C-3, D through D-3, Exhibits E, F, G, H, K, O, S, and T, may be changed unilaterally by COUNTY to reflect any changes in applicable federal, state or local laws, regulations, ordinances, court orders, court rules or in COUNTY policies. If the change will result in a significant cost impact an amendment will be prepared by COUNTY and executed by CONTRACTOR. If the change will result in no significant cost increase the amendment will be effective upon delivery of the replacement exhibit by certified mail, return receipt requested, to the address of CONTRACTOR set forth in Part I, Section 9.0, Notices. CONTRACTOR shall be responsible for monitoring changes to any applicable laws, ordinances, regulations, a court rules this Contract. CONTRACTOR shall at all times remain in compliance with all such laws, ordinances, regulations, court rules, whether or not COUNTY has delivered a replacement exhibit.

5.2 For any other change which does not have a significant cost impact, affect the scope of work, period of performance, payments, or which does not materially alter any term or condition included in this Contract, or for any change in CONTRACTOR's Plan of Operations and Program Statement, a change notice shall be prepared by COUNTY, and executed by CONTRACTOR and Program Director or designee.

5.3 For any change not covered by Sub-sections 5.1 or 5.2, an amendment to this Contract shall be prepared, by COUNTY, signed by CONTRACTOR, and executed by COUNTY as authorized by the COUNTY's Board of Supervisors.

6.0 CHILD SUPPORT COMPLIANCE PROGRAM

6.1 CONTRACTOR's Warranty of Adherence to County's Child Support Compliance Program

6.1.1 The CONTRACTOR acknowledges that the COUNTY has established a goal of ensuring that all individuals who benefit financially from the COUNTY through Purchase Order or 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.

6.1.2 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 shall maintain compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

6.2 Termination for Breach of Warranty to Maintain Child Support Compliance

Failure of CONTRACTOR to maintain compliance with the requirements set forth in Paragraph 7.1.2 shall constitute a default by CONTRACTOR under this Contract. Without limiting the rights and remedies available to COUNTY under any other provision of this Contract, failure to cure such default within ninety (90) Days of notice shall be grounds upon which COUNTY Board of Supervisors may terminate this Contract pursuant to

Part II, Section 34.0, Termination for Contractor's Default and pursue debarment of CONTRACTOR, pursuant to County Code Chapter 2.202.

7.0 GRIEVANCES

CONTRACTOR shall establish written procedures to resolve grievances by CONTRACTOR's staff.

8.0 COMPLIANCE WITH APPLICABLE LAWS

8.1 CONTRACTOR shall conform to and abide by all applicable Municipal, COUNTY, State and Federal laws and regulations, court rules, and ordinances, guidelines, policies and procedures, insofar as the same or any of them are applicable. This includes compliance with mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (Title 24, California Administrative Code) and compliance with Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15). Insofar as permits and/or licenses are required for the prescribed Services and/or any construction authorized herein, the same must be obtained from the regulatory agency having jurisdiction thereover.

8.1.1 CONTRACTOR acknowledges that this Contract will be funded, in part, with federal funds; therefore, CONTRACTOR agrees that it shall comply with all applicable federal laws and regulations pertaining to such federal funding. Said federal laws and regulations include, but are not limited to, 45 CFR Section 92.36, et seq.

8.1.2 CONTRACTOR shall comply with all applicable laws pertaining to confidentiality. This shall include but is not limited to the confidentiality provisions of Section 827 and Section 10850 of the WIC and MPP Division 19, as further described in Part I, Section 10.0, Confidentiality, of this Contract.

8.1.3 CONTRACTOR agrees to comply fully with the terms of Executive Order 11246, entitled Equal Employment Opportunity as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR Part 60).

8.2 Failure by CONTRACTOR to comply with such laws and regulations shall be a material breach of this Contract and may result in termination of this Contract, in accordance with Part II, Section 34.0, Termination for CONTRACTOR's Default, of this Contract.

8.3 CONTRACTOR agrees to indemnify and hold COUNTY harmless from any loss, damage or liability resulting from a violation on the part of CONTRACTOR, its employees, agents or Subcontractors of such laws, regulations, rules, policies, standards or ordinances as described in Sub-sections 9.1 hereof and 25.1 Non-Discrimination in Employment.

9.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

CONTRACTOR hereby assures that it will comply with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1973, where applicable, and Title 43, Part 17 of the Code of Federal Regulations Subparts A and B, to the end that no persons shall on the grounds of race, creed, color, national origin, political affiliation, marital status, sex, age, or handicap be subjected to discrimination under the privileges and use granted by this Contract or under any project, program or activity supported by this Contract.

10.0 COMPLIANCE WITH JURY SERVICE PROGRAM

This Contract is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached hereto as Exhibit T, and incorporated by reference into and made a part of this Contract.

10.1 Written Employee Jury Service Policy

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

10.1.2 For purposes of this Section, "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 Fifty Thousand Dollars (\$50,000) or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any

California resident who is a full time employee of CONTRACTOR. "Full time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by 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 ninety (90) Days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any Subcontractor to perform services for the COUNTY under this Contract, the Subcontractor shall also be subject to the provisions of this Section. The provisions of this Sub-section shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the Contract.

10.1.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Jury Service Program's definition of "Contractor" or if CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the term of this Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.

10.1.4 CONTRACTOR's violation of this Section of this Contract may constitute a material breach of this Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

11.0 CONFLICT OF INTEREST

11.1 Notwithstanding any other provision of this Contract, no COUNTY employee whose position in COUNTY enables such employee to influence the award or administration of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by CONTRACTOR herein, or have any other

direct or indirect financial interest in this Contract. No officer or employee of COUNTY who may financially benefit from the provision of Services hereunder shall in any way participate in COUNTY's approval, or ongoing evaluation of such Services, or in any way attempt to unlawfully influence COUNTY's approval or ongoing evaluation of such Services.

- 11.2 No DCFS or Probation employee, either active or on leave status, shall serve as an employee or contractor of CONTRACTOR in any capacity on a full or part-time basis.
- 11.3 CONTRACTOR shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. CONTRACTOR warrants that it is not now aware of any facts, which created a conflict of interest. If CONTRACTOR hereafter becomes aware of any facts, which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to COUNTY. Full written disclosure shall include, without limitation, identification of all persons implicated, and complete description of all relevant circumstances.

12.0 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS

12.1 Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract, the CONTRACTOR shall give consideration for any such employment openings to participants in the COUNTY's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the CONTRACTOR's minimum qualifications for the open position. For this purpose, consideration shall mean that the CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category to the CONTRACTOR. CONTRACTOR shall report all job openings with job requirements to: GAINGROW@dpss.lacounty.gov and BSERVICES@WDACS.LACOUNTY.GOV and DPSS will refer qualified GAIN/GROW job candidates.

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

13.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON REEMPLOYMENT LIST

Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, CONTRACTOR shall give **first consideration** for such employment openings to qualified permanent COUNTY employees who are targeted for layoff or qualified

former COUNTY employees who are on a reemployment list during the life of this Contract.

14.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

- 14.1 A responsible contractor is a contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the Contract. It is the COUNTY's policy to conduct business only with responsible contractors.
- 14.2 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.
- 14.3 The COUNTY may debar CONTRACTOR if the Board of Supervisors finds, in its discretion, that CONTRACTOR has done any of the following: 1) violated a term of a Contract with 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.
- 14.4 If there is evidence that the CONTRACTOR may be subject to debarment, DCFS 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.
- 14.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. CONTRACTOR and/or CONTRACTOR's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether CONTRACTOR should be debarred, and, if so, the appropriate length of time of the debarment. The

CONTRACTOR and DCFS/Probation shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors. If CONTRACTOR fails to avail itself of the opportunity to submit evidence to the Contractor Hearing Board, CONTRACTOR may be deemed to have waived all rights of appeal.

- 14.6 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 14.7 If a CONTRACTOR has been debarred for a period longer than five years, that CONTRACTOR may, after the debarment has been in effect for at least five 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.
- 14.8 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 years; 2) the debarment has been in effect for at least five years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
- 14.9 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

14.10 This Section 15.0 shall also apply to Subcontractors of COUNTY Contractors.

15.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTORS to complete the certification in Exhibit L, COUNTY seeks to ensure that all COUNTY CONTRACTORS, which receive or raise charitable contributions, comply with California law in order to protect the COUNTY and its taxpayers. 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).

16.0 COUNTY QUALITY ASSURANCE PLAN

The COUNTY or its agent will monitor 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 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 of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/corrective action measures taken by the COUNTY and 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.

17.0 EMPLOYEE BENEFITS AND TAXES

- 17.1 CONTRACTOR shall be solely responsible for providing to, or on behalf of its employees, all legally required salaries, wages, benefits, or other compensation.
- 17.2 COUNTY shall have no liability or responsibility for any taxes, including, without limitation, sales, income, employee withholding and/or property taxes which may be imposed in connection with or resulting from this Contract or CONTRACTOR's performance hereunder.

18.0 EMPLOYMENT ELIGIBILITY VERIFICATION

CONTRACTOR warrants that it fully complies with all Federal statutes and regulations regarding employment of aliens and others, and that all its employees performing Services hereunder meet the citizenship or alien status requirements

contained in Federal statutes and regulations. CONTRACTOR shall obtain, from all covered employees performing Services hereunder, all verification and other documentation of employment eligibility status required by Federal statutes and regulations as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain such documentation of all covered employees for the period prescribed by law. CONTRACTOR shall indemnify, defend, and hold harmless, COUNTY, its officers and employees from employer sanctions and any other liability which may be assessed against CONTRACTOR or COUNTY in connection with any alleged violation of Federal statutes or regulations pertaining to the eligibility for employment of persons performing Services under this Contract.

19.0 EVENTS OF DEFAULT

19.1 Default for Non-Performance

COUNTY may terminate the whole or any part of this Contract either immediately or within such longer time period as noticed by COUNTY, if COUNTY determines, at its sole discretion, that any of the following circumstances exist:

19.1.1 CONTRACTOR has made a material misrepresentation in the Plan of Operation and Program Statement; or

19.1.2 CONTRACTOR fails to comply with or perform any material provision of this Contract; or

19.1.3 Notice is given by CDSS that CONTRACTOR's STRTP rate will be terminated. Actual termination of the rate is not required for default pursuant to this provision.

19.1.4 Notice is given by CDSS CCLD that CONTRACTOR's Short-Term Residential Therapeutic Program Facility license will be revoked.

19.2 Default for Insolvency

COUNTY may terminate this Contract for default for insolvency in the event of the occurrence of any of the following:

19.2.1 CONTRACTOR ceases to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has filed for bankruptcy or not, and whether insolvent within the meaning of the Federal Bankruptcy Law or not;

19.2.2 The filing of a voluntary petition in bankruptcy;

19.2.3 The appointment of a Receiver or Trustee for CONTRACTOR;

19.2.4 The execution by CONTRACTOR of an assignment for the benefit of creditors.

19.3 Other Events of Default

Determination by COUNTY, the State Fair Employment Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by CONTRACTOR in violation of State and/or Federal laws thereon.

20.0 FORMER FOSTER YOUTH CONSIDERATION

20.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform Services set forth herein, CONTRACTOR shall give consideration (after GAIN/GROW participants, and COUNTY employees, as described in Part II, Sections 13.0 and 14.0, respectively) for any such position(s) to qualified former foster youth. CONTRACTOR shall notify COUNTY of any new or vacant position(s) within CONTRACTOR's firm by sending via U.S. mail or email to (TBD) 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 Division
3530 Wilshire Boulevard, Suite 400
Los Angeles, CA 90010
Email: (TBD)

AND

County of Los Angeles
Probation Department
Attention: Director, Youth Development Services
3530 Wilshire Boulevard, Suite 400
Los Angeles, CA 90010

20.2 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)/requests for application(s) may be sent, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

21.0 INDEPENDENT CONTRACTOR STATUS

This Contract is by and between COUNTY and CONTRACTOR and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between COUNTY and CONTRACTOR. CONTRACTOR understands and agrees that all persons furnishing Services to COUNTY pursuant to this Contract are, for purposes of Workers' Compensation liability, employees solely of CONTRACTOR and not of COUNTY. CONTRACTOR shall bear the sole responsibility and liability for furnishing Workers' Compensation benefits to any person for injuries arising from or connected with Service to COUNTY provided pursuant to this Contract.

22.0 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

CONTRACTOR represents and warrants that it has registered in the COUNTY's WebVen. Prior to a contract award, all potential contractors must register in the COUNTY's WebVen. The WebVen contains the vendor'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://lacounty.info/doing_business/main_db.htm. (There are underscores in the address between the words 'doing business' and 'main db'.)

23.0 NON-DISCRIMINATION IN EMPLOYMENT

- 23.1 CONTRACTOR certifies and agrees that all persons under its employ, its affiliates, subsidiaries, or holding companies, are and will be treated equally by it without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap, in compliance with all applicable Federal and State non-discrimination laws and regulations. This includes compliance with Executive Order 11246 entitled "Equal Employment Opportunity," Executive Order 11375 and as supplemented in the Department of Labor Regulations (41 CFR Part 60).
- 23.2 CONTRACTOR shall take affirmative action to ensure that qualified applicants are employed and that employees are treated during employment without regard to race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap. Such action shall include but is not limited to the following: 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.
- 23.3 CONTRACTOR shall deal with its Subcontractors, bidders, or vendors without regard to or because of race, religion, color, national origin, political affiliation, marital status, sex, age, or handicap.
- 23.4 CONTRACTOR shall provide access for COUNTY's representatives to inspect CONTRACTOR's employment records during regular business hours in order to verify compliance with the provisions of this Section

when so requested by COUNTY, in accordance with applicable state and federal law.

- 23.5 If COUNTY finds that any of the above provisions have been violated, the same shall constitute a material breach of contract upon which COUNTY may determine to terminate this Contract. COUNTY reserves the right to determine independently whether the non-discrimination provisions of this Contract have been violated. In addition, a determination by the California Fair Employment Opportunity Commission that CONTRACTOR has violated State or Federal non-discrimination laws or regulations shall constitute a finding by COUNTY that CONTRACTOR has violated the non-discrimination provisions of this Contract.
- 23.6 The parties agree that in the event CONTRACTOR violates the non-discrimination provisions of this Contract, COUNTY shall, at its option, be entitled to a sum of Five Hundred Dollars (\$500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating this Contract.

24.0 NON-DISCRIMINATION IN SERVICES

In the performance of this Contract CONTRACTOR shall not discriminate in the delivery of Services on the basis of race, religion, color, creed, national origin, sex, sexual orientation, age, condition of physical or mental handicap, marital status or political affiliation. CONTRACTOR shall comply with the Civil Rights Act of 1964, Government Code Section 11135 and all other applicable laws and regulations, in addition to complying with CONTRACTOR's CDSS, CCLD license. COUNTY and CONTRACTOR agree that CONTRACTOR will accept or reject children for placement consistent with CONTRACTOR's Plan of Operation and Program Statement and in compliance with CONTRACTOR's license. Such determination may not be arbitrary and capricious, unreasonable or discriminatory.

25.0 NOTICE OF DELAYS

Except as otherwise provided herein, when either party to this Contract has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within three (3) working days, give written notice thereof, including all relevant information with respect thereto, to the other party.

26.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

CONTRACTOR shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income

Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Services Notice 1015, attached hereto as Exhibit F.

27.0 PROPRIETARY RIGHTS

- 27.1 During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such materials, data and information developed under and/or used in connection with this Contract, make copies thereof, and use the working papers and the information contained therein.
- 27.2 To the extent that 45 CFR 95.617 applies to this Contract, this Sub-section 29.2 shall be applicable. Notwithstanding any other provision of this Contract, COUNTY and CONTRACTOR agree that COUNTY shall have all ownership rights in software or modification thereof and associated documentation designed, developed or installed with Federal financial participation; additionally, the Federal Government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Contract, proprietary operating/vendor software packages (e.g., ADABAS or TOTAL) which are provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions of this Section. CONTRACTOR may retain possession of all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein. To the extent that 45 CFR 95.617 does not apply, nothing precludes CONTRACTOR from seeking a trademark to its intellectual property developed during the term of this Contract.
- 27.3 Any materials, data and information not developed under this Contract, which CONTRACTOR considers to be proprietary and confidential, shall be plainly and prominently marked by CONTRACTOR as "TRADE SECRET", "PROPRIETARY", or "CONFIDENTIAL".
- 27.4 COUNTY will use reasonable means to ensure that CONTRACTOR's proprietary and confidential materials, data and information are safeguarded and held in confidence. However, COUNTY will notify CONTRACTOR of any Public Records request for items described in Sub-section 29.3. COUNTY agrees not to reproduce or distribute such materials, data and information to non-COUNTY entities without the prior written permission of CONTRACTOR.

- 27.5 Notwithstanding any other provision of this Contract, COUNTY shall not be obligated in any way under Sub-section 29.4 for:
- 27.5.1 Any material, data and information not plainly and prominently marked with restrictive legends as set forth in Sub-section 29.3;
 - 27.5.2 Any materials, data and information covered under Sub-section 29.2; and
 - 27.5.3 Any disclosure of any materials, data and information which COUNTY is required to make under the California Public Records Act or otherwise by law.
- 27.6 CONTRACTOR shall protect the security of and keep confidential all materials, data and information received or produced under this Contract. Further, CONTRACTOR shall use whatever security measures are necessary to protect all such materials, data and information from loss or damage by any cause, including, but not limited to, fire and theft.
- 27.7 CONTRACTOR shall not disclose to any party any information identifying, characterizing or relating to any risk, threat, vulnerability, weakness or problem regarding data security in COUNTY's computer systems or to any safeguard, countermeasure, contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.
- 27.8 The provisions of Sub-sections 29.5, 29.6, and 29.7 shall survive the expiration or termination of this Contract.

28.0 DISCLOSURE OF INFORMATION

In recognizing CONTRACTOR's need to identify its Services and related clients to sustain itself, COUNTY shall not inhibit CONTRACTOR from publicizing its role under this Contract within the following conditions:

- 28.1 CONTRACTOR shall develop all publicity material in a professional manner and subject to Part I, Section 10.0, Confidentiality, of this Contract.
- 28.2 During the course of performance of this Contract, CONTRACTOR, its employees, agents, and Subcontractors shall not publish or disseminate commercial advertisements, press releases, opinions or feature articles, using the name of COUNTY without the prior written consent of COUNTY. Said consent shall not be unreasonably withheld, and approval by COUNTY may be assumed in the event no adverse comments are received in writing two (2) weeks after submittal.

28.3 CONTRACTOR may, without prior written permission of COUNTY, indicate in its proposals and sales material that it has been awarded a contract to provide Services, provided, however, that the requirements of this provision shall apply.

29.0 RECYCLED-CONTENT PAPER

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

30.0 SAFELY SURRENDERED BABY LAW

30.1 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 understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in Exhibit S, 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. Information and posters for printing are available at www.babysafela.org.

30.2 Notice to Employees Regarding the Safely Surrendered Baby Law

The CONTRACTOR shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit S, Safely Surrendered Baby Law of this CONTRACT. Additional information is available at www.babysafela.org.

31.0 SUBCONTRACTING

31.1 No performance of this Contract or any portion thereof may be subcontracted by CONTRACTOR without the express written authority of COUNTY Program Directors. Any attempt by CONTRACTOR to Subcontract performance of any of the terms of this Contract, in whole or in part, without said consent shall be null and void and shall constitute a breach of the terms of this Contract, upon which Contract may be terminated in accordance with Part II, Section 34.0, Termination for

CONTRACTOR's Default. CONTRACTOR shall submit each Subcontract to COUNTY for written approval prior to Subcontractor performing any work hereunder.

- 31.2 All of the provisions of this Contract and any Amendment(s) hereto shall extend to and be binding upon Subcontractors, provided that assignment or delegation of rights under a Subcontract by Subcontractors shall not require COUNTY approval. CONTRACTOR shall include in all Subcontracts the following provision: "This Contract is a Subcontract under the terms of a prime contract with COUNTY of Los Angeles. All representations and warranties contained in this Subcontract shall inure to the benefit of COUNTY of Los Angeles." CONTRACTOR shall ensure that Subcontractors agree in writing to be bound by any of the provisions of the Contract which CONTRACTOR is subcontracting.
- 31.3 CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability arising or resulting from the use of any Subcontractor and its employees in the same manner and to the same extent that CONTRACTOR indemnifies COUNTY from any and all liability arising from or resulting from the actions or omissions of its own employees.
- 31.4 CONTRACTOR shall obtain the following from each Subcontractor before any Subcontractor employee may perform any work under any Subcontract to this Contract. CONTRACTOR shall maintain and make available upon request of Program Managers all the following documents:
- 31.4.1 An executed Contractor Employee Acknowledgment and Confidentiality Agreement (Exhibit D-1) executed by each Subcontractor and each of Subcontractor's employees approved to perform work hereunder.
- 31.4.2 Certificates of Insurance which establish that the Subcontractor maintains all the programs of insurance required by Part I: Unique Terms and Conditions, Section 6.0, Insurance Coverage Requirements, of this Contract.
- 31.4.3 The Tax Identification Number of the Subcontracting agency to be placed on the signature page of the Subcontract. This Tax Identification Number shall not be identical to CONTRACTOR's Tax Identification Number.
- 31.5 CONTRACTOR shall provide COUNTY's Program Managers with copies of all executed Subcontracts.
- 31.6 No Subcontract shall alter in any way any legal responsibility of CONTRACTOR to COUNTY. CONTRACTOR shall remain responsible for any and all performance required of it under this Contract, including,

but not limited to, the obligation to properly supervise, coordinate, and perform all work required hereunder.

- 31.7 Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Contract.
- 31.8 CONTRACTOR shall be solely liable and accountable for any and all payments and other compensation to all Subcontractors engaged hereunder and their officers, employees, and agents. COUNTY shall have no liability or responsibility whatsoever for any payment or other compensation for any Subcontractor or their officers, employees, and agents.

32.0 TERMINATION FOR CONTRACTOR'S DEFAULT

- 32.1 Upon determining the existence of any one or more of the circumstances heretofore described in Part II, Section 21.0, Events of Default, this Contract may be subject to termination, by the Board of Supervisors, or designee, either immediately or within such longer time period as noticed by COUNTY.
- 32.2 In the event COUNTY terminates this Contract in whole or in part as provided in this Section, COUNTY may recover damages to the extent permitted by applicable law, subject to the terms of the Dispute Resolution Procedures, Part I, Section 20.0.

After receipt of a notice of termination, CONTRACTOR shall submit to COUNTY in the form and with the certification as may be prescribed by COUNTY, its termination claim and invoice. Such claim and invoice shall be submitted promptly. COUNTY will not accept any such invoice submitted later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit its termination claim and invoice within the time allowed, COUNTY may determine, on the basis of information available to COUNTY, the amount, if any, due to CONTRACTOR in respect to the termination, and such determination shall be final. After such determination is made, COUNTY shall pay CONTRACTOR the amount so determined as full and complete satisfaction of all amounts due CONTRACTOR under this Contract for any terminated Services, provided that such amounts may be offset against any amounts COUNTY claims are due from CONTRACTOR pursuant to the terms of this Contract.

- 32.3 CONTRACTOR shall not be liable, if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of CONTRACTOR. Such causes may include, but not be limited to: acts of God or of the public enemy, acts of Federal, State or County

Governments in their sovereign capacities, fires, floods, epidemics, riots, earthquakes, quarantine restrictions, strikes, freights embargoes and unusually severe weather, but in every case, the failure to perform must be beyond the control and without the fault or negligence of CONTRACTOR.

- 32.4 If, after COUNTY has given notice of termination under the provisions of this Section, it is determined by COUNTY that CONTRACTOR was not in default under the provisions of this Section, the contract will remain in full force and effect.

33.0 TERMINATION FOR CONVENIENCE

- 33.1 The performance of Services under this Contract may be terminated in whole or part when such action is deemed by COUNTY to be in its best interest and such termination is approved by the Board of Supervisors. Termination of Services hereunder shall be effected by delivery to CONTRACTOR of a ninety (90) Day advance notice of termination specifying the extent to which performance of Services under this Contract is terminated and the date upon which such termination becomes effective.

- 33.2 After approval of the termination by the Board of Supervisors, COUNTY will provide for the continued placement or removal of Placed Children in a fashion that is consistent with the best interest of children. In addition, CONTRACTOR shall:

33.2.1 Stop Services under this Contract on the effective date of termination.

33.2.2 Continue to perform, as required by this Contract until the effective date of termination.

- 33.3 After receipt of a notice of termination, CONTRACTOR shall submit to COUNTY in the form and with the certification as may be prescribed by COUNTY, its termination claim and invoice. Such claim and invoice shall be submitted promptly. COUNTY will not accept any such invoice submitted later than three (3) months from the effective date of termination. Upon failure of CONTRACTOR to submit its termination claim and invoice within the time allowed, COUNTY may determine, on the basis of information available to COUNTY, the amount, if any, due to CONTRACTOR in respect to the termination, and such determination shall be final. After such determination is made, COUNTY shall pay CONTRACTOR the amount so determined as full and complete satisfaction of all amounts due CONTRACTOR under this Contract for any terminated Services, provided that such amounts may be offset against

any amounts COUNTY claims are due from CONTRACTOR pursuant to the terms of this Contract.

34.0 TERMINATION FOR IMPROPER CONSIDERATION

- 34.1 COUNTY may, by written notice to CONTRACTOR, immediately terminate the right of the CONTRACTOR to proceed under this Contract if it is found that consideration, in any form, was offered or given by the CONTRACTOR, either directly or through an intermediary, to any COUNTY officer, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract or the making of any determinations with respect to the CONTRACTOR's performance pursuant to this Contract. In the event of such termination, the COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.
- 34.2 CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.
- 34.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

35.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

CONTRACTOR and each COUNTY lobbyist or COUNTY lobbying firm, as defined in County Code Section 2.160.010, retained by CONTRACTOR, shall fully comply with the COUNTY's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of CONTRACTOR or any COUNTY lobbyist or COUNTY lobbying firm retained by the CONTRACTOR to fully comply with the COUNTY's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the COUNTY may, in its sole discretion, immediately terminate or suspend this Contract.

36.0 COVENANT AGAINST CONTINGENT FEES

- 36.1 CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Contract for either a flat fee, a percentage commission or any other form of remuneration.
- 36.2 For breach or violation of this covenant, COUNTY shall have the right to terminate this Contract and/or, at its sole discretion, require

CONTRACTOR to repay any funds converted to such use prior to any payment for past work or performance of any future work.

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

- 37.1 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.
- 37.2 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.
- 37.3 CONTRACTORS Certification of Compliance with the COUNTY's Defaulted Property Tax Reduction Program is incorporated as Exhibit M of this Contract.

38.0 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 Section 39.0 "CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" shall constitute default under this Contract. Without limiting the rights and remedies available to COUNTY under any other provision of this Contract, failure of CONTRACTOR to cure such default within ten (10) days of notice shall be grounds upon which COUNTY may terminate this Contract and/or pursue debarment of CONTRACTOR, pursuant to County Code Chapter 2.206.

39.0 TIME OFF FOR VOTING

The CONTRACTOR shall notify its employees, and shall 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 shall 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.

40.0 MANDATORY REQUIREMENT TO REGISTER ON FEDERAL SYSTEM FOR AWARD MANAGEMENT

CONTRACTOR represents and warrants that it has registered in the Federal System for Award Management's (SAM). Prior to a contract award, all potential contractors must register in SAM. Registration can be accomplished online via the Internet by accessing the Federal Contractor Registry's home page at <https://www.sam.gov/portal/SAM/#1>. CONTRACTOR certifies that it is in good standing with the federal government Executive Order 12549, 7CFR Part 3017, 45 CFR Part 76, and 2 CFR 200.212 Subpart C. CONTRACTOR certifies that to the best of its knowledge and belief it and its principals or affiliates under this contract are not debarred or suspended from federal financial assistance programs and activities; proposed for debarment; declared ineligible; or voluntarily excluded from participation in covered transactions by any federal department or agency as attached hereto as Exhibit O.

41.0 COMPLIANCE WITH ENCRYPTION REQUIREMENTS

41.1 Data Encryption

CONTRACTOR and Subcontractors that electronically transmit or store personal information (PI), protected health information (PHI) and/or medical information (MI) shall comply with the encryption standards set forth below in Paragraph 43.1.1, 43.1.2, and 43.1.3; and, as PI is defined in California Civil Code Section 1798.29(g), PHI is defined in Health Insurance Portability and Accountability Act of 1996 (HIPAA), and implementing regulations, and MI is defined in California Civil Code Section 56.05(j).

41.1.1 Stored Data

CONTRACTORS' and Subcontractors' workstations and portable devices (e.g., mobile, wearables, tablets, thumb drives, external hard drives) shall require encryption (i.e. software and/or hardware) in accordance with: a) Federal Information Processing Standard Publication (FIPS) 140-2; b) National Institute of Standards and Technology (NIST) Special Publication 800-57 Recommendation for Key Management- Part 1: General (Revision 3); c) NIST Special Publication 800-57 Recommendation for Key Management – Part 2: Best Practices for Key Management Organization; and d) NIST Special Publication 800-111 Guide to Storage Encryption Technologies for End User Devices. Advanced Encryption Standard (AES) with cipher strength of 256-bit is minimally required.

41.1.2 Transmitted Data

All transmitted (e.g. network) County PI, PHI and/or MI require encryption in accordance with: a) NIST Special Publication 800-52 Guidelines for the Selection and Use of Transport Layer Security Implementations; and b) NIST Special Publication 800-57 Recommendation for Key Management - Part 3: Application-Specific Key Management Guidance. Secure Sockets Layer (SSL) is minimally required with minimum cipher strength of 128-bit.

41.1.3 Certification

The County must receive within ten (10) business days of its request, a certification from CONTRACTOR (for itself and any Subcontractors) that certifies and validates compliance with the encryption standards set forth above in Contractor's compliance with Encryption Requirements Form (Exhibit P). In addition, CONTRACTOR shall maintain a copy of any validation/attestation reports that its data encryption product(s) generate and such reports shall be subject to audit in accordance with the Contract. Failure on the part of the CONTRACTOR to comply with any of the provisions of this Sub-paragraph 43.0 (Data Encryption) shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

42.0 COMPLIANCE WITH COUNTY'S ZERO TOLERANCE POLICY ON HUMAN TRAFFICKING

Contractor acknowledges and certifies in Attachment Q, Zero Tolerance Human Trafficking Policy Certification 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 shall require that the Contractor or member of Contractor's staff be removed immediately from performing services under this 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 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this CONTRACT.

43.0 CONTRACTOR ALERT REPORTING DATABASE

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

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
AND THE PROBATION DEPARTMENT
FOSTER CARE PLACEMENT SERVICES MASTER CONTRACT FOR SHORT-TERM
RESIDENTIAL THERAPEUTIC PROGRAM**

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 Acting Director of the Department and Children and Family Service and the Chief Probation Officer of the Probation Department 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.

COUNTY OF LOS ANGELES

CONTRACTOR

By: _____
Bobby D. Cagle
Director
Department of Children and
Family Services

Name: _____
Title _____

By: _____
Terri L. McDonald
Chief Probation Officer
Probation Department

By: _____
Name: _____
Title _____

Tax Identification Number

APPROVED AS TO FORM:
BY THE OFFICE OF COUNTY COUNSEL
MARY C. WICKHAM, COUNTY COUNSEL

By: _____
David Beaudet,
Senior Deputy County Counsel

LINE ITEM BUDGET

**Office of Management and Budget (OMB)
Title 2 Code of Federal Regulations (CFR)
Chapter I, Chapter II, Part 200 et. al
and 2 CFR 1.100, Title 2, Part 1**

These exhibits can be obtained via internet by accessing the US Government Printing Office's home page at:

https://www.ecfr.gov/cgi-bin/text-idx?SID=0b5dbf7c673a7f2cc48b1d49ecab500c&mc=true&tpl=/ecfrbrowse/Title02/2tab_02.tpl

and

<https://www.gpo.gov/fdsys/pkg/CFR-2017-title2-vol1/pdf/CFR-2017-title2-vol1.pdf>

**DEPARTMENT OF AUDITOR-CONTROLLER
CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK**

The purpose of the handbook is to establish accounting, internal control, financial reporting, and contract administration standards for organizations (contractors) that contract with the COUNTY.

Revision: March 2014

AUDITOR-CONTROLLER CONTRACT ACCOUNTING AND ADMINISTRATION HANDBOOK

The purpose of this Handbook is to establish required accounting, financial reporting, and internal control standards for entities (CONTRACTOR) which contract with Los Angeles County (COUNTY).

The accounting, financial reporting and internal control standards described in this Handbook are fundamental. These standards are not intended to be all inclusive or replace acceptable existing procedures or preclude the use of more sophisticated methods. Instead, this Handbook represents the minimum required procedures and controls that must be incorporated into a CONTRACTOR'S accounting and financial reporting system. 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 or Board Officers, etc.) 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 Agreement.

A. ACCOUNTING AND FINANCIAL REPORTING

1.0 Basis of Accounting

Unless otherwise specified by the funding source, CONTRACTORS may elect to use either the cash basis or accrual basis of accounting during the year for recording financial transactions. Monthly invoices must be prepared on the same basis that is used for recording financial transactions.

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

Accrual Basis

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

Accruals

Accruals shall be recorded observing the following:

- Recorded accruals must be reversed in the subsequent accounting period.

1.1 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 contract and at the end of the contract.
- All computations, supporting records, and explanatory notes used in converting from the cash basis to the accrual basis must be retained.

1.2 Prepaid Expenses

Prepaid expenses (e.g., insurance, service agreements, lease agreements, etc.) should only be expensed during a given Agreement year to the extent goods and services are received, or are applicable to that Agreement year.

2.0 Accounting System

Each CONTRACTOR shall maintain a **double entry accounting system** (utilizing debits and credits) with a General Journal, a Cash Receipts Journal, a General Ledger, and a Cash Disbursements Journal. The COUNTY requires that a Payroll Register (see Section 2.6) also be maintained. Postings to the General Ledger and Journals shall be made at least on a monthly basis. The CONTRACTOR shall maintain a separate Cost Center(s), which clearly identifies funds received and expended on services provided under the attached Agreement.

2.1 General Journal

A General Journal shall be maintained for recording adjusting entries, reversing entries, closing entries, and other financial transactions not normally recorded in the Cash Receipts Journal or Cash Disbursements Journal. Entries in the General Journal must be adequately documented, and entered in chronological order with sufficient explanatory notations.

Example:

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

To record accrued rent to March 31, 20XX

2.2 Cash Receipts Journal

A Cash Receipts Journal shall be maintained for recording all cash receipts (e.g., COUNTY warrants, contributions, interest income, etc.). The Cash Receipts Journal shall contain (minimum requirements) the following column headings:

- Date
- Receipt Number
- Cash Debit Columns
- Income Credit Columns (for the following accounts):
 - COUNTY payments (one per funding source)
 - Contributions
 - Other Income (Grants, sales of supplies/services, rental income, miscellaneous revenue, fees, etc.)
 - Description (entries in the description column must specify the source of cash receipts.)

2.3 Cash Disbursements Journal

A Cash Disbursements Journal shall be maintained for recording all cash disbursements (e.g., rent, utilities, maintenance, etc.)

The Cash Disbursements Journal shall contain (minimum requirements) the following column headings:

- Date
- Check Number
- Cash (Credit) Column
- Expense Account Name
- Description

Note (1) Separate cost columns are required for salary expense and other recurring cost classifications for each program.

Note (2) Entries in the description column must specify the nature of the cost and the corresponding cost classification if not included in the column heading.

Note (3) Checks should not be written to employees (other than payroll, mileage, travel, and petty cash custodian checks).

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

Disbursements without supporting documentation will be disallowed upon audit. Cancelled checks and credit card statements (VISA, AMEX, department store, etc.) will not constitute acceptable support. See Sections A.3.2 and B.2.4 for additional guidance on expense documentation requirements.

2.4 General Ledger

A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for the expenses and revenues of each of the CONTRACTOR'S programs (both COUNTY and non-COUNTY programs).

2.5 Chart of Accounts

A Chart of Accounts shall be maintained:

- The COUNTY recommends that CONTRACTORS use the expense 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 must 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 expenses for travel shall be posted to the account titled "travel" or "travel expense" and not intermixed with other expense accounts.

2.6 Payroll Register

The COUNTY recommends that a Payroll Register be maintained for recording all payroll transactions. The Register should contain the following:

- Name
- Position
- Social Security Number (at a minimum last four digits of the SSN)
- Salary (hourly wage)
- Payment Record including:
 - Accrual Period
 - Gross Pay
 - Itemized Payroll Deductions
 - Net Pay Amount
 - Check Number

If a Payroll Register is not used, the information discussed above must be recorded in the cash disbursements journal.

CONTRACTOR will ensure compliance with all applicable federal and State requirements for withholding payroll taxes (e.g., FIT, FICA, FUTA, SIT, SIU, etc.), reporting, filing (e.g., 941, DE-7, W-2, W-4 and 1099s), and all applicable tax deposits.

CONTRACTOR will ensure compliance with Internal Revenue Service guidelines in properly classifying employees and independent contractors.

2.7 CONTRACTOR Invoices

Each CONTRACTOR shall present an invoice to the COUNTY each calendar month to report the program(s) financial activity of the month. In addition, if advanced funding is involved, an invoice shall be presented at the beginning of the contract period. An invoice/billing submission shall be provided to the COUNTY as required in the applicable COUNTY contract.

3.0 Records

Adequate care shall be exercised to safeguard the accounting records and supporting documentation. Any destruction or theft of the CONTRACTOR'S accounting records or supporting documentation shall be immediately reported to the COUNTY. CONTRACTOR shall report, to the local law enforcement agency having jurisdiction, any act(s), which may reasonably be thought to constitute a crime, and/or which appear to have resulted in the destruction, damage or alteration of any record subject to the provisions of this Handbook. CONTRACTOR shall make their report to the local law enforcement agency not more than twenty-four hours after becoming aware of the acts which have resulted in the destruction, damage, or alteration of the record.

A copy of the resulting crime/incident report must be retained by the agency for a period of time under which the underlying records were

destroyed, or damaged were required to be retained plus an additional four years, and shall be retained for a longer period in the case of unresolved litigation, or audit.

To the extent automated accounting records contain confidential information including but not limited to the names and addresses of individuals, Social Security Numbers, etc. The computer files containing this information must be adequately encrypted using the most current encryption standards to prevent unauthorized access and use.

3.1 Retention

All accounting records (e.g., journals, ledgers, etc.), financial records and supporting documentation (e.g., invoices, receipts, checks, etc.) must be retained for a minimum of five years after the termination of the CONTRACTOR'S Agreement, unless a longer retention period is prescribed by the Agreement, or by applicable laws and regulations, in which case the CONTRACTOR shall comply with the longer retention period and all other retention requirements set forth in the Agreement or the applicable laws and regulations.

3.2 Supporting Documentation

All revenues and expenditures shall be supported by original vouchers, invoices, receipts, or other documentation and shall be maintained in the manner described herein.

Invoices, receipts, canceled checks and other documentation, including electronic documentation clearly establishing the nature of the expenditure and its relevance to the COUNTY program being contracted for shall be required to support an outlay of funds. Unsupported disbursements will be disallowed upon audit. CONTRACTOR will be required to repay COUNTY for all dollar for dollar disallowed costs. ***Photocopies (including scanned images) of invoices or receipts, any internally generated documents (e.g., vouchers, request for check forms, requisitions, canceled checks, etc.), and account statements do not constitute supporting documentation for purchases. To the extent the source for electronic documentation is an original hardcopy document (e.g., PDF scans of original vendor invoices) CONTRACTOR shall retain the original source document for inspection by COUNTY. County at its sole discretion may accept photocopies of supporting documentation in preference to the original documents.***

Supporting documentation is required for various types of expenditures. CONTRACTORS shall provide acceptable supporting documentation for all expenditures, and, with regard to the following categories of

expenditures, acceptable supporting documentation shall consist solely of the documentation listed for each expenditure type. Another form of documentation may be used, in lieu of the listed types of acceptable supporting documentation, provided the CONTRACTOR obtains the prior written approval of the COUNTY to use a specific type of alternative documentation.

Payroll – timecards and attendance records signed by the employee and approved in writing by the supervisor, time distribution records by program accounting for total work time on a daily basis for all employees, records showing actual expenditures for Social Security and unemployment insurance, State and federal quarterly tax returns, federal W-2 forms, and federal W-4 forms. Personnel records shall also be maintained documenting employee pay rates. Personnel records shall also contain documentation confirming that educational and practical experience requirements of an employee's position have been met. Where licensure is a requirement of an employee's position, CONTRACTOR'S personnel file shall contain proof that employees have the required licenses/certifications.

Consultant Services – contracts detailing the nature and scope of services to be provided, time and attendance records (where applicable, as determined by COUNTY), billing rates, travel vouchers detailing purpose, time and location of travel, purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided. CONTRACTOR shall also maintain copies of all completed federal form 1099s, establishing that all payments to all consultants were reported in a timely fashion to federal and State taxing agencies.

Travel – travel policies of the CONTRACTOR (written); travel expense vouchers showing location, date and time of travel, purpose of trip, and rates claimed; vehicle mileage logs showing dates, destination and headquarters, purpose of trip, and beginning and ending odometer readings and the resulting mileage. Vehicle mileage logs must clearly identify business versus non-business, or personal travel. For travel related to conferences, CONTRACTOR shall at a minimum retain conference literature, including but not necessarily limited to agendas and handouts detailing the purpose of the conference, as part of the CONTRACTOR'S documentation of the propriety of the travel expenditure. Reimbursement rates for mileage shall not exceed applicable federal guidelines.

Reimbursement for actual receipts or per diem rates for meal expenses shall not exceed the maximum COUNTY'S reimbursement rate for employees.

Receipts shall be required for lodging for approved out-of-town travel. Maximum reimbursable lodging amount is the COUNTY'S maximum reimbursement rate for employees for a single occupancy hotel accommodation. Receipts shall also be required for airfare, car rentals, ground transportation and parking.

Operating Expenses (e.g., utilities, office supplies, equipment rentals, etc.) – bona fide contracts or lease agreements, if any, and invoices and receipts detailing the cost and items purchased will constitute the primary supporting documentation. For internal control purposes, the CONTRACTOR shall maintain vouchers, purchase orders, requisitions, stock received reports, bills of lading, etc. The contractor shall also maintain documentation acknowledging the receipt of the specific goods and services for the expenditure (e.g., stock received reports, packing slip signed by the receiving employee, etc.). For internal control purposes, the CONTRACTOR may also maintain vouchers, purchase orders, requisitions, etc.

Vehicle Expenses - A vehicle mileage log must be maintained which establishes the extent to which company owned vehicles are used for business, versus non-business purposes. For all business related trips, the log shall identify trip dates, the origin and destination of the trip along with beginning and ending odometer readings and the resulting mileage. For other vehicle expenses such as gasoline and maintenance, invoices/receipts must be maintained which reflect the vehicle license number, or vehicle identification number of the vehicle being serviced or fueled. The record maintenance requirements for company-owned vehicles, also applies to personal vehicles used for business purposes.

Outside Meals - receipts and/or invoices for all meals, a record of the nature and business purpose of each meal, and identification of the participants.

Loans from Employees/Related Parties – Loans to the CONTRACTOR by employees and/or related parties shall be supported by a written loan agreement and records documenting that the lent funds were deposited into a CONTRACTOR bank account. CONTRACTOR shall also maintain documentation showing that the 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 expense under the Agreement. If the payment of interest is allowable, interest shall not be accrued at a rate which exceeds the most current available County Treasury Rate plus one percent.

3.3 Payments to Affiliated Organizations or Persons

Prior to making payments to affiliated organizations or persons (i.e., related party transactions), CONTRACTOR shall complete a disclosure statement identifying the nature of the affiliated, or related organization /persons.

CONTRACTOR shall not make payments to affiliated organizations or persons for program expenses (e.g., salaries, services, rent, etc.) that exceed the lesser of actual cost or the reasonable cost for such expenses. A reasonable cost shall be the price that would be paid by one party to another when the parties are dealing at arm's length (fair market price).

Organizations or persons (related parties) related to the CONTRACTOR or its members by blood, marriage, or through a legal organization (corporation, partnership, association, etc.) will be considered affiliated for purposes of this Agreement. COUNTY shall be solely responsible for determining affiliation unless otherwise allowed and approved by the State or federal agencies.

Payments to affiliated organizations or persons will be disallowed upon audit to the extent the payments exceed the lower of actual costs or the reasonable costs (fair market value) for such items.

3.4 Filing

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

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

3.5 Referencing

Accounting transactions posted to the CONTRACTOR'S books shall be appropriately cross-referenced to supporting documentation. 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
- Revenue – Receipt number

Supporting documentation for non-payroll expenditures (i.e., operating expenditures) should be cross-referenced to the corresponding check issued for payment. If multiple invoices are paid with one check, all related invoices should be bound together and cross-referenced to the check issued for payment.

4.0 Donations and Other Sources of Revenue

Restricted donations and other sources of revenue, earmarked specifically for the Contract, must be utilized on allowable contract expenditures. Similarly, income from investments (e.g., interest or dividends), where the source of the amount invested is COUNTY program funds, shall be deemed restricted revenue that must be utilized on allowable expenditures, or returned to the COUNTY as specified under the attached 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 contract and for a period of five 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 shall be maintained at a location within 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 contract compliance at any time, without prior notice to CONTRACTOR seven days a week, when the COUNTY has information which it, in its sole discretion, deems justifies such an unannounced visit, inspection, audit or investigations.

6.0 Single Audit Requirements

OMB Circular 133, "Audits of State, Local Governments and Non Profit Organizations" requires that certain organizations receiving federal

awards, including pass-through awards, have annual audits. Details are contained in the Circular.

A copy of any Single Audit report shall be filed with the COUNTY within the timeframes prescribed by the Circular 133, or under the attached Agreement.

7.0 Subcontracts

CONTRACTOR shall not subcontract services without the prior written consent of the COUNTY.

CONTRACTOR shall provide COUNTY with copies of all executed subcontracts and shall be responsible for the performance of their subcontractors. At the sole discretion of COUNTY, CONTRACTOR may submit an electronic copy of executed subcontracts in preference to a hardcopy.

B. INTERNAL CONTROLS

Internal controls safeguard the CONTRACTOR'S assets from misappropriations, misstatements or misuse. Each CONTRACTOR shall prepare necessary written procedures establishing internal controls for its personnel's use. The CONTRACTOR shall instruct all of its personnel in these procedures and continuously monitor operations to ensure compliance with them.

1.0 Cash Receipts

1.1. Separate Fund or Cost Center

All contract revenues shall 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 on the accounting records through the use of cost centers or separate accounts.

1.2 Deposits

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

All checks shall be restrictively endorsed upon receipt.

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

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

Cash receipts (i.e., cash and checks) totaling \$500 or more shall be deposited within one day of receipt. Collections of less than \$500 may be held and 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.

Duplicate deposit slips shall be retained and filed chronologically, and shall contain sufficient reference information for comparison to the Cash Receipts Journal and individual receipts, if applicable. A recommended best practice is to retain photocopies of the COUNTY warrants reflected on each deposit slip, or record the individual warrant numbers onto the deposit slip.

1.3 Separation of Duties

An employee who does not handle cash shall record all cash or check receipts in the CONTRACTOR'S accounting records.

1.4 Bank Reconciliations

Bank statements should be received and reconciled by someone with no cash handling, or check writing responsibilities.

Monthly bank reconciliations should be prepared within 30 days of the bank statement date and reviewed by management for appropriateness and accuracy. The bank reconciliations should be signed and dated by both the preparer and the reviewer. Reconciling items should be resolved timely.

2.0 Disbursements

2.1 General

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

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

Checks shall not be payable to "cash" or signed in advance. Similarly, electronic debits to "cash" shall not be made. Checks written to employees

for reimbursement of out-of-pocket costs must be supported by receipts and invoices.

A second signature is recommended on all checks over \$500, unless otherwise specified in the contract. In instances where the payee is also a signor on the check, the disbursement shall be reviewed and approved by a higher level employee, or Board member who shall also sign the check.

If the bookkeeper signs checks, a second signature shall be required on the checks, regardless of limits specified in the contract.

Voided checks shall be marked void with the signature block cut out. The voided checks must be filed with the cancelled checks.

Unclaimed or undelivered checks shall be cancelled periodically.

All supporting documentation shall be referenced to check numbers and marked "paid" or otherwise canceled to prevent duplicate payments or reuse.

Disbursements without adequate supporting documentation will be disallowed upon audit.

2.2. Approvals and Separation of Duties

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

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

2.3 Petty Cash

A petty cash fund up to \$500 may be maintained for payment of small incidental expenses incurred by the CONTRACTOR (e.g., postage due, small purchases of office supply items, etc.). The CONTRACTOR must obtain written approval from the COUNTY to establish a petty cash fund greater than \$500.

Petty cash disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased and the employee making the purchase. In the event that outside (external) supporting documentation is not obtainable for minor disbursements (under \$10), such as parking meters, fees, etc., then some written documentation shall be maintained and approved by a supervisory employee not associated with the transaction. **Petty cash**

disbursements should not be used as a substitute for normal purchasing and disbursement practices (i.e., payment by check).

The petty cash fund shall be maintained on an imprest basis. A check should be drawn to set up the fund and to make periodic reimbursements. Receipts, vouchers, etc., supporting each fund replenishment must be bound together, filed chronologically and cross referenced to the reimbursement check.

2.4 Credit Cards

The use of credit cards, both CONTRACTOR-issued credit cards and an employee's personal credit card used on behalf of the CONTRACTOR, should be limited to purchases where established purchasing and disbursement practices are not suitable.

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

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

All credit card disbursements must be supported by original invoices, store receipts or other external authenticating documents indicating the item purchased, the employee making the purchase, and the justification for the purchase. ***Credit card statements are not sufficient support for credit card purchases.***

3.0 Timekeeping

3.1 Timecards

Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of the CONTRACTOR'S programs. Time estimates do not qualify as support for payroll expenditures and will be disallowed upon audit.

All timecards and time reports must be signed in ink by the employee and the employee's supervisor to certify the accuracy of the reported time. To the extent CONTRACTOR utilizes electronic timecards and time reports, CONTRACTOR must ensure that both the employee and supervisor certify time reported using electronic signatures. Where electronic timecards and time reports are used, CONTRACTOR'S reporting system must be able to electronically record the date/time the timecard was prepared/reviewed. CONTRACTOR'S electronic time reporting system

must also have sufficient controls to prevent unauthorized alteration/changes to electronic time records and reports.

3.2 Personnel and Payroll Records

Adequate security must be maintained over personnel and payroll records with access restricted to authorized individuals. Any automated personnel and payroll records which contain confidential information such as employee addresses, medical condition information, etc. should be adequately encrypted to prevent unauthorized access and use using the latest encryption standards.

Personnel and payroll records shall include, but are not limited to, the following:

- Employee's authorized salary rate
- Employee information sheet (e.g., employee contact information, emergency contact information, etc.)
- Resume and/or application
- Proof of qualifications for the position, if required (e.g., notarized copy or original diploma, license(s), etc.)
- Performance evaluations
- Criminal record clearance (if required)
- Citizenship Status
- Benefit balances (e.g., sick time, vacation, etc.)
- Health Clearances (if required)

Benefit Balances

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

3.3 Limitations on Positions and Salaries

The CONTRACTOR shall not pay any salaries higher than those authorized in the contract, or the attachments thereto.

If an employee serves in the same, or dual capacities under more than one agreement or program, time charged to the contracts or programs taken as a whole may not exceed 100% of the employee's actual time worked.

Salaried employees shall be paid a salary that corresponds with the employee's work schedule. For example, a ½-time salaried employee

performing the same or similar work should be paid proportionately less than a full-time salaried employee.

The salary expense of salaried employees working on more than one agreement or program shall be allocated to each program based on the ratio of the number of hours worked on each program during the pay period to the total number hours worked during the pay period.

The CONTRACTOR shall not make retroactive salary adjustments for any employee without written approval from the COUNTY.

Separation of Duties

- Payroll checks should be distributed by persons not involved in timekeeping, preparing of payroll transactions, or reconciling bank accounts.
- All employee hires and terminations, or pay rate changes, shall be approved in writing by authorized persons independent of payroll responsibilities.

4.0 Capital Assets

Capital assets are tangible assets of significant value having a useful life that extends beyond the current year and are broadly classified as land, buildings and improvements, and equipment.

Land cannot be depreciated. All other capital assets with an acquisition cost of \$5,000 or more shall be capitalized.

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.

Capital asset purchases shall be approved by the CONTRACTOR'S Board of Directors or their authorized representative.

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

4.1 Acquisition

As specified in the contract, CONTRACTOR shall submit a purchase versus lease analysis to COUNTY and obtain written authorization before

making any 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's contract.

Non-Capital Asset Equipment

Non-capital asset equipment is defined as equipment with a unit cost 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, related peripherals, typewriters, fax machines and other portable assets).

4.2 Asset Identification and Inventory

All fixed assets including capital and non-capital asset equipment, purchased with Contract funds are to be used solely for the benefit of the Contract and should be appropriately tagged.

Each CONTRACTOR shall maintain a current listing of fixed assets, including the item description, serial number, date of purchase, acquisition cost and source(s) of funding.

An inventory of all fixed assets should be conducted at least once each year to ensure that all fixed assets are accounted for and maintained in proper working order.

4.3 Depreciation and Use Allowance

Unless otherwise approved by the COUNTY, compensation for the use of buildings and other capital improvements may be made through depreciation, or a use allowance:

- The computation of depreciation/use allowance is based on the acquisition cost of the asset(s).
- The computation should exclude the cost of land, buildings, and equipment donated by federal, State or COUNTY governments and the cost of buildings and land contributed by the CONTRACTOR to satisfy funding matching requirements.
- For depreciation, an appropriate useful life must be established for the asset(s) which considers factors such as the nature of the asset used, susceptibility to technological obsolescence, etc.
- Appendix B to IRS Publication 946, "How to Depreciate Property", contains guidelines for establishing an asset's useful life.

- A use allowance is computed as an annual rate that may not exceed an annual rate of two-percent of the acquisition cost if the asset is a building or improvement. A use allowance in excess of the ceiling percentage must be justified by the CONTRACTOR.

4.4 Rental Costs of Buildings and Equipment

- 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.
- 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.

4.5 Security

Physical security should be adequately maintained over fixed assets to prevent misuse or theft of COUNTY property.

4.6 Property Management

The CONTRACTOR shall assume responsibility and accountability for the maintenance of all fixed assets purchased, leased, or rented with Contract funds.

The CONTRACTOR shall report promptly, in writing, to the COUNTY all cases of theft, loss, damage, or destruction of fixed assets purchased with COUNTY funds. The report shall contain at a minimum, 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, etc.) the incident must be reported to the local law enforcement agency with jurisdiction over the location of the suspected crime. A copy of the resulting crime/incident report must be retained by the agency for a period of time under which the underlying records were destroyed, or damaged were required to be retained plus an additional four years, and shall be retained for a longer period in the case of unresolved litigation, or audit.

CONTRACTOR shall dispose of or return to the COUNTY all fixed assets in accordance with the Contract.

- 5.0 Bonding – All officers, employees, and contractors who handle cash or have access to the contractor's funds (e.g., prepare checks, etc.) shall be bonded.
- 6.0 Investments – COUNTY program funds may not be utilized for investments where there is a risk of loss.

C. COST PRINCIPLES

1.0 Policy

It is the intent of the COUNTY to provide funds for the purpose of CONTRACTOR to provide the services required by the Agreement. CONTRACTOR shall use these funds on actual expenses in an economical and efficient manner and ensure they are reasonable, proper and necessary costs of providing services and are allowable in accordance with the applicable OMB Circular.

1.1. Limitations on Expenditures of Program Funds

CONTRACTOR shall comply with the Agreement and applicable OMB Circular(s). The Circular defines direct and indirect costs, discusses allowable cost allocation procedures and the development of Indirect Cost Rates, and specifically addresses the allowability of a variety of different costs.

If a CONTRACTOR is unsure of the allowability of any particular type of cost or individual cost, the CONTRACTOR should request advance written approval from the COUNTY prior to incurring the cost.

1.2 Expenses Incurred Outside the Agreement Period

Expenses charged against program funds may not be incurred prior to the effective date of the Agreement or subsequent to the Agreement termination, or expiration date. Similarly, current period expenses related to events or activities that occurred prior to the effective date of the 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 Agreement between CONTRACTOR and COUNTY are not allowable.

1.3 Budget Limitation

Expenses may not exceed the maximum limits shown on the contract budget.

1.4 Unspent Funds

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

1.5 Necessary, Proper and Reasonable

Only those expenditures that are necessary, proper and reasonable to carry out the purposes and activities of the Program are allowable.

2.0 Allocable Expenses

For CONTRACTORS that operate programs or provide services in addition to the services required under contract, the CONTRACTOR shall allocate expenditures that benefit programs or funding sources on an equitable basis.

In accordance with the applicable OMB Circular(s), agencies shall define their allocable expenses as either direct or indirect costs (as defined below) and allocate each cost using the basis most appropriate and feasible.

The CONTRACTOR shall maintain documentation for allocated expenses (e.g., timecards, time summaries, square footage measurements, number of employees, etc.).

Under no circumstances shall allocated expenses be charged to an extent greater than 100% of actual expenses or the same expense be charged both directly and indirectly.

2.1 Direct Costs

Unless otherwise set forth in this contract, or required by the 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, etc.

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 expenses should be treated as direct charges and distributed on the basis of recorded hours spent on each program.

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

Examples of bases for allocating joint costs as direct costs:

- Number of direct hours spent on each program
- Number of employees in 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 joint purposes and cannot be readily identified with a particular final cost objective. Examples of indirect costs include salaries, employee benefits, supplies, and other costs related to general administration of the organization, depreciation and use allowances, and the salaries and expenses of executive officers, personnel administration, and accounting.

Examples of bases for allocating indirect costs:

- Total direct salaries and wages
- Total direct costs (excluding capital expenditures and other distorting items such as significant one-time expenses, or subcontractor payments)

2.3 Acceptable Indirect Cost Allocation Methods

OMB Circulars (i.e., A-87 and A-122) describe the following allowable methods for allocating indirect costs:

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

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.

Example:

Agency-wide indirect costs	\$250,000
Less: Capital Expenditures	<u>10,000</u>
Allocable indirect costs	240,000
Total Agency-wide direct salaries	\$1,000,000
Indirect cost rate (\$240,000/\$1,000,000)	24%
Program direct salaries	\$100,000
Program indirect costs (24% x \$100,000)	<u>\$24,000</u>

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 expenses are treated as direct costs. Joint costs for depreciation, rentals, facilities maintenance, telephone, and other similar expenses 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 expenses, are then allocated using the simplified allocation method previously discussed.

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.

2.4 Cost Allocation Plan

If the CONTRACTOR has a negotiated indirect cost rate approved by a federal agency, it shall submit a copy of the approval letter when requested by COUNTY.

If the CONTRACTOR does not have a negotiated indirect cost rate, CONTRACTOR shall submit an annual Agency-wide Cost Allocation Plan when requested by COUNTY. The Cost Allocation Plan shall be prepared in accordance with COUNTY instructions and the applicable OMB Circular and include the following information:

1. CONTRACTOR general accounting policies:
 - Basis of accounting
 - Fiscal year
 - Method for allocating indirect costs (simplified, direct, multiple, negotiated rate)
 - indirect cost rate allocation base
2. Identify the CONTRACTOR'S direct and indirect costs (by category) and describe the cost allocation methodology for each category.
3. Signature of CONTRACTOR management certifying the accuracy of the plan.

Negotiated Indirect Cost Rates

Agencies 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 providing the most funds to the organization. The approved indirect cost rate is then applied to the total approved direct cost base.

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

D. UNALLOWABLE COSTS

OMB Circulars address the allowability of a variety of different costs. For all costs, there are certain restrictions and limitations; however, the following costs are not allowable under any circumstances:

- Bad debts
- Contingency provisions
- Contributions and donations
- Fines and penalties (e.g., Including but not limited to NSF Check Fees, Traffic Citation Fees)
- Fundraising activities
- Interest expense (unless expressly allowed by federal guidelines)
- Losses on other awards

E. OVERPAYMENTS

If upon audit, or at any time during the Agreement year, it is determined that invoices submitted to the COUNTY which were used as a basis for payments to the CONTRACTOR were inaccurate, COUNTY shall determine the total overpayment and require the CONTRACTOR to repay COUNTY. The COUNTY may withhold payments from CONTRACTOR'S future payments for any amounts not returned to the COUNTY or credited to the Contract unless otherwise prohibited by State or federal regulations.

F. GOVERNANCE

OVERVIEW

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

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

Directors, officers, and employees of nonprofit corporations with which Los Angeles County contracts shall not:

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

1.0 Independence

It is recommend that Nonprofit agencies doing business with the County of Los Angeles have a governing board of at least 5 directors (however, under no circumstances shall a governing board have less than 3 directors), a majority of whom (1) have not been employed by it within 5 years before their election, (2) have no 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 (including a director's brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law).

"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. The term "independent", when used to describe Directors who serve on the oversight committees described in paragraph 3.0 refers to persons meeting the requirements of this paragraph.

2.0 Oversight Mechanisms

An organization's governing board shall provide for its governance in accordance with the following:

- Adopt and disclose the organization's governance standards including director qualifications, responsibilities, and compensation.
- Adopt and disclose a code of business conduct and ethics for directors, officers, and employees, and promptly disclose to the County any waivers of the code affecting organization directors, officers, or employees.
- Be familiar with the terms and conditions of all the Organization's County contracts. No less than annually, the board should review the Organization's compliance with contract provisions, particularly including insurance, internal control, federal and State reporting and payment requirements for payroll withholding, and report deviations to the County oversight department.

An organization's governance guidelines and code of ethics shall provide means to annually distribute to and obtain from directors, officers and employees written acknowledgments of their adherence to the organization's governing standards. They must incorporate a mechanism for disclosing and addressing possible conflicts of interest. They must provide for 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.

An organization's governance guidelines and code of ethics shall 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 should be determined in light of that paid to executives of agencies of comparable size and function (See Section B.3.3, "Limitations on Positions and Salaries"). No employee may receive compensation or benefits for more than one Organization job. For example, the CEO cannot receive

compensation or benefits for the job of CEO and another job such as program manager, etc.

3.0 Oversight Committees

An organization's governing board shall establish committees having the following characteristics, compensation, and duties.

Nominating Committee

The Board shall establish a nominating committee composed entirely of independent directors to consider new appointments to the Board.

Compensation and Benefits Committee

The Board shall establish a compensation and employee benefits committee composed entirely of independent directors to establish compensation and benefits for the Organization Chief Executive Officer (CEO), or President and the Chief Financial Officer (CFO), or Treasurer.

Audit Committee

The Board shall establish an Audit Committee of no fewer than three directors, all of whom must be independent, and one of whom shall have financial experience. In no event shall employees, including, but not limited to the president, chief executive officer, the treasurer, or chief financial officer serve on the Audit Committee.

Annual Audit Duties:

- If the Organization expends federal awards in excess of \$500,000 in a year (\$750,000 for fiscal years beginning on or after December 26, 2014), the Audit Committee will recommend an independent auditor to perform the annual single audit (under the provisions of OMB Circular A-133, Audits for States, Local Governments and Non-Profit Organizations) of the Organization's financial records to the Agency's Board of Directors. The audit shall be performed in accordance with Generally Accepted Government Auditing Standards and comply with the Single Audit Act.
- The Audit Committee must negotiate the independent auditor's compensation on behalf of the governing Board, oversee its work, and resolve disagreements between management and auditors regarding financial reporting.
- The Audit Committee must confer with the auditor to review the audit and decide whether to accept it, satisfy itself that the financial affairs of

the nonprofit organization are in order, 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 the expressed concerns or claims of major creditors.
- 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 Organization. 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 statement 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.

G. MISCELLANEOUS REQUIREMENTS

1.0 Insurance

CONTRACTOR is responsible for securing and maintaining insurance coverage as required by the Agreement. CONTRACTOR must notify COUNTY when insurance is revoked, reduced to a level or coverage less than required, or otherwise made ineffective.

Insurance shall include an endorsement naming the COUNTY as an additional insured.

2.0 Activity

No funds, materials, property, or services contributed to the COUNTY or the CONTRACTOR under this Agreement shall be used in the performance of any political activity, the election of any candidate, or the defeat of any candidate for public office.

3.0 Reporting Fraud/Misconduct

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

- Requests for bribes/kickbacks/gratuities by County personnel.
- Favoritism/nepotism in the awarding of County contracts, or selection of vendors.
- Theft or misuse of any funds, resources or equipment.

Reportable conditions shall 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 or by internet to:

Online: www.lacountyfraud.org

Email: hotline@auditor.lacounty.gov

Toll Free: (800) 544-6861

U.S. Mail: Los Angeles County Fraud Hotline
Office of County Investigations
Kenneth Hahn Hall of Administration
500 W. Temple Street, Room 515
Los Angeles, CA 90012

THIS FORM IS UNDER REVISION AND IS SUBJECT TO CHANGE TO CONFORM TO CALIFORNIA DEPARTMENT OF SOCIAL SERVICES REQUIREMENTS

AUDITOR-CONTROLLER/DEPARTMENT OF CHILDREN AND FAMILY SERVICES/PROBATION DEPARTMENT FISCAL AUDIT PHASES, FISCAL AUDITS OF FOSTER CARE PLACEMENT SERVICES CONTRACTORS (FOSTER FAMILY AGENCY, FOSTER FAMILY AGENCY-EMERGENCY SHELTER CARE, SHORT-TERM RESIDENTIAL THERAPEUTIC PROGRAMS, INTENSIVE SERVICES FOSTER CARE FOSTER FAMILY AGENCY FOR CHILDREN WITH SERIOUS EMOTIONAL AND BEHAVIORAL NEEDS, AND INTENSIVE SERVICES FOSTER CARE FOSTER FAMILY AGENCY FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS).

I. Overview

To minimize delays and to increase understanding of the fiscal auditing process by COUNTY and the Foster Care Placement Services Contractors (referred to herein as CONTRACTOR), the following is a description of the fiscal audit protocols followed by the Auditor-Controller (A-C), the Department of Children and Family Services (DCFS), and the Probation Department (Probation) during fiscal audit reviews. All specified timeframes are estimated, and actual timeframes may differ depending on A-C and DCFS/Probation staffing, workload, and coordination of scheduling with each CONTRACTOR. The period(s) to be audited shall be consistent with the Contractor's accounting year-end.

II. Purpose of Fiscal Audit Review

The purpose of the fiscal audit review will be to determine whether, pursuant to the Agreement, foster care placement services monies are appropriately accounted for and Expended on reasonable and allowable Expenditures in providing the necessary care and services for children placed by COUNTY and served by CONTRACTOR. A-C staff also evaluates the adequacy of CONTRACTOR's accounting records, internal controls, and compliance with the Agreement and applicable federal and State regulations governing the disbursement of foster care funds.

III. Applicable Regulations

We refer to the following guidelines and regulations in conducting our fiscal audits:

- County Foster Care Placement Services Master Contracts, including Exhibit C-2, Auditor-Controller Foster Care Placement Services Contract Accounting and Administration Handbook
- Uniform Administrative Requirements – 2 Code of Federal Regulations – Section 200
- California Department of Social Services Manual of Policies and Procedures

- California Code of Regulations, Title 22

IV. Notification of Review

A-C staff will contact CONTRACTOR's representatives to notify them of the fiscal audit review and to arrange for an entrance conference. Absent extenuating circumstances, the entrance conference is to be held within 30 calendar days of request, at a mutually agreeable time. A letter will be sent to CONTRACTOR confirming the scheduled entrance conference date, time and location, and applicable documents that need to be available for review. DCFS/ Probation will be sent a copy of the confirmation letter.

V. Entrance Conference

Prior to the entrance conference, A-C staff will have reviewed the CONTRACTOR's Program Statement and Agreement to become familiar with the program and to identify questions or issues to be addressed or clarified during the entrance conference.

The entrance conference permits the CONTRACTOR and the A-C staff to discuss the scope of the review. A-C staff will introduce themselves, give a brief summary of the review objectives, discuss CONTRACTOR operating hours, work space, CONTRACTOR's fiscal audit contact person, and perform an inventory of the CONTRACTOR's records requested in the confirmation letter. CONTRACTOR should ensure appropriate fiscal personnel are in attendance to answer any questions and discuss any concerns and problems encountered with CONTRACTOR records.

VI. Preliminary

The preliminary work will start after the entrance conference. This phase is an educational process for A-C staff. All requested documentation must be made available to the A-C Staff, including but not limited to, employee records, children's case files containing clothing and food receipts, and those records identified in Section 11.0, Records and Investigations, of the Agreement.

Preliminary work will consist of becoming familiar with CONTRACTOR's accounting system and financial and accounting records, and evaluating its system of internal controls. From this work, A-C staff will determine how the records will be tested and the extent of detailed test work that will be performed in each area (i.e., billings, salaries, non-personnel expenditures, etc.).

It is important for CONTRACTOR to have its financial and accounting records available or prepare final schedules detailing all financial activities of CONTRACTOR for the fiscal audit review period. This will expedite the review and provide A-C staff with the population of transactions subject to review.

VII. Detailed Field Work

The detailed fieldwork is an extension of the preliminary work and involves a more in-depth review of accounting and financial records, documents and transactions. A-C staff will be requesting information from CONTRACTOR in the various areas under review. The duration of detailed fieldwork varies and may take from a few weeks to several months to complete, depending on CONTRACTOR availability, condition of, and availability of the account records, and other variables.

Preliminary findings will be verbally discussed with CONTRACTOR during this stage of the review.

VIII. Summary of Preliminary Results

Upon completion of the fieldwork, CONTRACTOR will be provided a summary of the preliminary results to allow the CONTRACTOR to comment, and ensure all relevant documentation has been obtained. Absent extenuating circumstances, a due date of no less than ten (10) business days, from the date CONTRACTOR is provided a summary of preliminary results, will be set by the A-C staff for CONTRACTOR to present additional documentation in response to the summary of preliminary results. Documentation provided after the due date may not be reflected in the draft fiscal audit report and/or may delay completion of the fiscal audit process.

IX. Preliminary Draft Fiscal Audit Report/Pre-exit Meeting

Within 30 calendar days of the due date for receipt of additional information from CONTRACTOR, A-C staff will issue to CONTRACTOR a preliminary draft fiscal audit report, which contains preliminary draft findings and recommendations. The preliminary draft fiscal audit report will be sent via electronic mail to the CONTRACTOR's Chief Executive Officer and Chief Financial Officer. A copy of the preliminary draft fiscal audit report will be provided to DCFS/Probation.

After receipt of the preliminary draft fiscal audit report, CONTRACTOR may request a pre-exit meeting with A-C and DCFS/Probation staff to discuss the preliminary draft fiscal audit report. If CONTRACTOR desires a pre-exit meeting, CONTRACTOR must submit its request to the A-C either by telephone (?), or electronic mail, within 30 calendar days following receipt of the preliminary draft fiscal audit report. If CONTRACTOR does not request a pre-exit meeting in writing within the allowable time period, CONTRACTOR will be deemed to have waived the right to a pre-exit meeting.

If CONTRACTOR and A-C/DCFS/Probation hold a pre-exit meeting:

*The pre-exit meeting will be held in person or if mutually agreed upon, by telephone, and participants will include the A-C, DCFS, Probation, CONTRACTOR's staff/management, and non-legal representatives who are knowledgeable of the events in relation to the preliminary draft fiscal audit report

being discussed.

At the pre-exit meeting, CONTRACTOR may provide additional documentation related to the findings and recommendations included in the preliminary draft fiscal audit report. After the pre-exit meeting, A-C and DCFS/Probation staff will review the documentation and determine its effect, if any, on the findings and recommendations. A-C and DCFS/Probation staff will revise the preliminary draft fiscal audit report, as A-C and DCFS/Probation determine appropriate. The preliminary draft fiscal audit report updated for any revisions deemed appropriate by the A-C and DCFS/Probation will herein be referred to as the exit draft fiscal audit report.

- NOTE: In general, A-C, DCFS/Probation will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report, at any time subsequent to the pre-exit meeting. However, in the event extenuating circumstances exist, A-C, DCFS/Probation may at their sole discretion, consider additional documentation submitted subsequent to the pre-exit meeting. CONTRACTOR should therefore be sure to provide all information, which it deems relevant at the pre-exit meeting to ensure that it is taken into consideration.

If CONTRACTOR and A-C/DCFS/Probation do not hold a pre-exit meeting:

- A-C, DCFS/Probation will not review any additional documentation, which CONTRACTOR provides, related to the findings and recommendations in the preliminary draft fiscal audit report.

A-C and DCFS/Probation staff will issue the exit draft fiscal audit report (see Section X Issuance of Exit Draft Fiscal Audit Report).

X. Issuance of Exit Draft Fiscal Audit Report

An exit draft fiscal audit report will be prepared and sent to CONTRACTOR. CONTRACTOR will be asked to review the exit draft fiscal audit report and prepare for an exit conference, which will be scheduled within 30 calendar days of the date the exit draft fiscal audit report is received by CONTRACTOR. A-C and DCFS/Probation will contact CONTRACTOR to schedule the exit conference.

XI. Exit Conference

The purpose of the exit conference is to discuss the exit draft fiscal audit report, and the findings and recommendations contained therein, as well as any proposed wording changes, which may be sought by CONTRACTOR.

COUNTY's role at the exit conference will be to answer questions regarding COUNTY policies, and clarify administrative procedures to be followed after the

A-C and DCFS/Probation issue the final report. COUNTY personnel will defer any discussion related to the resolution of specific findings and recommendations until the final report is officially released.

In consideration of the discussions at the exit conference, the A-C and DCFS/Probation may, in their sole discretion, make revisions to the exit draft fiscal audit report. A-C/DCFS staff will notify CONTRACTOR via phone of any revisions to the exit draft fiscal audit report. The exit draft fiscal audit report, updated for any revisions deemed appropriate by the A-C and DCFS, will herein be referred to as the final draft fiscal audit report.

XII. CONTRACTOR Response to Final Report

Within thirty (30) calendar days of the date the final draft fiscal audit report is received by CONTRACTOR, CONTRACTOR shall submit a response to the findings and recommendations, via first-class mail, to the DCFS/Probation Fiscal Monitoring Section (see Amendment Number One, subsection 9.5). The response should address each of the findings affecting CONTRACTOR's operations, including but not limited to compliance/internal control issues and identified questioned Expenditures, and indicate corrective actions planned or already taken. As to corrective actions planned, CONTRACTOR shall identify the dates that corrective action will be implemented and completed.

XIII. DCFS/Probation Response to Final Report

DCFS/Probation (or another office/agency within Los Angeles County) will evaluate the adequacy of the CONTRACTOR's written response to the final draft fiscal audit report. Within 25 calendar days of DCFS/Probation's receipt of CONTRACTOR's written response to the final draft fiscal audit report, DCFS/Probation will provide CONTRACTOR with DCFS/Probation's written response, which sets forth the required DCFS/Probation corrective action plan (CAP). Should Contractor disagree with the contents of the CAP, Contractor shall submit a response to the DCFS/Probation CAP within 15 business days via electronic mail to DCFS Fiscal Monitoring Section/Probation Central Placement Office. DCFS/Probation will review the Contractor's response to the DCFS/Probation CAP and issue a final required DCFS/Probation Corrective Action Plan within 5 calendar days. Should CONTRACTOR not comply with the Corrective Action Plan, DCFS/Probation may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

XIV. Final Report to the Board of Supervisors

The A-C, DCFS/Probation will make every effort to issue the final report, with the Contractor's response attached, to the Board of Supervisors within 60 calendar days after the issuance date of the final draft fiscal audit report. CONTRACTOR

will be provided with a copy of the final report at the same time as it is issued to the Board of Supervisors. The final report along with the Contractor's response and DCFS'/Probation's CAP will be posted on the A-C website and will be deemed a public record pursuant to the Public Records Act (Cal. Govt. Code section 6250, et seq.) It is the policy of the A-C to post final reports on the website within 24 hours of issuance.

XV. Establishment of a Repayment Plan

Within thirty calendar days of the date of DCFS'/Probation's response to the Final Report, CONTRACTOR, shall schedule an appointment with DCFS Fiscal Monitoring staff/Probation Central Placement Office to sign a repayment agreement for recovery of the questioned Expenditures identified in the Final Report. CONTRACTOR shall sign the repayment agreement no later than 30 calendar days after the date of DCFS/Probation response to the Final Report. Should CONTRACTOR not comply with the repayment plan for questioned Expenditures, DCFS/Probation may, in their sole discretion, exercise any and all remedies, including but not limited to placement of CONTRACTOR on Do Not Refer or Do Not Use status.

**Short-Term Residential Therapeutic
Programs Cost Report
(Form SR 3)**

Semi-Annual Expenditure Reports

Payroll and Fringe Benefits Report (Form SR 4)

Federal Revenue Certification (Form SR 9)

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

Contractor Name _____

Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master 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 contract 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 Master 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 work under the above-referenced Master 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 contractors 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 Master 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 Master 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 Contractors is provided to the Contractor and Contractor's Staff during this employment, Contractor and Contractor's Staff shall 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 _____ Employee Name _____

Contract No. _____

GENERAL INFORMATION:

Your employer referenced above has entered into a Master 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 Master 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 Master 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 Master 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 Master Contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future Master 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 contractors 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 Master 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 Master 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 contractors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of this agreement by myself and/or by any other person of whom I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this Master 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 _____

Non-Employee Name _____

Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a Master 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 Master 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 Master 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 Master 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 Master Contract is contingent upon my passing, to the satisfaction of the County, any and all such investigations. I understand and agree that my failure to pass, to the satisfaction of the County, any such investigation shall result in my immediate release from performance under this and/or any future Master 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 contractors 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 Master 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 Master 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 Contractors is provided to me, I shall keep such information confidential.

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

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

OPTIONAL: use if Probation youth will be served, remove if not

CONFIDENTIALITY OF CORI INFORMATION

Criminal Offender Record Information (CORI) is that information which is recorded as the result of an arrest, detention or other initiation of criminal proceedings including any consequent proceedings related thereto. As an employee of _____ during the legitimate course of duties, you may have access to CORI. The Probation Department has a policy of protecting the confidentiality of Criminal Offender Record Information.

You are required to protect the information contained in the case files against disclosure to all individuals who do not have a right-to-know this information.

The use of any information obtained from case files or other related sources of CORI to make contacts with probationers or other relatives, or make CORI available to anyone who has no real and proper reason to have access to this information as determined solely by the Probation Department is considered a breach of confidentiality, inappropriate and unauthorized.

Any _____ employee engaging in such activities is in violation of the Probation Department's confidentiality policy and will be subject to appropriate disciplinary action and/or criminal action pursuant to Section 11142 of the Penal Code.

I have read and understand the Probation Department's policy concerning the confidentiality of CORI records.

(Signature)

Name (Print)

Title

Date

Copy to be forwarded to Probation Contract Manager within five (5) business days of start of employment.

STATEMENT OF DANGEROUS BEHAVIORS

California Department of Social Services (CDSS) Manual of Policies and Procedures, Division 31, Section 31-405.1(t) requires placement agency workers to inform out-of-home care services providers of any known or suspected dangerous behaviors of a child being placed.

Child's Name: _____
DOB: _____ DOP: _____

The following is all that is known to the placing agency with respect to the known or suspected dangerous behaviors of the above named child (check appropriate box for each item):

1. Violence towards others, physically threatening and/or assaultive behavior; property destruction or damage; cruelty to animals; robbing/stealing with use of force or weapons; gang activity or involvement.

No known history. Yes, known or suspected history
Specify and describe on reverse side.

2. Violence towards self: suicide attempts/ideation; deliberate harm to self; drug overdoses.

No known history. Yes, known or suspected history
Specify and describe on reverse side.

3. Sexual Maladjustment Problems sexual molestation of others: rape: sexual acting out.

No known history. Yes, known or suspected history
Specify and describe on reverse side.

4. Arsonous behavior, fire setting or arson.

No known history. Yes, known or suspected history
Specify and describe on reverse side.

By signing below, the placement worker acknowledges that all known and/or suspected dangerous behaviors of the child have been disclosed and discussed with the service provider and the service provider understands that this information is confidential and any unauthorized disclosure could result in a fine up to \$1,000.00.

Signature (Placement Worker)

Signature (Service Provider)

Agency _____

Agency _____

Date _____

Date _____

31-405	SOCIAL WORKER RESPONSIBILITIES FOR PLACEMENT	31-405
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(Continued)

- (t) Provide the out-of-home care provider(s) information of any known or suspected dangerous behavior of the child being placed.
 - (1) The social worker shall document in the case record any information provided to the out-of-home care provider(s) regarding the child's known or suspected dangerous behavior, including the following:
 - (a) Date information was provided.
 - (b) Name of person receiving information.
 - (c) Specific facts provided.
 - (d) Affirmation that the person informed was advised that the facts were confidential and that unauthorized disclosure could result in a fine up to \$1,000.
- (u) Ensure completion of the documentation necessary to initiate AFDC-FC payments, as appropriate.
- (v) Assist the parents to understand their rights and responsibilities while their child is in foster care.
- (w) Document the reason(s) for the following, when applicable:
 - (1) The child's transfer to another placement location.
 - (2) The child's out-of-county or out-of-state placement.
- (x) Develop a discharge plan for any child who:
 - (1) Is under six years of age; and
 - (2) Is leaving a group home placement to return to parents, kin or an adoptive family or to placement in a foster family home.

NOTE: Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code and Assembly Bill 1695, Section 21. Reference: Sections 309, 319, 361.2, 361.3 (as amended by Assembly Bill 1544, Chapter 793, Statutes of 1997), 309(d), 361.3, and 362.7 (as amended by Assembly Bill 1695, Chapter 653, Statutes of 2001), 11467.1, and 16501, Welfare and Institutions Code; and Section 1530.8, Health and Safety Code.



Department of the Treasury
Internal Revenue Service

Notice 1015

(Rev. December 2016)

Have You Told Your Employees About the Earned Income Credit (EIC)?

What is the EIC?

The EIC is a refundable tax credit for certain workers.

Which Employees Must I Notify About the EIC?

You must notify each employee who worked for you at any time during the year and from whose wages you did not withhold income tax.

However, you do not have to notify any employee who claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

Note: You are encouraged to notify each employee whose wages for 2016 are less than \$53,505 that he or she may be eligible for the EIC.

How and When Must I Notify My Employees?

You must give the employee one of the following.

- The IRS Form W-2, Wage and Tax Statement, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

If you give an employee a Form W-2 on time, no further notice is necessary if the Form W-2 has the required information about the EIC on the back of the employee's copy. If you give an employee a substitute Form W-2, but it does not have the required information, you must notify

the employee within 1 week of the date the substitute Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2017.

You must hand the notice directly to the employee or send it by first-class mail to the employee's last known address. You will not meet the notification requirements by posting Notice 797 on an employee bulletin board or sending it through office mail. However, you may want to post the notice to help inform all employees of the EIC. You can download copies of the notice at www.irs.gov/formspubs. Or you can go to www.irs.gov/orderforms to order it.

How Will My Employees Know If They Can Claim the EIC?

The basic requirements are covered in Notice 797. For more detailed information, the employee needs to see Pub. 596, Earned Income Credit (EIC), or the instructions for Form 1040, 1040A, or 1040EZ.

How Do My Employees Claim the EIC?

An eligible employee claims the EIC on his or her 2016 tax return. Even an employee who has no tax withheld from wages and owes no tax may claim the EIC and ask for a refund, but he or she must file a tax return to do so. For example, if an employee has no tax withheld in 2016 and owes no tax but is eligible for a credit of \$800, he or she must file a 2016 tax return to get the \$800 refund.

PAYMENT RESOLUTION NOTIFICATION

Business Information Systems Division (BIS) is currently in the process of modifying The Foster Care Search System (FCSS) to allow Foster Care Services Contractors and non-contracted Foster Care Providers (FFA, STRTP, and ISFC-FFA) to submit their Foster Care payment discrepancies online. We are anticipating the updates to be available for use in mid-2018.

Procedural Guide
E060-0530
OVERPAYMENT POLICY

Date Issued: **10/24/12**

- New Policy Release
- Revision of existing Procedural Guide E060-0530, Overpayments, dated: 02/19/02

Revision Made: This is a complete re-write of the existing 2/19/02 policy. It has been written in the revised format, and updated to ensure compliance with all State and Federal requirements.

Cancels:

POLICY/BACKGROUND STATEMENT

The Department continues to focus on the three priority outcomes. We have identified improved safety for children, reduced reliance on out-of-home care, and improved timelines to permanency. Timely permanence is achieved, with the first permanency option being reunification, followed by adoption and legal guardianship with a relative followed by legal guardianship with an unrelated caregiver.

APPLICABLE TO

This Management Directive is applicable to Title IV-E Overpayments Collection.

WHAT CASES ARE AFFECTED

The Procedural Guide is an update to the new format, a revision of all sections regarding state regulations applicable to Aid to Families of Dependent Children – Foster Care (AFDC-FC) identification of overpayments and collection of overpayments from foster care providers. This policy is to ensure regulatory compliance standards continue to be met. This policy is applicable to all new and existing referrals and cases in which AFDC-FC overpayments were or have been discovered on or after 7/1/2009 regarding foster care providers.

OPERATIONAL IMPACT

Welfare and Institutions Code (WIC) Section 11004 requires that overpayments, which occur in public social services programs, be collected. Senate Bill 84 adopted various statutes to implement the Federal Improper Payments Act of 2002. This bill directed the State to update and create regulations defining overpayments and allowing for the collection of overpayments from all forms of foster care providers, including GHs or FFAs. As all forms of foster providers are subject to overpayment collection, this policy will address discovery of overpayments and determinations regarding the collectability of overpayments. The policy will note the different criteria governing the determination regarding collectability of overpayments from single foster homes relatives, non-related family members (NERFM) and non related legal guardians versus the criteria governing collectability of overpayments from GHs and FFAs. The policy will also review the type of due process required for all foster care providers, outlining the rights of the foster providers to request either or both an informal and/or State Fair Hearing (SFH) to dispute the overpayment discovered by the County. Last, the policy will address when an overpayment is collectible and identified for purposes of federal remittance of the 60% share along with the reporting process for uncollectible or uncollected debt to the California Department of Social Services (CDSS).

Definition of an Overpayment

An “overpayment” will be any amount of aid paid which a foster care provider received on behalf of a child to which the provider was not entitled, or an expenditure made by a Foster Family Agency or a Group Home provider not in conformity with WIC Section 11-404. A “Foster Care Provider” includes, but is not limited to, Group Homes (GHs), Foster Family Agencies (FFAs), Small Family Homes, Foster Family Homes (FFHs), Relative Homes (RHs), Non-Related Extended Family Members (NREFMs), and Non-related Legal Guardians (NRLGs). (See CDSS Eligibility and Assistance Standards (EAS) 45-304.1.11.)

The amount a provider is not entitled to is “an amount paid for any period of time in which the foster child was not cared for in that home” (CDSS EAS 45-304.122). However, if an AFDC FC eligible child is temporarily absent from an eligible facility, not more than 14 days, for school, work or training, hospitalization, visiting, vacationing, emergency circumstance, the County may make payment to the eligible facility in order to continue to meet the child’s needs. (CDSS EAS 45-302). An expenditure made by a Foster Care Provider can include payments in which a child was not in the home and will also include those expenditures not in conformity with the items outlined in Section 11-404 (CDSS EAS 45-304.11, 11-404, 11-403(c) and 11403.8.

PROCEDURES

A. WHEN: NEW DETECT LISTING INDICATES A POTENTIAL OVERPAYMENT

Overpayment/Recovery Staff Responsibilities:

1. Receive a new Overpayment Detect listing and/or assignment of potential overpayment from Eligibility (ES).
2. Access APPS, CWS/CMS and the Automated Overpayment Collection System – Integrated Financial System (IFS).
3. Review and reconcile the data on the computer systems to verify the reason for the overpayment.
 - a. If APPS, CWS/CMS and the IFS are consistent, proceed with step B. or C.
 - b. If APPS, CWS/CMS and the IFS are not consistent, contact the regional Eligibility Supervisor (ES)/Eligibility Worker (EW)/CSW and resolve the inconsistent information.

B. WHEN: THERE IS AN INVALID OVERPAYMENT/BUDGET CODING

An invalid overpayment is caused by a budget coding error. All or part of the overpayment may be invalid.

Overpayment/Recovery Staff Responsibilities:

1. Review the APPS, CWS/CMS and IFS. Determine if the regional EW's corrective budget action eliminated the overpayment on APPS.
 - a. If the corrective budget action eliminated or decreased the overpayment, enter the overpayment status code, appropriate adjustment code, and comments on the Automated Overpayment Collection System. If there is a legitimate partial overpayment remaining, proceed to step 5.
 - b. b. If the corrective budget action did not function or did not eliminate the overpayment, forward the information to the ES.

Eligibility Supervisor Responsibilities:

1. Inform the regional ES/EW/CSW via e-mail to advise them of the need for corrective action to eliminate the overpayment.

C. WHEN: THERE IS A DISCOVERED OVERPAYMENT

Overpayment/Recovery Staff Responsibilities:

1. Determine the type of foster care provider and if the overpayment is collectible or uncollectible (See section “D” to determine if collectible or uncollectible. The criteria noted in section “D” does not apply to GHs or FFAs. See section “E” regarding uncollectable criteria for GHs and FFAs.
 - a. Access the APPS and IFS and enter the overpayment status code, adjustment and comments. The following must be documented:
 - Amount of the overpayment;
 - Date of discovery of the overpayment;
 - The actual days overpaid and/or identify the expenditure not in conformity with State Regulation 11-404.
 - Aid code for which the overpayment was made;
 - Description of the circumstances that resulted in the payment error.

NOTE: Overpayment recovery will not be initiated when it has been more than one year since the initial discovery of an overpayment. The date of discovery is controlling, not the date of the actual overpayment. The initial discovery of the overpayment may occur more than one year after the actual overpayment occurred and recovery will be sought.

D. WHEN: DETERMINING IF THE OVERPAYMENT IS UNCOLLECTIBLE FROM A FFH, RH, NRLG OR NREFM

Overpayment/Recovery Staff Responsibilities:

1. An overpayment will **not** be collected from a FFH, RH, NRLG or NREFM when any of the following conditions exist:
 - a. The overpayment was exclusively the result of a County administrative error.
 - b. Neither the County nor the provider was aware of the information that would establish that the child was not eligible for foster care benefits in the provider’s home.

- c. The provider did not have knowledge of, and did not contribute to, the cause of the overpayment(s).
- d. The cost of the collection exceeds the amount of the overpayment, i.e. costs which the County will consider when determining the cost effectiveness to collect are total administrative and personnel costs, legal filing fees, investigative costs, and any other costs which are applicable. (This will require a Director's Write-Off. See Management Directive #11-03, dated 11/10/11.)
- e. If the above circumstances in (a), (b), or (c) occur, this is considered an Uncollectible Overpayment. The staff will request a voluntary repayment (SOC 841). If the circumstance is as set forth under (d) above, Director's Write-Off, no further attempts to collect, including voluntary repayment, will occur.
 - Initiate the SOC 841, Notice of Overpayment and Request for Voluntary Repayment. If the provider does not respond, no further collection efforts are to be made. The overpayment remains an "Uncollectible Overpayment."
 - If the caregiver agrees to a voluntary repayment of the overpayment, determine the method of payment:
 1. Voluntary lump sum repayment;
 2. Voluntary repayment agreement; or
 3. Voluntary grant offset.
 - Complete the Voluntary Repayment Agreement as appropriate.
- f. If any of the circumstances listed in 1 a, b, c, or d have occurred and the overpayment remains uncollectible or should not be pursued, the staff will ensure that the documentation required by Management Directive # 11-03 is reviewed and prepared. Further, ensure that the report and supporting documentation are included in the monthly report to the State Department of Social Services regarding uncollectible overpayments.

NOTE: Caregiver and Department of Children and Family Services (DCFS) staff must sign the Voluntary Repayment Agreement. Regulations do not prevent counties from collecting an overpayment that results from the payment of aid paid pending.

E. WHEN: DETERMINING IF THE OVERPAYMENT IS UNCOLLECTIBLE FROM A GH OR FFA

Overpayment/Recovery Staff Responsibilities:

1. An overpayment is not collectible from a GH or FFA under the following conditions:
 - a. The GH or FFA is no longer in business (CDSS EAS 45-304.126).
 - b. The GH or FFA is no longer licensed by the State Department of Social Services (CDSS EAS 45-304.126);
- If the overpayment involved payment to a GH or FFA for periods of time when the child was not in the home, and it is discovered during the process that the agency has gone out of business or is no longer licensed by the CDSS, the County will not take any further action or activity which could lead to the establishment of an overpayment. The County is required to contact the CDSS and seek prior written approval from CDSS to continue to take action to collect. If CDSS denies the County the right to collect, the overpayment will be uncollectible and the Department will be relieved from repayment of the federal share (CDSS EAS 45-304.126); (a) and (b) and WIC 11466.23(c)(1)(C).
- If the overpayment involved a GH or FFA which identified expenditures not in conformity with State Regulation 11-404, the County will not initiate a financial or fiscal audit nor will it take any action in furtherance of an existing financial or fiscal audit. The County will not perform any activity that could lead to the establishment of an overpayment. Again, the County is required to contact CDSS and seek prior written approval of CDSS to continue to take action to collect. If CDSS denies the County the right to collect, the overpayment will be uncollectible and the County will be relieved from repayment of the federal share (CDSS EAS 45-304.126); (a) and (b) and WIC 11466.23(c)(1)(C).
- Again, under these circumstances no voluntary attempts (SOC 841) to collect the overpayment should be attempted, if the CDSS does not authorize collection processes to continue.
- The following will be maintained in DCFS files indefinitely: 1) Letter to CDSS regarding the overpayment and closure or loss of license and requesting direction on collection within 30 days; 2) CDSS written response denying collection or documentation of no response from CDSS authorizing collection within 30 days; 3) All supporting documentation regarding the discovery of overpayments including, but not limited to, signed vouchers, Auditor Controller Reports, documentation on attempts to resolve the amount, information supporting the closure and/or lack of licensure of the GH or FFA; 4)

Any other records developed up to and including the written response or lack thereof, from CDSS denying the ability to take further action to collect.

- c. If the cost of the collection exceeds the amount of the overpayment, (i.e. costs which the County will consider when determining the cost effectiveness to collect are total administrative and personnel costs, legal filing fees, investigative costs, and any other costs which are applicable) see Management Directive #11-03 regarding Director's Write-Off and preparation of the report for documentation and reporting to the CDSS as an uncollected debt (CDSS EAS 45-304.125 and WIC 11466.23(c)(1)(B)).

F. WHEN: THE OVERPAYMENT IS DETERMINED COLLECTIBLE FROM THE FOSTER CARE PROVIDER

Overpayment/Recover Staff Responsibilities:

1. GH, FFA, FFH, RH, NRLG, NREFM.

Take the following steps:

- a. Determine from whom the overpayment may be recovered;
 - b. Document the amount of the overpayment;
 - c. Document actual dates of the overpayment and/or the items not in conformity with State Regulation 11-404.
 - d. Document the date the overpayment was discovered. (This is the date it was determined that the amount was a valid, collectable overpayment);
 - e. Enter the Aid code for overpayment;
 - f. Document the reason that the overpayment occurred.
2. Complete the NA 1261, Notice of Action sending two (2) copies to the provider and maintain one copy in the overpayment file. Document by proof of mailing or by cover letter the date the NA 1261 was mailed. If this is a GH or FFA overpayment identified by Audit, ensure that all other necessary documents are also issued with the NA 1261 (Audit Report, FCAP, etc.)
 3. Log the information regarding the NA 1261 into the SB 84, Control Log (in Excel).

4. Set a control date for a 30-day response for request of an Informal Hearing and a 90-day response to verify if a request for SFH has been made to the DCFS Appeals State Hearing Unit.

NOTE: The foster care provider has 30 days from the mailing of the NA 1261 to either fully pay the overpayment, enter into a mutually agreed upon repayment plan or provide a written request for Informal Hearing. If the foster care provider does not request a 30-day Informal Hearing, the foster care provider will have 90 days from the date of mailing the NA 1261 to request a SFH. Failure to request an informal review of the County overpayment determination, either by Informal Hearing or SFH, will result in the overpayment being identified for collection two (2) days after the date the overpaid foster care provider's time frame to request review has elapsed or has been exhausted.

- a. An overpayment will only be collected from a provider who actually received the overpayment. Overpayments will not be collected from subsequent providers who provide care to a child for whom overpayment was assessed.
- b. For recoupment of overpayments made to GHs and FFAs which are not in conformity with State Regulation 11-404, the repayment will reduce any subsequent payments by an amount equal to the amount of the administrative portion of the monthly payment to the provider using an offset methodology indicated in State Regulation 45-305 (CDSS EAS 45-304.33). The Department can consider other forms of grant offset and, by analogy to other regulations, could allow offset up to the amount of 10% of the monthly administrative portion.
- c. If the overpayment is for periods of time when the child was not present in the care of the foster provider, and the child for whom the overpayment was assessed is no longer in the home of the provider, grant adjustment and grant offset will not be used to recover the amount of the overpayment. This applies even if the provider is caring for other foster care children. However, if the child is still in the care of the foster care provider:
 - Determine the appropriate recovery method and the amount to be recovered.
 1. Voluntary lump sum repayment;
 2. Voluntary repayment agreement; or
 3. Voluntary grant offset.

- Explain “voluntary grant offset’ to the caregiver who is still providing foster care to the child for whom the overpayment is assessed.
 1. If the caregiver is willing to voluntarily repay the overpayment, complete a written agreement with the caregiver indicating the amount of the overpayment and include the repayment schedule. Ensure the caregiver signs and dates the agreement.
 2. If this is an overpayment for a GH or FFA and it includes expenditures not in conformity with CDSS EAS 11-404 as a result of an Auditor Controller Report, provide the necessary information to the Treasurer Tax Collector (TTC) if a voluntary settlement agreement has been reached.

G. WHEN: GH, FFA, FFH, RH, NRLG OR NREFM RESPONDS TO AN OVERPAYMENT NOTICE WITH CASH, CHECK OR MONEY ORDER

Overpayment/Recovery Staff Responsibilities:

DCFS has a “collections account” that provides timely deposits of collected revenue and eliminates the risk of loss of funds. This is an interdepartmental collaboration with the Treasurer-Tax Collector and DCFS. The account is known as the “Sweep Account for Overpayment Collections.”

1. Receive payment in the following manner:
 - a. Cash;
 - b. Check; or
 - c. Money order
2. If paid by check or money order, confirm the following:
 - a. Amount indicated is the same both in written section and the dollar amount section.
 - b. Confirm that it is signed.
 - c. Checks should be made payable to DCFS and/or County of Los Angeles.
3. Complete the payment control log. Annotate the cross-reference to the GH/FFH/relative/foster parent. Photocopy the check or money order. Annotate on the payment control log the following:
 - a. Check number;

- b. Invoice number;
 - c. Amount submitted.
4. Initial the check or money order.
 5. Endorse, by stamping all checks and money orders 'for deposit only' immediately.
 6. If cash is received, ensure that a non-vested designated person witnesses the amount and receipt.

NOTE: It is illegal to photocopy cash. All case transactions will be witnessed and verified by staff with non-vested interest.

7. Reconcile the payment control log with the cash, checks and/or money orders received.
 - a. If the list and amounts are not reconciled, proceed with step 2 above until accountability is accomplished.
8. Deliver the cash, checks, and deposit forms to the Finance Deposit Unit.
9. Deliver one copy of the checks, supporting documents and deposit forms to the Overpayment Recovery Unit Clerk.

NOTE: The Unit Clerk will enter/post payments to the Automated Overpayment Collection system. The Unit Clerk will forward the copy of the checks, supporting documents and payment control log to the appropriate overpayment Account Clerk.

Reconciliation Staff Responsibilities:

1. Finance Deposit Unit identifies inconsistencies on the Deposit Forms.
2. Receive Deposit Permit Report from e-CAPS.
3. Reconcile e-CAPS report to the Cash deposit log.

Quality Assurance Staff Responsibilities:

1. Conduct a random sampling of all Overpayment Recovery Unit activities.
2. Complete a report of the findings and deliver the report to the manager.

H. WHEN: GH, FFA, FFH, RH, NRLG OR NREFM RESPONDS TO AN OVERPAYMENT NOTICE WITH A WRITTEN REPAYMENT PLAN

Overpayment/Recovery Staff Responsibilities:

1. When the County and caregiver reach a mutually agreed upon repayment plan solely related to overpayments of aid when the child was not in the home:
 - a. Access the IFS and review the specific ledger and statement.
 - b. Enter the status and comments.
 - c. Complete and sign voluntary repayment agreement and ensure provider reviews and signs.
 - d. Set a control for receipt of all agreed upon monthly payments.

NOTE: There are no State Appeals Hearing rights regarding overpayments made to foster care providers, including GHs and FFAs where the claimant entered into a voluntary repayment agreement.

I. WHEN: GH, FFA, FFH, RH, FOSTER PARENT, NRLG OR NREFM RESPONDS TO AN OVERPAYMENT NOTICE WITH A WRITTEN REQUEST FOR AN INFORMAL HEARING AND OR STATE FAIR HEARING

Administrative Assistant Responsibilities:

Informal Hearing Requested

1. When an Informal Hearing Request is received:
 - a. Access the Hearing Control Log entering the status and comments.
 - b. Forward the Informal Hearing request and any attached supporting documentation to the ES for review.
2. Contact the provider and schedule date, time and location of informal hearing. Give the provider a written notice of the time and place of the informal hearing, not less than ten (10) days prior to the hearing date.
3. The notice will provide a scheduled date, time and location information to the Informal Hearing designee. The notice should also provide a contact number for the Informal Hearing designee to assure contact can be made at the location where the Informal Hearing will occur. (See Notice form to

Single Family Foster Home/Relative/Legal Guardian/NERFM and Notice for to Foster Family Agency/Group Homes.)

Overpayment/Recovery Eligibility Supervisor Responsibilities:

1. Review for completeness the Informal Hearing Request and any attached documentation.
2. Obtain any additional supporting documentation to confirm the disputed overpayment.
3. Forward the Informal Hearing Request and supporting documentation to the designee who will be conducting the hearing.

Informal Hearing designee Responsibilities:

1. The Informal Hearing designee will be a person designated by the County, knowledgeable in the subject area and will not be the person who made the initial overpayment decision or the person who supervised the person who made the initial overpayment decision.
2. At the time of the Informal Hearing the Informal Hearing designee will discuss with the provider and will be limited to considering the following:
 - a. The informal hearing will be limited to consideration of the correctness of the initial overpayment determination for any foster provider. If the foster provider is a Foster Family Home, Relative Home, NERFM or non-related Legal Guardians, the Informal Hearing designee will determine whether any of the following conditions in CDSS EAS 45-304.123 exist: in Section 45-304.123:
 - The overpayment was exclusively the result of a County Administrative error;
 - Neither the County nor the provider was aware of the information that would establish that the child was not eligible for foster care benefits in the provider's home;
 - The provider did not have knowledge of, and did not contribute to the cause of the overpayments.
3. If asked by the provider or questions arise regarding voluntary repayments, the County may discuss methods of voluntary overpayment recovery, as appropriate.
4. After the hearing, the County employee who conducted the informal hearing will prepare a letter, which contains the decision on each issue considered

at the informal hearing and set forth all regulations, which support the written decision. The decision will be mailed to the provider. The written decision will also inform the provider that they can appeal the informal hearing decision at a formal state fair hearing. A copy of the written decision will be retained in the overpayment case.

5. When an informal hearing is requested, it suspends the 90 day period the provider has to request a State Fair Hearing. Therefore, when the written decision regarding the informal hearing is mailed, it restarts the time period for a request for a State Fair Hearing. The provider will have 90 days to request a State Fair Hearing from the date of mailing of the decision. Therefore, DCFS needs to assure that the date of mailing is accurately recorded either by proof of service or verification that the decision was placed in the U.S. mail on a specified date.
6. If a provider requests an informal hearing and withdraws or fails to appear at the informal hearing, the provider will have 90 days from the date of withdrawal or failure to appear, which ever occurs first, to request a State Fair Hearing (CDSS EAS 45-306.3).
 - a. If the Informal Hearing designee receives a telephone call or a letter withdrawing the request for informal hearing, the Informal Hearing designee will send a confirming letter regarding the telephone call or receipt of the letter. The letter will also include a statement that the provider will have 90 days from the date of withdrawal to request a State Fair Hearing.
 - b. If the Informal Hearing designee sets a hearing and the person fails to appear at the set time, date and location, the Informal Hearing designee will attempt to contact the provider by telephone after waiting 45 minutes for their appearance. If the party is reached, the Informal Hearing designee can determine good cause and re-schedule the hearing. If the party is not reached, the Informal Hearing designee will issue a letter. The letter will indicate that an informal hearing was scheduled on the set time, date and location and will attach the notice issued. The letter will further state that the failure to appear concluded the informal process and that the provider will have 90 days from the date of failure to appear to request a State Fair Hearing.

Formal State Fair Hearing Requirements:

1. The foster care provider can request either or both the informal hearing and State Fair Hearing. The staff tracking the administrative rights of the foster care provider will consider the following, prior to determining the regulatory hearing processes have concluded.

- a. No Request Received for Either Informal or State Fair Hearing: If the foster care provider never requested review of the County determination on an overpayment, either by informal hearing within 30 days of mailing the NA 1261 or a State Fair Hearing within 90 days of mailing the NA 1261, upon the 92nd day, the overpayment is identified and the providers time frame to request review has lapsed and the overpayment is collectible.
- b. Request for Informal Hearing: If the foster care provider requests an informal hearing. See Informal Hearing designee above in steps 5 and 6. If no State Hearing is requested within 90 days of the issuance of the Informal Hearing Decision, 90 days after withdrawal or 90 days after failure to appear at the informal hearing, the overpayment will be identified for collection on the 92nd day, the date the overpaid provider exhausted administrative processes.
- c. Request for State Fair Hearing after Receipt of Decision in Informal Hearing or absent a request for Informal Hearing: If an informal hearing is requested and conducted, the 90 day period to request a State Fair Hearing is suspended until DCFS issues an informal decision after hearing. The person requesting the informal hearing will have 90 days from the date the decision is mailed to request the State Fair Hearing. (See steps 5 and 6 above.)
- d. DCFS can verify with the DCFS Appeals State Hearing Unit if they have received a request for State Fair Hearing and if so, what date occurred.
 - If a State Fair Hearing has been requested, the amount is not collectible until the administrative process is exhausted. DCFS must await the decision of the Administrative Law Judge and proceed, as ordered.
 - If no request for a State Fair Hearing has occurred, the administrative process will be considered exhausted on the 92nd day, and the overpayment will be identified and collectible.

J. WHEN: NO RESPONSE IS RECEIVED FROM A GH, FFH, RH, NRLG OR NREFM

Overpayment/Recovery Staff Responsibilities:

1. At the control date (30 days), (see step 4 on page 8), if the provider does not return the overpayment, enter into a mutually agreed-upon repayment plan, or has not requested an Informal Hearing. (If the provider requested an Informal Hearing, see Informal Hearing designee Responsibilities, Informal Hearing Request above.) Call the agency and continue to make additional attempts to voluntarily resolve payment issue(s), during the 90

day period. Do not discuss with the agency State Fair hearing rights. If questions are asked, refer them to the NOA 1261 and any other documents, issued regarding their rights to dispute the overpayment.

2. If the provider has requested a 30 day Informal Hearing, contact the person designated to hear the matter regarding the date set. Thereafter, request the date the hearing decision was mailed to the foster care provider. Set a 90 day control date, from the date of mailing to determine if the provider requests a State Fair hearing.
3. If no Informal Hearing was requested, await the control date of 90 days, to determine if the provider returns the overpayment, enters into a mutually agreed upon repayment plan or requests a State Fair Hearing. If by the 92nd day, there is no request for review of the County overpayment, the amount(s) will be deemed collectible and identified. (If the provider did request a State Fair Hearing, see Formal State Fair Hearing Requirements on page 14. Do not process collection until exhaustion of the administrative hearing process or the foster provider determines to enter a voluntary agreement.)
4. If payment issue is not resolved and administrative due process has lapsed or been exhausted, 92 days from the date of mailing the NA 1261 or two (2) days after the exhaustion of administrative due process, the overpayment is now identified and an aid claim adjustment for the federal share is required. The overpayment is now collectible and no further options to dispute the County determination of overpayment are required. The County can collect under the involuntary processes set forth in CDSS EAS 45-305.3, if the provider continues to refuse to enter into a voluntary repayment plan.
 - a. Upon the 92nd day, two days after the date the overpaid provider's time frame to request administrative review has elapsed, the overpayment is considered identified. The County will remit the federal share to CDSS no later than 20 calendar days after the end of the month in which the overpayment was identified by making an aid claim adjustment in the amount equal to the federal share.
 - b. For voluntary repayment by any type of foster care provider, see Section F. step 4.c.
 - c. For involuntary repayment for foster family homes, relative homes, NERFMs and non-related legal guardianships. These actions will only be used when voluntary agreements to repay have failed or there has been a failure of repayment under the provisions of a voluntary agreement. Below is the priority of involuntary collection.
 - Grant adjustment. The overpayment is due to aid paid when the child was not in the home of the provider agency (CDSS EAS 45-

304.122). The subject child remains in the home or agency of the foster care provider. Grant offset is not available when the provider is caring for different children other than the child for whom the overpayment was assessed. DCFS can deduct no more than 10% of the total monthly grant, each month (CDSS EAS 45-305.321).

- Collection of interest. Interest will be calculated based on principal and interest of 5 percent of the annual income prorated on a monthly basis, with simple interest on the overpayment amount based on the Surplus Money Investment Fund. Interest can not be collected if it will cause financial hardship for the provider to provide adequate care. Interest can not be collected if 1) the payment was made to meet the child's needs while the child was absent from the home; 2) the overpayment was the exclusive fault of the County; or 3) the provider did not contribute to the overpayment. (See CDSS EAS 45-305.331-332.)
 - Civil Judgment. If the provider fails to comply with a voluntary agreement, a demand for repayment and a grant offset is not available as the provider is no longer providing services to the child for whom the overpayment was assessed, the County will, unless the costs exceed the amount of the overpayment by instigating civil action, obtaining a judgment, recording abstract of civil judgment, executing a civil judgment or providing the information that the cost of the above described actions will exceed the amount of the overpayment to allow for a Director's Write-Off of the amount. (See MD #11-03, dated 11/10/11).
- d. For involuntary repayment for Group Homes and Foster Family Agencies. These actions will only be used when voluntary agreements to repay have failed or there has been a failure of repayment under the provisions of a voluntary agreement. The County is to follow the priority of involuntary collection procedures set forth in Administrative Standards for Eligibility and Assistance Programs AFDC-Foster Care Rates (EAS), Section 11-402.66. Per MPP 45-305.34, the term "County" in MPP 11-402.66 (and sub-sections), is to be substituted for the word "Department" wherever it appears in MPP 11-402.66. The priority of collection processes for Group Homes and Foster Family Agencies is as follows:
- Lump sum payment. The GH/FFA can choose one payment or the GH/FFA re-payments over a 12 month period. No interest to be assessed if an amount under \$100,000 is paid in 6 months. No interest to be assessed if an amount over \$100,000 is paid in 12 months. From the date of the executed agreement, interest shall not be assessed. If this is a self reported overpayment by the FFA or Group Home and 30 days have not elapsed, the FFA or GH has the right of reconciliation. If they fail to reconcile the self reported

overpayment within the 30 day period pursuant to 11-402.632(a), speak to county counsel regarding additional activities required by the FFA or GH. Have the county counsel review the regulations and the attempted at reconciliation, prior to determining the GH/FFA was provided the opportunity to reconcile the “overpayment” amount in the audit and failed. A group home provider who fails to reconcile in accordance with Section 11-402.632(a)(1) shall be subject to Sections 11-402.3, 11-402.5, and 11-402.6. This is satisfied by the pre-exit and final exit conference provided by the Auditor Controller’s Office. Further, the County can use a balancing process whenever an amount is owed to a provider by crediting the amount owed towards repayment of a sustained overpayment. (CDSS EAS .11-402.662)

- Demand for repayment agreement. 30 days after overpayment is identified or 30 days from the postmark date of letter notifying the GH/FFA of the demand for overpayment agreement, **after the informal hearing and State Fair Hearing processes have completed**, either by actual hearing in favor of DCFS or failure of the GH/FFA to request either hearing, the GH/FFA can enter into a repayment agreement. This agreement is required to contain specific language set forth in CDSS EAS 11-402.663 (a) thru (g). The repayment agreement will set forth a repayment schedule to repay amounts, which include interest, not to exceed a 9-year period. Interest begins to accrue on the date of issuance of the audit report containing the overpayment amount. The minimum monthly amount, including interest, will be 3% of the program’s monthly income. Interest will be based on simple interest calculations (see calculations set forth in CDSS EAS 11-402.663(c)1-3). This agreement may be re-negotiated if it results in severe harm to children in placement and specified conditions exist (conditions set forth at 11-402.663(g) 1 & 2). (CDSS EAS 11-402.663)
- Mandatory repayment agreement. When the GH/FFA provider fails to enter into the repayment agreement in the above bullet or there are three (3) outstanding payments on a repayment agreement before the overpayment is repaid, the County can set forth a mandatory repayment agreement in accordance with WIC 11466.22(d)(4). The requirements and the amount can be raised to an amount which will assure it is repaid in seven (7) years. Otherwise, the repayment period is not to exceed seven (7) years, minimum monthly amount will be 5% of the monthly income, including interest, and can be collected by off setting against the current group home provider reimbursement rates (CDSS EAS 11-402.664).

- Administrative offsets MPP 45-304.33, the County will employ an offset to the administrative portion of subsequent payments by the method noted MPP 45-305. (See Section J. step 4.c. above).
- Additional Action/Supplements to Rate. In addition to the collection process in the 2nd bullet under d. on page 17, when a GH/FFA is subject to mandatory repayment the following requirements apply; a) In addition to the repayment reduction of 11-402.664, 50% of any California Necessities Index (CNI) increases and any adjustments to the Standardized Schedule of Rates in the AFDC-FC program will be withheld and applied and b) The GH/FFA program will be ineligible to receive program change that results in an increased rate classification level (RCL) until the amount is recovered or a waiver is granted by CDSS. (If waiver granted and an increased RCL occurs, it will be subject to 11-402.664 recovery amounts. (See CDSS EAS 1-402.665 and contact county counsel for assistance.)
- Additional Action/Certificate against real or personal property of group home. In addition to collection processes, the County may also file a certificate against the real or personal property of a group home provider, in accordance with WIC 11466.33. The code section contains multiple requirements to review, prior to making the determination to file a certificate. If all requirements are met to file the certificate, it is to be filed with the County Clerk. The County Clerk may then file a lien against the property. The County may bring action within a 10-year period and seek judgment, allowing for the filing of an abstract of judgment. (See CDSS EAS 11-402.666.)
- Additional Action/County action impacting RCL Rate. This section (in conjunction with .668) indicates contact can be made with CDSS regarding the GH/FFA's failure to repay an overpayment and request termination of the RCL. If DCFS determines to take this action, DCFS should only do so after the providers due process has completed in favor of the County by State Fair Hearing or civil judgment. The Initial Statement of Reasons, issued with the emergency regulations, limit the action of the County to "collection". Contact with County Counsel should occur to determine if this action could occur and assure that the requirements of CDSS EAS 11-402.667 have been met.
- Additional Action/County request for RCL rate termination. The County, DCFS, does not have the right to act in the capacity of CDSS for the purpose of terminating a Group Home or Foster Family Agencies' rate as indicated in CDSS EAS 11-402.3.393 and 394. As indicated in the bullet above, the County could request CDSS to consider terminating an RCL rate in conjunction with its collection actions. The Initial Statement of Reasons issued with the emergency

regulations limit the action of the County to “collection.” Contact with County Counsel should occur to determine if this action could occur and assure that the requirements of CDSS EAS 11-402.668 have been met.

5. CONTRACTUAL REMEDIES, in the event CONTRACTOR does not return payment, or enter into an agreement for payment on a mutually agreed upon timeframe:

- Prepare a recommendation to place the home on “Hold”/“Do Not Refer: (DNS)“Do Not Use” (DNU) and submit to the manager for approval process to the Director of DCFS. (See Foster Family Agency or Group Home Contracts regarding the process for “Do Not Refer.”)
- In the event CONTRACTOR does not return an Overpayment, either under the terms of a voluntary agreement or under the terms of an involuntary repayment agreement after exhaustion of due process in favor the COUNTY, COUNTY may place a Hold Status, DNR Status, DNU Status, Corrective Action Plan.
- County will provide written notice of its intention to place CONTRACTOR on a Hold/DNR/DNU Status at least 15 days in advance.
- COUNTY will notify CONTRACTOR in writing within 72 hours of DCFS’ decision to place CONTRACTOR ON Hold/DNR/DNU.
- Verbal notification of such actions will be provided prior to or at the time of CONTRACTOR’S placement on Hold/DNR/DNU Status to the extent possible.

NOTE: When Hold/DNR/DNU Status is recommended, the written notification letter will include the reason(s) for placing Contractor on Hold/DNR/DNU. It will also invite Contractor to participate in a Review Conference to discuss the COUNTY’S decision and include a deadline by which the CONTRACTOR must indicate its intent to participate in the Review Conference. Fax the notification to the GH/FFA, keeping a copy of the confirmation of receipt of FAX.

**CONTRACTOR'S CERTIFICATION OF COMPLIANCE
WITH CHILD, SPOUSAL, AND FAMILY SUPPORT ORDERS**

_____ do hereby certify that our
(Name of Prospective Contractor)

organization complies with all orders for Child, Spousal, and Family Support and we have complied with all lawfully served wage assignments and notices of assignment.

We understand that failure to implement lawfully served wage assignments or notices of assignment will constitute a default under the contract, which shall subject the contract to termination if such default is not cured within 90 days.

Failure to comply with the above requirement may be cause for debarment.

Print Name and Title of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Signature of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Date

Print Name and Title of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Signature of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Date

**CONTRACTOR'S CERTIFICATION OF COMPLIANCE WITH ALL FEDERAL
AND STATE EMPLOYMENT REPORTING REQUIREMENTS**

do hereby certify that our

(Name of Prospective Contractor)

organization complies with all Federal and State reporting requirements related to Employment Reporting Requirements for our employees.

We understand that failure to comply with Employment Reporting Requirements will constitute a default under the contract, which shall subject the contract to termination if such default is not cured within 90 days.

Failure to comply with the above requirement may be cause for debarment.

Print Name and Title of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Signature of Principal Owner, an Officer, or Manager responsible for submission of the SOQ to the County.

Date

VENDOR'S EEO CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

GENERAL

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

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

Signature of Authorized Person Responsible for
Submission of the SOQ to the County

Date

Name and Title of Authorized Person Responsible for Submission of the SOQ to the

CHARITABLE CONTRIBUTIONS CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

California Registry of Charitable Trusts "CT" number (if applicable)

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California's Supervision of Trustees and Fundraisers for Charitable Purposes Act, which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company.

- Vendor 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 Vendor 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 (CT-1) when filed.

OR

- Vendor or Contractor is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts (CT-1 or RRF-1) as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586.

Signature of Authorized Person responsible for
Submission of the SOQ to the County

Date

Name and Title of Signer (please print)

**CERTIFICATION OF COMPLIANCE WITH THE COUNTY'S
DEFAULTED PROPERTY TAX REDUCTION PROGRAM**

Company Name:		
Company Address:		
City:	State:	Zip Code:
Telephone Number:	Email address:	
Solicitation/Contract For _____ Services:		

The Proposer/Bidder/Contractor certifies that:

- It is familiar with the terms of the County of Los Angeles Defaulted Property Tax Reduction Program, Los Angeles County Code Chapter 2.206; **AND**

To the best of its knowledge, after a reasonable inquiry, the Proposer/Bidder/Contractor is not in default, as that term is defined in Los Angeles County Code Section 2.206.020.E, on any Los Angeles County property tax obligation; **AND**

The Proposer/Bidder/Contractor agrees to comply with the County's Defaulted Property Tax Reduction Program during the term of any awarded contract.

- OR -

- I am exempt from the County of Los Angeles Defaulted Property Tax Reduction Program, pursuant to Los Angeles County Code Section 2.206.060, for the following reason:

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Print Name:	Title:
Signature:	Date:

Date: _____

CONTRACT INVESTIGATION, MONITORING, AND AUDIT REMEDIES AND PROCEDURES

These internal policies and procedures are attached to the Foster Care Placement Services (FCPS) Contracts to inform CONTRACTORS of Department of Children and Family Services' (DCFS) and the Probation Department's (Probation) investigation, monitoring, and audit remedies and procedures. These policies and procedures are subject to revision by DCFS and the Probation, upon 30 days prior written notice to CONTRACTOR (which will not require a contract amendment), and DCFS and Probation may vary from these protocols and procedures when such variance is required to protect the health and safety of the children, except that all Do Not Refer (DNR) and Do Not Use (DNU) actions must be approved by DCFS' Director or the Probation's Chief Probation Officer or his or her Deputy Director level designee. Such variance may not be arbitrary and capricious, unreasonable, or discriminatory.

DCFS and Probation are responsible for monitoring and investigating, as a whole, all facilities licensed by Community Care Licensing Division (CCLD) to provide out-of-home care when there are allegations of child abuse, neglect or exploitation, or for administrative, programmatic or fiscal non-compliance.

During the normal course of its compliance monitoring or as the result of an investigation, DCFS or Probation may take action, when necessary, to protect placed children in these facilities, including requesting immediate corrective action, placing the CONTRACTOR on Hold, Administrative Hold, DNR, or DNU status. Staff may recommend a corrective action plan, Hold, Administrative Hold, DNR, or DNU Status, regardless of whether law enforcement or CCLD take similar action.

The County of Los Angeles Auditor-Controller is also responsible for completing fiscal review audits of CONTRACTORS. Fiscal review audit findings are not addressed in this Exhibit N, except to the extent discussed below or specifically referenced in other parts of the Contract. Nothing in this paragraph shall prevent the COUNTY from relying on the findings of the Auditor-Controller as a basis for imposing any of the Administrative Remedies provided below.

A. Administrative Remedies

DCFS and Probation may utilize one or more of the following actions in response to findings uncovered in the normal course of monitoring, as a result of investigations of abuse and neglect in out-of-home care, or in audits of program or fiscal contract requirements.

1. **Corrective Action Plan (CAP)** - When DCFS and Probation reasonably determines that a CONTRACTOR's noted non-compliance is correctable; a CAP shall serve as the CONTRACTOR's commitment to resolve noted areas or items of non-compliance.
2. **Administrative Hold** – After providing the CONTRACTOR with a 15 business day Notice of Intent to place CONTRACTOR on an Administrative Hold, if during which time the CONTRACTOR cannot demonstrate its resolution of the issues, COUNTY retains the right to temporarily suspend referrals of children to CONTRACTOR by placing CONTRACTOR on an Administrative Hold status, for up to a 45-day period. Administrative Holds are for administrative, programmatic, and fiscal non-compliance issues requiring immediate resolution that are not related to child safety.

Limited to an additional 45 days, an Administrative Hold status may be extended for extenuating circumstances beyond the control of DCFS and Probation, with the understanding that the

extension of the Administrative Hold status on a CONTRACTOR will require the approval of the Director or his Deputy Director level designee.

3. **Investigative Hold Status** - COUNTY retains the right to temporarily suspend referrals of children to CONTRACTOR by placing CONTRACTOR on Hold status, for up to a 45-day period at any time during an investigation, monitoring, or audit, when based on prima facie evidence, DCFS or Probation reasonably believes, in its sole discretion, that the CONTRACTOR has engaged in conduct which may jeopardize a minor or minors. Limited to an additional 45 days, a hold status may be extended for extenuating circumstances beyond the control of DCFS and Probation, with the understanding that the extension of Hold status on a CONTRACTOR will require the approval of the Director or his Deputy Director level designee. Hold Status may also be implemented when there has been a serious event that may implicate the CONTRACTOR, in issues of abuse or neglect; there is serious risk of abuse or neglect; or non-compliance with a significant administrative, fiscal, or programmatic requirement of the Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Part I, Section 16.0 of FCPS Contracts. A Hold request must be approved by a Division Chief, or Bureau Chief.
4. **Do Not Refer (DNR) Status** - DNR refers to the suspension of new DCFS and Probation placements when COUNTY reasonably believes, in its sole discretion, based on prima facie evidence that the CONTRACTOR has engaged in conduct which may jeopardize children; there has been a serious event that may implicate the CONTRACTOR in issues of abuse or neglect; there is serious risk of abuse or neglect; or in issues of non-compliance with significant administrative, fiscal, or programmatic requirements of this Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Part I, Subsection 16.1 of the FCPS Contracts, and as further described in Exhibit N. A DNR recommendation must be approved by a Deputy Director or a Deputy Chief.
5. **Do Not Use (DNU) Status** - DNU means that all Placed Children are removed from the CONTRACTOR's care within a specified period of time. No placement referrals may be made to the facility. DNU Status is used when COUNTY reasonably believes, in its sole discretion, based upon prima facie evidence, that the CONTRACTOR has engaged in conduct which may jeopardize children; there has been a serious event that may implicate the CONTRACTOR in issues of abuse or neglect; there is serious risk of abuse or neglect; or in issues of non-compliance with significant administrative, fiscal, or programmatic requirements of this Contract for which the CONTRACTOR failed to take corrective action (when appropriate) pursuant to Part I, Subsection 16.1 of the FCPS Contracts, and as further described in Exhibit N. A DNU recommendation must be approved by a Deputy Director or a Deputy Chief.
6. **Termination Hold** - In the event either COUNTY or CONTRACTOR terminates this Contract for convenience or for default, COUNTY shall suspend referrals of children to CONTRACTOR and remove, or cause to be removed, all Placed Children prior to the effective date of termination. In such an event, the procedures described in this exhibit will not occur. A Termination Hold must be approved by a Division Chief or a Bureau Chief.

B. Corrective Action Plan (CAP) Procedures

1. Any verbal notice that is given to CONTRACTOR to make needed corrections, requested by DCFS or Probation, that requires immediate action to resolve child safety issues (including safety of Non-Minor Dependents) shall include specific due dates, not to exceed beyond three calendar days. DCFS or Probation will provide written confirmation of the requested corrective action within three business days.

2. Where immediate action is not required, CONTRACTOR shall submit CONTRACTOR's proposed CAP to DCFS and Probation within 30 calendar days from receipt of the written confirmation from DCFS or Probation (Contractor Notification Letter); the timeframe depends on the nature of the non-compliance. The CONTRACTOR's CAP is reviewed and approved by DCFS and Probation within 15 business days.
3. The CAP must address each finding made in the Contractor Notification Letter. An appropriate CAP identifies the noted non-compliance, includes a brief statement of the estimated root-cause and includes the detailed action that will be implemented to correct the noted non-compliance. This is followed by an explanation of how the corrective action will be implemented; an explanation of what actions will take place to ensure that the corrective action is maintained; and the CONTRACTOR's plan to prevent subsequent repeated instances of the same non-compliance or inappropriate action. The CAP should include the requisite timeframes necessary for full implementation and identify the title(s) of the CONTRACTOR's staff that will insure the corrective actions are implemented. The CAP should also include the CONTRACTOR's internal Quality Assurance or Continuous Improvement Process to allow for an appropriate adjustment of CONTRACTOR's policies, procedures as necessary and when the CONTRACTOR will complete its internal root-cause analysis as necessary. A CAP addendum will be required if the CAP does not adequately address all issues.
4. DCFS or Probation (or together if necessary) will conduct follow-up to assess for implementation of CONTRACTOR's approved CAP. This may include where necessary, unannounced visits to the resource family approved home, the STRTP or ISFC sites, and if necessary to other CONTRACTOR locations to verify the corrective action implementation. Once the corrective action has been completed and verified, the CONTRACTOR is notified in writing.
5. A Hold, DNR, or DNU Status may be imposed at the discretion of DCFS or Probation, if the requested corrective action is not implemented and maintained or if the CONTRACTOR does not submit an approved CAP or CAP addendum within the agreed-upon timeframes.

C. Administrative Hold Procedures

1. COUNTY will notify CONTRACTOR in writing via electronic mail 15 business days prior to the effective date of DCFS or Probation's (or both) intention to place CONTRACTOR on an Administrative Hold for Administrative reasons not related to child safety. The COUNTY will notify the CONTRACTOR by phone call prior to sending out the Notice of Intent letter to place the CONTRACTOR on Administrative Hold.
2. The Contractor Notification Letter will also invite the CONTRACTOR to participate in a Review Conference and include a deadline for the CONTRACTOR's response (desire to participate) within 5 business days. Failure by the CONTRACTOR to respond by the deadline will result in default or waiver by the CONTRACTOR to proceed with the Review Conference.
3. During the Review Conference, the CONTRACTOR will meet with the Departments' representative at the Children's Administrator III, Assistant Regional Administrator, Probation Director, Probation Senior Director, or higher level, other COUNTY (DCFS, Probation, and Auditor-Controller) Departmental staff, or CCLD to discuss the investigative or administrative findings and to provide an opportunity for the CONTRACTOR to respond to the findings. The Review Conference will be held within 30 days of the date of the Contractor's Notification Letter of placement on Hold, DNR, or DNU Status, unless CONTRACTOR waives the time limit. The Review Conference is provided to ensure that the CONTRACTOR is afforded a process for

responding to allegations against them and for airing their grievances. One week prior to the then scheduled Review Conference, the CONTRACTOR has the right to present written evidence in the form of relevant declarations, affidavits, and documents and a written statement intended to be presented during the Conference. The CONTRACTOR may also request that DCFS or Probation interview any witnesses identified by the CONTRACTOR who have not already been interviewed.

4. Based on the reason (i.e., Fiscal, Contractual, Programmatic), an appropriate designated middle management level staff will conduct the Review Conference. DCFS, Probation, and CONTRACTOR will have the opportunity to present information related to the findings and each will be able to question the other with respect to each finding. Information provided by DCFS or Probation during the conference must be consistent with confidentiality laws. The CONTRACTOR may choose to seek authorization from the Juvenile Court to access additional documentation and information pertaining to the allegations, and to use such documentation and information during the Review Conference. The authorization or the approval must be in writing from the Court. DCFS and Probation will consider any new information presented in the CONTRACTOR's written statement and information presented during the Conference.

Consistent with the informal and non-adversarial atmosphere of the Review Conference, CONTRACTOR and COUNTY agree that only appropriate CONTRACTOR personnel and appropriate DCFS, Probation, Auditor-Controller, or CCLD personnel shall participate in the Review Conference; and legal representatives shall not be present at the Review Conference.

5. The Children's Administrator III, Assistant Regional Administrator, Director, or higher level staff will assess the information presented by the CONTRACTOR and make a final determination whether to withdraw the recommendation or to consult with others within DCFS or Probation with regard to the intended recommendation. This determination will be put in writing and provided to CONTRACTOR within 15 business days of the Review Conference.
6. Hold, DNR, or DNU Status may be lifted at any time that DCFS or Probation obtains information which leads them to believe that: 1) the original basis for imposing such status is no longer applicable, or 2) Hold, DNR, or DNU status is no longer appropriate. In instances where Hold, DNR, or DNU Status no longer applies, DCFS and Probation shall act as expeditiously as possible to remove CONTRACTOR from such status.

D. Investigative Hold, Do Not Refer (DNR), and Do Not Use (DNU) Procedures

1. COUNTY will notify CONTRACTOR in writing via electronic mail within 72 hours of DCFS or Probation's (or both) decision to place CONTRACTOR on an Investigative Hold, Hold, DNR, or DNU for reasons related to child safety. The COUNTY will notify the CONTRACTOR by phone call prior to sending out the written notice of placement on an Investigative Hold, Hold, DNR, or DNU. To the extent possible and reasonable, and without interfering with any law enforcement investigation, and consistent with statutes and regulations related to confidentiality, notification will include the reason(s) for the Hold, DNR, or DNU Status. The Contractor Notification Letter will also invite the CONTRACTOR to participate in a Review Conference and include a deadline for the CONTRACTOR's response (desire to participate) within 5 business days. Failure by the CONTRACTOR to respond by the deadline will result in default or waiver by the CONTRACTOR to proceed with the Review Conference.
2. The Contractor Notification Letter will also invite the CONTRACTOR to participate in a Review Conference and include a deadline for the CONTRACTOR's response (desire to

participate) within 5 business days. Failure by the CONTRACTOR to respond by the deadline will result in default or waiver by the CONTRACTOR to proceed with the Review Conference.

3. During the Review Conference, the CONTRACTOR will meet with the Departments' representative at the Children's Administrator III, Assistant Regional Administrator, Director, or higher level, other COUNTY (DCFS, Probation, and Auditor-Controller) Departmental staff, or CCLD to discuss the investigative or administrative findings and to provide an opportunity for the CONTRACTOR to respond to the findings. The Review Conference will be held within 30 days of the date of the Contractor's Notification Letter of placement on Hold, DNR, or DNU Status, unless CONTRACTOR waives the time limit. The Review Conference is provided to ensure that the CONTRACTOR is afforded a process for responding to allegations against them and for airing their grievances. One week prior to the then scheduled Review Conference, the CONTRACTOR has the right to present written evidence in the form of relevant declarations, affidavits, and documents and a written statement intended to be presented during the Conference. The CONTRACTOR may also request that DCFS or Probation interview any witnesses identified by the CONTRACTOR who have not already been interviewed.
4. Based on the reason (i.e., Fiscal, Contractual, Programmatic), an appropriate designated middle management level staff will conduct the Review Conference. DCFS, Probation, and CONTRACTOR will have the opportunity to present information related to the findings and each will be able to question the other with respect to each finding. Information provided by DCFS and Probation during the conference must be consistent with confidentiality laws. The CONTRACTOR may choose to seek authorization from the Juvenile Court to access additional documentation and information pertaining to the allegations, and to use such documentation and information during the Review Conference. The authorization or the approval must be in writing from the Court. DCFS and Probation will consider any new information presented in the CONTRACTOR's written statement and information presented during the Conference.

Consistent with the informal and non-adversarial atmosphere of the Review Conference, CONTRACTOR and COUNTY agree that only appropriate CONTRACTOR personnel and appropriate DCFS, Probation, Auditor-Controller, or CCLD personnel shall participate in the Review Conference; and legal representatives shall not be present at the Review Conference.

5. The Children's Administrator III, Assistant Regional Administrator, Director, or higher level staff will assess the information presented by the CONTRACTOR and make a final determination whether to withdraw the recommendation or to consult with others within DCFS and Probation with regard to the intended recommendation. This determination will be put in writing and provided to CONTRACTOR within 72 hours of the Review Conference.
6. Hold, DNR, or DNU Status may be lifted at any time that DCFS or Probation obtains information which leads them to believe that: 1) the original basis for imposing such status is no longer applicable, or 2) Hold, DNR, or DNU status is no longer appropriate. In instances where Hold, DNR, or DNU Status no longer applies, DCFS and Probation shall act as expeditiously as possible to remove CONTRACTOR from such status.

Revised 1/9/2018

FEDERAL DEBARMENT AND SUSPENSION CERTIFICATION

Company Name

Address

Internal Revenue Service Employer Identification Number

This certification is required by the regulations implementing Executive Order 1259, Debarment and Suspensions, 7 CFR Part 3017, 45 CFR Part 76 and 2CFR 200.212 Part C.

Prospective Contractor certifies to the best of its knowledge and belief that its principals or affiliates or sub-contractor utilized under this contract are not:

- (a) Debarred or suspended from federal financial assistance programs and activities;
- (b) Proposed for debarment;
- (c) Declared ineligible or;
- (d) Voluntarily excluded from participation in covered transactions by any federal department or agency.

I declare that the information herein is true and correct and that I am authorized to represent this company.

Signature of Authorized Person Responsible for
Submission of the SOQ to the County

Date

Name and Title of Authorized Person Responsible for Submission of the SOQ to the
County

CONTRACTOR'S COMPLIANCE WITH ENCRYPTION REQUIREMENTS

Contractor shall provide information about its encryption practices by completing this Exhibit. By submitting this Exhibit, Contractor certifies that it will be in compliance with Los Angeles County Board of Supervisors Policy **5.200**, Contractor Protection of Electronic County Information, at the commencement of any contract and during the term of any contract that may be awarded pursuant to this solicitation.

DOCUMENTATION AVAILABLE

COMPLIANCE QUESTIONS

	YES	NO	YES	NO
1). Will County data stored on your workstation(s) be encrypted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2). Will County data stored on your laptop(s) be encrypted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3). Will County data stored on removable media be encrypted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4). Will County data be encrypted when transmitted?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5). Will Contractor maintain a copy of any validation/attestation reports generated by its encryption tools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6). Will County data be stored on remote servers*?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**cloud storage, Software-as-a-Service or SaaS*

Agency Name

Name of Authorized Person Responsible for Submission of the SOQ

Authorized Person Official Title

Authorized Person Official's Signature

**ZERO TOLERANCE HUMAN TRAFFICKING
POLICY CERTIFICATION**

Agency Name:		
Agency Address:		
City:	State:	Zip Code:
Telephone Number:	Email address:	
Solicitation/Contract for _____ Services		

CONTRACTOR CERTIFICATION

Los Angeles County has taken significant steps to protect victims of human trafficking by establishing a zero tolerance human trafficking policy that prohibits contractors found to have engaged in human trafficking from receiving contract awards or performing services under a County contract.

Prospective Contractor acknowledges and certifies compliance with Part II - Standard Terms and Conditions, Section 42.0 (Compliance with County's Zero Tolerance Human Trafficking Policy) of the proposed Contract and agrees that Contractor or a member of his staff performing work under the proposed Contract will be in compliance. Prospective Contractor further acknowledges that noncompliance with the County's Zero Tolerance Human Trafficking Policy may result in rejection of any SOQ, or cancellation of any resultant Contract, at the sole judgment of the County.

I declare under penalty of perjury under the laws of the State of California that the information herein is true and correct and that I am authorized to represent this company.

Print Name:	Title:
Signature:	Date:

**CONTRACTOR'S CERTIFICATION OF COMPLIANCE WITH
BACKGROUND AND SECURITY INVESTIGATIONS**

_____ do hereby certify that our
(Name of Prospective Contractor)

organization complies with and completes all criminal clearances including arranging to receive subsequent arrest notifications and background checks on all staff, employees, independent contractors, and volunteers as well as all Subcontractors' staff and volunteers, prior to beginning and continuing work under this contract. Such background investigation may include, but shall not limited to criminal conviction information obtained through fingerprints submitted to the California Department of Justice.

Our organization further agrees not to engage or continue to engage the employees or volunteers on contract services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender) and those crimes listed in the Penal Code which involve murder, rape, kidnap, abduction, assault, and lewd and lascivious acts.

We understand that failure to comply with the Background and Security Investigations provisions will constitute a material breach and be considered an event of default under the contract, which shall subject the contract to termination if such default is not cured within 3 days.

In compliance with the False Claims Act (31 U.S.C. §3729-3733), I certify that all the information on this form is true and correct.

_____ (Signature), Title _____ Date: _____

_____ (Signature), Title _____ Date: _____

_____ Print Name of authorized signer, Chief Executive Officer or Chief Financial Officer, or Authorized Treasurer or other Authorized signed of the Board of Directors

SAFELY SURRENDERED BABY LAW

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

www.babysafela.org

Safely Surrendered



No shame. No blame. No names.

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

www.babysafela.org



Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

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

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

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

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

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

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

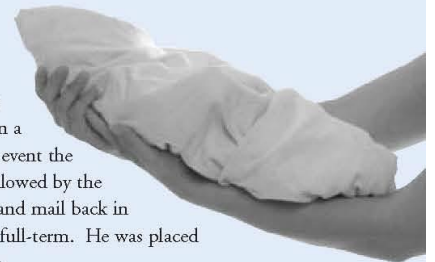
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



Ley de Entrega de Bebés *Sin Peligro*



Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles

Sin pena. Sin culpa. Sin nombres.

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

www.babysafela.org



Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

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

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



COUNTY OF LOS ANGELES CONTRACTOR EMPLOYEE JURY SERVICE PROGRAM
CERTIFICATION FORM AND APPLICATION FOR EXCEPTION

The County's solicitation for this Request for Statement of Qualifications is subject to the County of Los Angeles Contractor Employee Jury Service Program (Program), Los Angeles County Code, Chapter 2.203. All Contractors, whether a contractor or subcontractor, must complete this form to either certify compliance or request an exception from the Program requirements. Upon review of the submitted form, the County department will determine, in its sole discretion, whether the Contractor is excepted from the Program.

Form with fields: Company Name, Company Address, City, State, Zip Code, Telephone Number, Solicitation For Services.

If you believe the Jury Service Program does not apply to your business, check the appropriate box in Part I (attach documentation to support your claim); or, complete Part II to certify compliance with the Program. Whether you complete Part I or Part II, please sign and date this form below.

Part I: Jury Service Program is Not Applicable to My Business

- My business does not meet the definition of "contractor," as defined in the Program, as it has not received an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts...
My business is a small business as defined in the Program. It 1) has ten or fewer employees; and, 2) has annual gross revenues in the preceding twelve months which, if added to the annual amount of this contract, are \$500,000 or less; and, 3) is not an affiliate or subsidiary of a business dominant in its field of operation, as defined below.

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

"Affiliate or subsidiary of a business dominant in its field of operation" means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

- My business is subject to a Collective Bargaining Agreement (attach agreement) that expressly provides that it supersedes all provisions of the Program.

OR

Part II: Certification of Compliance

- My business has and adheres to a written policy that provides, on an annual basis, no less than five days of regular pay for actual jury service for full-time employees of the business who are also California residents, or my company will have and adhere to such a policy prior to award of the contract.

I declare under penalty of perjury under the laws of the State of California that the information stated above is true and correct.

Form with fields: Print Name, Title, Signature, Date.

ADMINISTRATION OF CONTRACT
COUNTY'S ADMINISTRATION

CONTRACT NO.:

COUNTY PROGRAM DIRECTOR:

Name:

Title:

Address:

Telephone:

Email Address:

COUNTY PROGRAM MANAGER:

Name:

Title:

Address:

Telephone:

Email Address:

CONTRACTOR'S ADMINISTRATION

CONTRACTOR'S NOTICES SHALL BE SENT TO CONTRACTOR'S CORPORATE ADDRESS. PLEASE ENTER YOUR ORGANIZATION'S CORPORATE ADDRESS AS INDICATED ON THE ORGANIZATION'S CERTIFIED STATEMENT OF INFORMATION (SOI). THE DESIGNATED CONTACT PERSON(S) WILL RECEIVE ALL CORRESPONDENCE TO THIS CONTRACT.

Organization Name: _____

Contact Person: _____

Title: _____

Street Address: _____

City, State, Zip: _____

Telephone: _____

Email Address: _____

Contact Person: _____

Title: _____

Street Address: _____

City, State, Zip: _____

Telephone: _____

Email Address: _____

CONTRACTOR'S AUTHORIZED OFFICIAL(S)

(Individuals authorized by the Board to bind Contractor in a Contract with the County)

Name: _____

Title: _____

Street Address: _____

City, State, Zip: _____

Telephone: _____

Email Address: _____

Name: _____

Title: _____

Street Address: _____

City, State, Zip: _____

Telephone: _____

Email Address: _____

IF THERE ARE ANY CHANGES, A NEW CERTIFIED SOI MUST BE SUBMITTED TO:

DCFS Contracts Administration Division
Attn: Contracts Division Manager
425 Shatto Place, Room 400
Los Angeles, CA 90020

I hereby certify that the above information is correct. If any changes occur an updated Contractor's Administration Form and a new certified SOI will be submitted to DCFS Contracts Administration Division at the above address.

Print Name of Individual Authorized to Bind Contractor in a Contract with the County

Signature of Individual Authorized to Bind Contractor in a Contract with the County

Date

REPORT ON OUTSIDE EMPLOYMENT ACTIVITIES

- Any [insert Contractor name] employee or independent contractor who is providing services under a contract with the Los Angeles County Department of Children and Family Services is required to complete a Report on Outside Employment Activities and to consult with his or her supervisor for approval.
- The Report on Outside Employment Activities must be completed on an annual basis and submitted to [insert Contractor name].
- Outside employment includes any gainful profession, trade, business or occupation for any person, firm, corporation or governmental entity and includes self-employment.

EMPLOYEE/INDEPENDENT CONTRACTOR INFORMATION		
Name:	Title:	Work Location:
Duties:	Employee Number:	Telephone Number:

I. DECLARATION – *[Please mark the statement that applies to your situation.]*

- I am not presently engaged and will not be engaged in the future in any outside employment (including self-employment). If I decide to engage in outside employment in the future, I understand I must immediately complete a new Report on Outside Employment Activities and provide the updated report to my supervisor.
- I am presently engaged or will be engaged in the future in outside employment (including self-employment). This outside employment:
- Is not in conflict with my official duties for [insert Contractor name];
 - Does not involve advisory or consultant services which might conflict with interests of the County of Los Angeles; and
 - Does not involve work using a professional license such that, when combined with my work for [insert Contractor name], will exceed the allowable caseload or hours under applicable rules and regulations.

[Please complete the attached description of outside employment.]

II. ACKNOWLEDGMENT

I certify the accuracy of the information I have provided and acknowledge that the information I have provided may be subject to verification.

In addition, I agree that if there is any change in my outside employment status, I will immediately report this to my supervisor. I understand that failure to do so may result in disciplinary action, up to and including termination of my services as an employee or independent contractor.

Print Name: _____

Signature: _____ Date: _____

III. SUPERVISOR REVIEW AND ACKNOWLEDGEMENT

I have reviewed this report and approve the employee/independent contractor to work for [insert Contractor name.]

Print Name: _____ Title: _____

Signature: _____ Date: _____

SAMPLE

DESCRIPTION OF OUTSIDE EMPLOYMENT

Employer Name:
Employer Address:
Employer Telephone Number:
Employee Title:
Employee Duties:
Hours Worked (Per Week)*:

*Hours Worked must be declared to the best of your ability. "Hours vary" will not be accepted for approval.

Employer Name:
Employer Address:
Employer Telephone Number:
Employee Title:
Employee Duties:
Hours Worked (Per Week)*:

*Hours Worked must be declared to the best of your ability. "Hours vary" will not be accepted for approval.

Employer Name:
Employer Address:
Employer Telephone Number:
Employee Title:
Employee Duties:
Hours Worked (Per Week)*:

*Hours Worked must be declared to the best of your ability. "Hours vary" will not be accepted for approval.

REPORT ON CONFLICT OF INTEREST

- Any [insert Contractor name] officer, Board of Directors member, or volunteer who is providing services under a contract with the Los Angeles County Department of Children and Family Services is required to complete a Report on Conflict of Interest.
- The Report on Conflict of Interest must be completed on an annual basis and submitted to [insert Contractor name].
- Outside employment includes any gainful profession, trade, business or occupation for any person, firm, corporation or governmental entity and includes self-employment.

I. DECLARATION

I am not presently engaged nor plan to be engaged in any outside employment (including self-employment):

- Which is in conflict with my official duties for [insert Contractor name]; or
- Which involves advisory or consultant services which might conflict with interests of the County of Los Angeles.

II. ACKNOWLEDGMENT

I certify the accuracy of the information I have provided and acknowledge that the information I have provided may be subject to verification.

In addition, I agree that if there is any change in my conflict of interest status, I will immediately report this to [insert Contractor name]. I understand that failure to do so may result in termination of my services as an officer, Board of Directors member, or volunteer.

Print Name: _____

Signature: _____ Date: _____

**DISCHARGE OUTCOME AND
PLACEMENT STABILITY REPORT**