

APPENDIX H
(SAMPLE MASTER AGREEMENT)



MASTER AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
WORKFORCE DEVELOPMENT, AGING AND COMMUNITY SERVICES

AND

FOR
SOCIAL ENTERPRISE EMPLOYMENT AND TRAINING
PROGRAM SERVICES

MASTER AGREEMENT NUMBER _____

MASTER AGREEMENT PERIOD JULY 1, 2017 – JUNE 30, 2019

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
	RECITALS.....	6
1.0	APPLICABLE DOCUMENTS.....	7
2.0	DEFINITIONS AND HEADINGS.....	8
3.0	WORK.....	9
4.0	TERM OF MASTER AGREEMENT.....	10
5.0	MASTER AGREEMENT SUM.....	10
5.1	MAXIMUM MASTER AGREEMENT SUM.....	10
5.2	INTENTIONALLY OMITTED.....	11
5.3	ASSUMPTION OR TAKEOVER.....	11
5.4	LIMITATIONS ON USE OF MASTER AGREEMENT SUMS.....	11
5.5	NOTIFICATION OF 75% OF MASTER AGREEMENT SUM.....	13
5.6	NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF MASTER A.....	13
5.7	OTHER MASTER AGREEMENTS.....	13
5.8	JOINT FUNDING REVENUES.....	13
5.9	INVOICES AND PAYMENTS.....	14
5.10	CONTRACTOR INDIRECT COSTS.....	20
6.0	ADMINISTRATION OF MASTER AGREEMENT - COUNTY.....	20
6.1	COUNTY ADMINISTRATION.....	20
6.2	COUNTY'S MASTER AGREEMENT MANAGER.....	20
6.3	COUNTY'S PROGRAM MANAGER.....	20
6.4	COUNTY'S COMPLIANCE MANAGER.....	21
7.0	ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR.....	21
7.1	CONTRACTOR ADMINISTRATION.....	21
7.2	CONTRACTOR'S PROJECT MANAGER.....	21
7.3	APPROVAL OF CONTRACTOR'S STAFF.....	22
7.4	CONTRACTOR'S STAFF IDENTIFICATION.....	22
7.5	BACKGROUND AND SECURITY INVESTIGATIONS.....	22
7.6	CONFIDENTIALITY.....	24
8.0	STANDARD TERMS AND CONDITIONS.....	25
8.1	AMENDMENTS.....	25
8.2	ASSIGNMENT AND DELEGATION.....	27
8.3	AUTHORIZATION WARRANTY.....	27
8.4	COMPLAINTS.....	28
8.5	COMPLIANCE WITH APPLICABLE LAWS.....	29
8.6	COMPLIANCE WITH CIVIL RIGHTS LAWS.....	30
8.7	COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM.....	31
8.8	CONFLICT OF INTEREST.....	32
8.9	CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR	33

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
	LAYOFFS OR ON RE-EMPLOYMENT LIST.....	
8.10	CONSIDERATION OF HIRING GAIN AND GROW PARTICIPANTS.....	33
8.11	CONTRACTOR RESPONSIBILITY AND DEBARMENT.....	33
8.12	CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW.....	36
8.13	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM.....	36
8.14	COUNTY'S QUALITY ASSURANCE PLAN.....	36
8.15	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS.....	37
8.16	EMPLOYMENT ELIGIBILITY VERIFICATION.....	37
8.17	FACSIMILE REPRESENTATIONS.....	37
8.18	FAIR LABOR STANDARDS.....	37
8.19	FORCE MAJEURE.....	38
8.20	GOVERNING LAW, JURISDICTION, AND VENUE.....	38
8.21	INDEPENDENT CONTRACTOR STATUS.....	38
8.22	INDEMNIFICATION.....	39
8.23	GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE.....	39
8.24	INSURANCE COVERAGE.....	43
8.25	LIQUIDATED DAMAGES.....	47
8.26	MOST FAVORED PUBLIC ENTITY.....	48
8.27	NON-DISCRIMINATION AND AFFIRMATIVE ACTION.....	49
8.28	NON-EXCLUSIVITY.....	50
8.29	NOTICE OF DELAYS.....	50
8.30	NOTICE OF DISPUTES.....	50
8.31	NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT.....	50
8.32	NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW.....	50
8.33	NOTICES.....	51
8.34	PROHIBITION AGAINST INDUCEMENT OR PERSUASION.....	51
8.35	PUBLIC RECORDS ACT.....	51
8.36	PUBLICITY.....	51
8.37	RECORD RETENTION, INSPECTION AND AUDIT SETTLEMENT.....	52
8.38	RECYCLED BOND PAPER.....	57
8.39	SUBCONTRACTING.....	57
8.40	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	59
8.41	TERMINATION FOR CONVENIENCE.....	59
8.42	TERMINATION FOR DEFAULT.....	59
8.43	TERMINATION FOR IMPROPER CONSIDERATION.....	61
8.44	TERMINATION FOR INSOLVENCY.....	61
8.45	TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE.....	62
8.46	TERMINATION FOR NON - APPROPRIATION OF FUNDS.....	62
8.47	VALIDITY.....	62
8.48	WAIVER.....	62
8.49	WARRANTY AGAINST CONTINGENT FEES.....	62
8.50	WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM.....	63
8.51	TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE	63

TABLE OF CONTENTS

PARAGRAPH	TITLE	PAGE
	WITH COUNTY' S DEFAULTED PROPERTY TAX REDUCTION PROGRAM	
8.52	TIME OFF FOR VOTING.....	63
8.53	MINIMUM WAGE REQUIREMENTS.....	63
8.54	COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING POLICY.....	66
9.0	UNIQUE TERMS AND CONDITIONS.....	66
9.1	ALLEGATIONS OF FRAUD AND/OR ABUSE.....	66
9.2	AMERICANS WITH DISABILITIES ACT (ADA).....	67
9.3	CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE.....	67
9.4	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA").....	68
9.5	FIXED ASSETS, NON-FIXED ASSETS AND SUPPLIES.....	68
9.6	LIMITATION ON CORPORATE ACTS.....	68
9.7	COUNTY'S PREFERENCE PROGRAM.....	69
9.8	MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN.....	72
9.9	NEPOTISM.....	72
9.10	OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT.....	73
9.11	PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION.....	74
9.12	PROBATION AND SUSPENSION.....	74
9.13	TRANSITION OF MASTER AGREEMENT SERVICES.....	77
9.14	TRAVEL EXPENSES.....	78
9.15	DRUG-FREE WORKPLACE.....	79
9.16	INFORMATION TECHNOLOGY, SECURITY AND PRIVACY REQUIREMENTS..	79
9.17	REMEDIES FOR NON-COMPLIANCE.....	91
9.18	MASTER AGREEMENT DOCUMENT DELIVERABLES.....	91
9.19	FISCAL REPORTING REQUIREMENTS.....	96
9.20	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) AND SYSTEM FOR AWARD MANAGEMENT (SAM).....	100
9.21	UNUSUAL OCCURRENCES AND CRIME.....	101

SIGNATURES

|

|

|

|

|

|

|

|

|

|

TABLE OF CONTENTS

EXHIBITS

Exhibit A (County's Administration)

Exhibit B (Contractor's Administration)

Exhibit C (Contractor's Equal Employment Opportunity Certification)

Exhibit D (Jury Service Ordinance)

Exhibit E (Safely Surrendered Baby Law)

Exhibit F (Sample Work Order Formats)

Exhibit G1 (Certification of Employee Status)

Exhibit G2 (Certification of No Conflict of Interest)

Exhibit G3 (Contractor Acknowledgement and Confidentiality Agreement)

Exhibit H (Definitions)

Exhibit I (Statement of Work)

Exhibit J (Subsequent Executed Work Orders)

Exhibit K (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"))

Exhibit L (Charitable Contributions Certification)

Exhibit M (Accounting, Administration and Reporting Requirements)

Exhibit N (Joint Funding Revenue Disclosure)

Exhibit O (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies)

Exhibit P (Inventory Control Form)

Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)

Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)

Exhibit S (Budget)

Exhibit T (List of Subcontracts)

TABLE OF CONTENTS

Exhibit U (Cost Allocation Plan)

Exhibit V (Contractor's Compliance with Encryption Requirements)

RECITALS

This agreement for services ("Master Agreement") is made and entered into this [@ Contract Date @] by and between the parties identified below:

County of Los Angeles
Workforce Development, Aging and Community Services
(hereafter "County")

County's Business Address:
3175 West Sixth Street
Los Angeles, Ca 90020

and

Supplier Name
(hereafter "Contractor")

Contractor's Business Address:
Supplier Address Line
Supplier City, Ca Zip Code

WHEREAS, pursuant to California Government Code Section 26227, County may operate programs which are determined to serve public purposes and County may contract with agencies for the provision of such services; and

WHEREAS, pursuant to the Los Angeles County Board of Supervisors Board Motion adopted on September 6, 2016, County shall establish its Social Enterprise Employment and Training Program ("SEETP" or "Program") to provide Services and/or employment to adults, dislocated workers, youth and targeted workers who reside in Los Angeles County; and

WHEREAS, County shall establish and oversee the Program services as defined in Exhibit I (Statement of Work) ("Program Services" or "Services") and provide Services to Clients who are defined in Exhibit I (Statement of Work); and

WHEREAS, County shall implement and oversee the Program Services within its jurisdictional boundaries and County has determined to procure Contractor in order to enter into this Master Agreement with Contractor whereby Contractor shall provide these Services in accordance with all regulations, directives and Program memoranda (and all amendments thereto) which are promulgated by County authority; and

WHEREAS, Contractor warrants that it possesses and shall maintain the competence, expertise and personnel necessary to provide such Services throughout the term of this Master Agreement; and

WHEREAS, Contractor further warrants that throughout the entirety of this Master Agreement, Contractor shall establish and implement written administrative, management and personnel policies and procedures to govern the management and administration of the Program in order to ensure that all goals and objectives are achieved as contracted; and

WHEREAS, on **[Board Date]**, the Los Angeles County Board of Supervisors authorized the Director of the County of Los Angeles Workforce Development, Aging and Community Services ("County's Department Head") or his/her designee to enter, execute and administer this Master Agreement.

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

1.0 APPLICABLE DOCUMENTS

- 1.1 Exhibits A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U and V are attached to and form a part of this Master Agreement. This Master Agreement constitutes the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Master Agreement. No change to this Master Agreement shall be valid unless prepared pursuant to Subparagraph 8.1 (Amendments) and signed by both parties.
- 1.2 Contractor's Statement of Qualifications (SOQ) submitted in response to the [**@ Program Name @**] Request for Statement of Qualifications (RFSQ) is incorporated and made part of this Master Agreement. Contractor's misrepresentation of any required element in its SOQ submitted in response to the RFSQ shall be considered as an event of default and this Master Agreement may be terminated in whole or in part pursuant to available remedies provided in Subparagraph 8.42 (Termination for Default).
- 1.3 The headings, page numbers, Paragraph and Subparagraph numbers contained in this Master Agreement are for convenience and reference only and are not intended to define the scope of any provision herein.
- 1.4 References in this Master Agreement to Federal, State, County and/or other governmental laws, rules, regulations, ordinances, guidelines, bulletins, directives and Program memoranda shall mean such laws, rules, regulations, ordinances, guidelines, bulletins, directives and Program memoranda as amended, revised and/or modified from time to time. To access current County directives, contact your assigned Contract Analyst or visit County's website at: <http://css.lacounty.gov/programs/program-directives/>.
- 1.5 Unless expressly stated otherwise, all approvals, consents and determinations made by or on behalf of County, under this Master Agreement, shall be in writing, and shall be given or made in the sole discretion of the person or County agency authorized to provide such approval or consent.
- 1.6 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, Service, or other work, or otherwise between the base Master Agreement and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Master Agreement and then to the Exhibits according to the following priority:
 - 1.6.1 Exhibit A (County's Administration)
 - 1.6.2 Exhibit B (Contractor's Administration)
 - 1.6.3 Exhibit C (Contractor's Equal Employment Opportunity Certification)

- 1.6.4 Exhibit D (Jury Service Ordinance)
- 1.6.5 Exhibit E (Safely Surrendered Baby Law)
- 1.6.6 Exhibit F (Sample Work Order Formats)
- 1.6.7 Exhibit G1 (Certification of Employee Status)
- 1.6.8 Exhibit G2 (Certification of No Conflict of Interest)
- 1.6.9 Exhibit G3 (Contractor Acknowledgement and Confidentiality Agreement)
- 1.6.10 Exhibit H (Definitions)
- 1.6.11 Exhibit I (Statement of Work)
- 1.6.12 Exhibit J (Subsequent Executed Work Orders)
- 1.6.13 Exhibit K (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"))
- 1.6.14 Exhibit L (Charitable Contributions Certification)
- 1.6.15 Exhibit M (Accounting, Administration and Reporting Requirements)
- 1.6.16 Exhibit N (Joint Funding Revenue Disclosure)
- 1.6.17 Exhibit O (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies)
- 1.6.18 Exhibit P (Inventory Control Form)
- 1.6.19 Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program)
- 1.6.20 Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use)
- 1.6.21 Exhibit S (Budget)
- 1.6.22 Exhibit T (List of Subcontractors)
- 1.6.23 Exhibit U (Cost Allocation Plan)
- 1.6.24 Exhibit V (Contractor's Compliance with Encryption Requirements)

2.0 DEFINITIONS AND HEADINGS

- 2.1 The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. Exhibit H

(Definitions) provides the meaning of key words used herein. These definitions shall be construed to have the meaning provided, unless otherwise apparent from the context in which they are used, or specifically noted herein.

3.0 WORK

- 3.1 Pursuant to the provisions of this Master Agreement, Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, Services and other work as set forth herein.
- 3.2 Work Orders shall generally conform to either Exhibit F1 (Work Order for Time and Materials Basis) or Exhibit F2 (Work Order for Fixed Price per Deliverable Basis), depending on whether the particular Work Order is to be performed on a time and materials basis or on a fixed price per deliverable basis as determined by County. Each Work Order shall include an attached Statement of Work, which shall describe in detail the particular project and the Work required for the performance thereof. Payment for all Work shall be either on a time and materials basis or on a fixed priced per deliverable basis, subject to the **Work Order Sum** specified on each individual Work Order, where the **Work Order Sum** is the annual amount allocated to Contractor when a Work Order is awarded.
- 3.3 If Contractor provides any task, deliverable, Service, or other work to County that utilizes other than approved Contractor Personnel, and/or that goes beyond the Work Order expiration date, and/or that exceeds the **Work Order Sum** as specified in the Work Order as originally written or as amended in accordance with Subparagraph 8.1 (Amendments), these shall be gratuitous efforts on the part of Contractor for which Contractor shall have no claim whatsoever against County.
- 3.4 County procedures for issuing and executing a Work Order(s) are as set forth in this Subparagraph 3.4. Upon determination by County to issue a Work Order solicitation, County shall issue a Work Order solicitation containing a Statement of Work to all Master Agreement Qualified Contractors. Each interested Qualified Contractor so contacted shall submit its SOQ to County using the address and within the timeframe specified in the solicitation. Failure of Contractor to provide its SOQ within the specified timeframe may disqualify Contractor for that particular Work Order.
- 3.5 Upon completion of evaluation of the SOQs, County shall execute the Work Order by and through County's staff identified in this Master Agreement with the lowest cost Qualified Contractor unless the Work Order solicitation specifies SOQ evaluation criteria other than lowest cost. It is understood by Contractor that County's competitive bidding procedure may have the effect that no Work Orders are awarded to some Master Agreement Qualified Contractors. Work Orders are usually issued for periods not extending past the end of County's current Fiscal Year (June 30th) with the exception of Work Orders for as needed services on a time and material basis, which may be issued to correspond with the term of the Master Agreement. However, at such time when the Work Order is only extended through the end of the Fiscal Year, County may either rebid the Work Order tasks or extend the Work Order if technical or cost circumstances require it.
- 3.6 County estimates that selection of any Contractor shall occur within five (5) business days of completion of the evaluations of the particular Work Order SOQs. Upon selection, Contractor must be available to meet with County on the starting date specified in the Work Order. Inability of Contractor to comply with such commencement date may be cause for disqualification of Contractor from the particular Work Order as determined in the sole discretion

of County.

- 3.7 In the event Contractor defaults three (3) times under Subparagraph 3.6 within a given County Fiscal Year then County may terminate this Master Agreement pursuant to Subparagraph 8.42 (Termination for Default).
- 3.8 Contractor shall be responsible for monitoring and controlling the number of hours worked and more particularly the resulting dollar value of chargeable Services performed by Contractor personnel assigned to individual time and material Work Orders. Contractor shall be solely responsible for payments to Contractor personnel for excess hours worked resulting in charges exceeding the **Work Order Sum** stated on the face of the Work Order.
- 3.9 Contractor acknowledges that this Master Agreement includes performance requirements standards which are provided in Exhibit I (Statement of Work), Attachment 2 (Performance Requirements Summary Chart). These standards will measure Contractor's performance of the Program requirements. Contractor shall adhere to the required standards and the corresponding acceptable quality level identified in Exhibit I (Statement of Work), Attachment 2 (Performance Requirements Summary Chart).

4.0 TERM OF MASTER AGREEMENT

- 4.1 The term of this Master Agreement shall be two years commencing on July 1, 2017, upon execution by the parties, and shall continue through June 30, 2019, unless sooner terminated or extended, in whole or in part, as provided in this Master Agreement. The term of this Master Agreement will operate on County's Fiscal Year period as defined in Exhibit H (Definitions).
- 4.2 Following the initial term as set forth in Subparagraph 4.1 above, County shall have the sole option to extend the Master Agreement term for up to three (3) additional one-year periods for a maximum total Master Agreement term of five (5) years. Each such option and extension shall be exercised at the sole discretion of County's Department Head or his/her designee as authorized by the Board of Supervisors.
- 4.3 Notwithstanding any other provisions of this Paragraph 4.0, any Work Order issued hereunder prior to the expiration date of this Master Agreement which has a Work Order expiration date later than the Master Agreement expiration date shall automatically extend such Master Agreement expiration date up to one hundred eighty (180) days or to the Work Order expiration date, whichever occurs first. Such extended Master Agreement expiration date shall apply only to such Work Order and shall not extend such date for any other purpose whatsoever, including issuing new Work Orders and/or extending any other Work Order(s).
- 4.4 Contractor acknowledges County maintains databases that track/monitor Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether County will exercise a Master Agreement term extension option.
- 4.5 Contractor shall notify County when this Master Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Contractor shall send written notification to County's Master Agreement Manager at the address herein provided in Exhibit A (County's Administration).

5.0 MASTER AGREEMENT SUM

5.1 MAXIMUM MASTER AGREEMENT SUM

- 5.1.1 Contractor shall not be entitled to any payment by County under this Master Agreement except pursuant to validly executed and satisfactorily performed Work Orders. In each year of this Master Agreement, the total of all amounts actually expended by County hereunder ("Maximum Annual Expenditures") may not exceed amounts allocated to County by the Board of Supervisors in County's approved budget. County has sole discretion to expend or allocate some, all, or none of such budgeted amounts. The sum of such annual allocations for the duration of this Master Agreement is the **Maximum Master Agreement Sum**.
 - 5.1.2 When County determines to allocate its budgeted amounts, County shall allocate funds for this Master Agreement through an executed Work Order. The funds are allocated on an annual basis and this annual allocation is the **Work Order Sum**, which is specified in Exhibit F1 (Work Order for Time and Materials Basis) or Exhibit F2 (Work Order for Fixed Price Per Deliverable Basis). The total of all **Work Order Sums** awarded to Contractor during the term of this Master Agreement shall equal the **Maximum Master Agreement Sum**.
- 5.2 INTENTIONALLY OMITTED**
- 5.3 ASSUMPTION OR TAKEOVER**
- 5.3.1 Assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any person or entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall not occur except with County's express prior written approval. Contractor shall not be entitled to payment or reimbursement for such assumption or takeover, for any tasks or Services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein.
- 5.4 LIMITATIONS ON USE OF MASTER AGREEMENT SUMS**
- 5.4.1 Master Agreement Sums may only be used for the purpose set forth herein, and must be consistent with the statutory authority for the Program.
 - 5.4.2 County and Contractor acknowledge that this Master Agreement is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Master Agreement). Notwithstanding this acknowledgement, County and Contractor agree that the requirements for expenditures made by Contractor in the operation of this Master Agreement shall be in compliance and in conformity with Title 2 Code of Federal Regulations Part 200 et seq. To this end, Contractor shall comply with the Administrative Requirements and Cost Principles which are outlined in Exhibit M (Accounting, Administration and Reporting Requirements), and shall adhere to the strict administrative and fiscal standards described therein. Contractor shall be responsible for obtaining Title 2 Code of Federal Regulations Part 200 et seq., which is available via the Internet at http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl.
 - 5.4.3 **Limitations on Master Agreement Sums**

5.4.3.1 Contractor shall not be paid for any Master Agreement expenditures that exceed the **Maximum Master Agreement Sum**. County has no obligation, whatsoever, to pay for any expenditures that exceed the **Maximum Master Agreement Sum**. Any expenditure that exceeds the **Maximum Master Agreement Sum** shall become the sole fiscal responsibility of Contractor.

5.4.3.2 Contractor shall not be paid for any Master Agreement expenditures that exceed the **Work Order Sum**. County has no obligation, whatsoever, to pay for any expenditures that exceed the **Work Order Sum**. Any expenditures that exceed the **Work Order Sum** shall become the sole fiscal responsibility of Contractor. Contractor shall only expend the **Work Order Sum** during the Fiscal Year for which it is allocated. When Contractor does not expend funding up to the **Work Order Sum** appropriated for the Fiscal Year, that unspent amount will not carry forward (or roll-over) to the following Fiscal Year.

5.4.4 **Prohibitions on Master Agreement Sums**

5.4.4.1 County and Contractor acknowledge that this Master Agreement is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Master Agreement). Notwithstanding this acknowledgement, County and Contractor agree that Contractor shall comply with Public Law (PL) 101-121 (31 USC 1352), its amendments or revisions, and any implementing regulations as it pertains to Master Agreement Sums. To this end, Contractor is prohibited from using Master Agreement Sums to influence or attempt to influence a member of Congress, Congressional staff, or a Federal employee to award, make or amend any Federal contract, grant, loan or cooperative agreement. Contractor shall also comply with all certification and disclosure requirements of PL 101-121, its amendments, revisions, and implementing regulations, and shall provide assurance that all subcontractors or sub-grantees under this Master Agreement also fully comply with such certification and disclosure requirements.

5.4.4.2 No materials, property, or Services contributed to County or Contractor under this Master Agreement shall be used in the performance of any of the following: any political activity; the election of any candidate or the defeat of any candidate for public office; and, the transportation of any voters or prospective voters to polls or other similar assistance in connection with an election or any voter registration activity.

5.4.4.3 Master Agreement Sums may not be used for

matching funds for any Federal, State, County or local grants/cooperative agreements, lobbying or intervention in Federal regulatory or adjudicatory proceedings.

5.4.4.4 Master Agreement Sums may not be used to sue the Federal government or any other government entity.

5.4.4.5 Pre-award costs are not an allowable use for Master Agreement Sums.

5.5 NOTIFICATION OF 75% OF MASTER AGREEMENT SUM

5.5.1 Contractor shall maintain a system of record keeping that will allow Contractor to determine when it has incurred seventy-five percent (75%) of the **Maximum Master Agreement Sum** and the **Work Order Sum**. Upon occurrence of this event, Contractor shall send written notification to County's Master Agreement Manager at the address herein provided in Exhibit A (County's Administration).

5.6 NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION OR TERMINATION OF MASTER A

5.6.1 Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any Service provided by Contractor after the expiration or other termination of this Master Agreement. Should Contractor receive any such payment, Contractor shall immediately notify County's Master Agreement Manager and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration or termination of this Master Agreement 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 Master Agreement.

5.7 OTHER MASTER AGREEMENTS

5.7.1 Contractor shall immediately notify County's Master Agreement Manager in writing of any contracts between Contractor and other public or private organizations which directly impact activities funded under this Master Agreement. A copy of any such contracts shall be kept on file at Contractor's offices and shall be provided to County upon request. Contractor shall also immediately notify County's Master Agreement Manager in writing of any default, termination, or finding of withheld payments under such contracts between Contractor and other public or private organizations which directly impact activities funded under this Master Agreement.

5.7.2 Contractor warrants that no other funding source will be billed for Services that are provided to and paid for by County under this Master Agreement.

5.8 JOINT FUNDING REVENUES

5.8.1 Funds made available under this Master Agreement shall supplement and not supplant any other Federal, State or local funds expended by Contractor to provide Program Services.

Contractor certifies that it has applied, or expects to apply, to offset in whole or in part, any of the costs incurred by Contractor in conducting current or prospective projects or business activities, including, but not necessarily limited to, the project or business activity which is the subject of this Master Agreement. To this end, Contractor shall complete Exhibit N (Joint Funding Revenue Disclosure) prior to the commencement of this Master Agreement (and annually thereafter). Contractor shall submit the completed Exhibit N (Joint Funding Revenue Disclosure) to County's Master Agreement Manager in the time and manner as designated by County.

5.9 INVOICES AND PAYMENTS

5.9.1 For providing the tasks, deliverables, services, and other work authorized pursuant to this Master Agreement, Contractor shall separately invoice County for each Work Order either: (1) monthly, if performed on a time and materials basis (see Exhibit F1) or by deliverable, if performed on a fixed price per deliverable basis (see Exhibit F2).

5.9.2 Payment for all Work shall be on either a time and materials basis or a fixed price per deliverable basis, subject to the **Work Order Sum** specified in each Work Order less any amounts assessed in accordance with Subparagraph 8.25 (Liquidated Damages).

5.9.3 County shall not pay Contractor for any overtime premiums, travel expenses, meals, lodging, holidays, vacation, sick leave, per diem, or miscellaneous expenses, etc.

5.9.7 Invoice Content

5.9.7.1 The period of performance specified in Contractor's invoice(s) must coincide with the period of performance specified in the applicable Work Order.

5.9.7.2 Time and Materials Work Order

5.9.7.2.1 Each invoice submitted by Contractor shall specify:

5.9.7.2.1.1 County numbers of the Work Order and Contractor's Master Agreement;

5.9.7.2.1.2 Period of performance of Work being invoiced;

5.9.7.2.1.3 Name(s) of persons who performed the Work;

5.9.7.2.1.4 Number of hours being billed for the individual(s) and the labor rate(s) as specified in the Work Order; and

5.9.7.2.1.5 Total amount of the invoice.

5.9.7.3 Fixed Price Per Deliverable Work Order

5.9.7.3.1 Each invoice submitted by Contractor shall specify:

5.9.7.3.1.1 County numbers of the Work Order and Contractor's Master Agreement;

5.9.7.3.1.2 Period of performance of Work being invoiced;

5.9.7.3.1.3 Name(s) of persons who performed the Work;

5.9.7.3.1.4 A brief description of the deliverable(s) for which payment is claimed, the respective number(s) assigned to the deliverable(s), and the individual amount being billed for each deliverable; and

5.9.7.3.1.5 Total amount of the invoice.

5.9.8 Submission of Invoices

5.9.8.1 Contractor shall prepare monthly invoices, along with any necessary supporting documentation for each invoice, for Contractor's Work performed under the requirements of this Master Agreement. Upon direction of County, Contractor shall provide all support documentation required by County, including, but not limited to, vendor invoices, receipts of payment, bank statements, and/or bank registers. All supporting documentation must be able to justify the costs invoiced and be submitted to County within thirty (30) days following the date the corresponding monthly invoice is submitted. County reserves the right to require Contractor to upload all required support documentation using County's Information Technology Systems (ITS) which may include the Contract Management System (CMS) - Contractor's Gateway or via other ITS identified by County. Contractor shall submit all invoices to County in the form and manner as directed by County by the 15th calendar day of the month following the month of Service (e.g., Contractor shall submit an invoice for Services provided in October by November 15th for reimbursement). Contractor shall also submit the final, year-end invoice to County no later than the

15th calendar day of the month following the month in which final Services were provided during the Fiscal Year. In both instances, when the 15th calendar day falls on a non-business day (Saturday, Sunday or Los Angeles County holiday), Contractor shall submit the invoice by the following business day. County reserves the right to modify in writing the due date(s) for the submission of invoices as needed in order to meet regulatory deadlines.

5.9.8.2 Contractor shall submit an invoice for each month of Service as directed above and invoices shall be submitted in chronological order (e.g., July, August, September, etc.). For example, Contractor shall not submit the September invoice unless the August invoice was previously submitted by the 15th calendar day following the month of August. County will not be under any obligation to pay any invoice that is submitted out of chronological order until Contractor takes the appropriate measures to adhere to these requirements.

5.9.8.3 When Contractor does not incur any expenditures for the month of Service, Contractor shall prepare an invoice as directed by County so that the invoice reflects zero (\$0) expenditures. Contractor shall submit the invoice according to the procedures outlined herein and as further directed by County.

5.9.8.4 Contractor is responsible for the accuracy of invoices submitted to County. Contractor shall reconcile its invoices and correct inaccuracies or inconsistencies in the invoices it submits to County. Contractor and County agree as follows:

5.8.4.4.1 When County or its designee discovers that Contractor has been overpaid, County will send Contractor written notification to request return of the overpayment. Overpayment includes, but is not limited to, payment(s) made to Contractor that exceeds either the **Maximum Master Agreement Sum** or the **Work Order Sum**. Contractor shall return such overpayment to County's Compliance Manager within thirty (30) days of receiving County's written notification.

5.8.4.4.2 When Contractor receives or discovers any overpayment from County, Contractor shall immediately notify County's Compliance Manager in writing of such overpayment. Contractor shall immediately return such overpayment to County's Compliance Manager within thirty (30) days of receiving or discovering the overpayment.

5.8.4.4.3 At County's sole election, overpayment made to Contractor may be used to offset future payments due Contractor.

5.9.8.5 Contractor shall submit a complete, accurate, verifiable and timely invoice for each month of Service as directed above. Contractor shall also submit a complete, accurate, verifiable and timely final year-end invoice as also directed above. Contractor's failure to comply with these requirements may result in delayed processing of payment(s). Any invoice which does not adhere to County's requirements may be rejected at County's sole discretion. Contractor's continued non-compliance with County's invoicing policies and procedures may lend Contractor to remedies which County may impose at County's sole discretion.

5.9.9 County Approval of Invoices

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

5.9.9.2 County will review Contractor's supporting documentation for its invoice and reconcile between the invoice and the supporting documentation. County will also use the supporting documentation to confirm that all of Contractor's costs reported on the invoice have been paid. County will communicate any discrepancies with Contractor to acquire additional information, if needed. This will ensure that any questioned cost(s) is addressed before the cost(s) becomes disallowed. In the event Contractor is not able to substantiate the cost(s), Contractor will have to repay County for all unsubstantiated costs, Contractor may be removed from eligibility for future cash advances (if cash advances are allowed under this Master Agreement), Contractor's payments may be suspended, and/or County may impose other remedies deemed appropriate by County.

5.9.10 **Payments to Contractor**

5.9.10.1 In accordance with the invoicing policies and procedures set forth in this Master Agreement as well as those provided by County, County agrees to pay Contractor for the satisfactory provision of the Services identified in Exhibit I (Statement of Work) and any amendments, addendums or modifications thereto. Such payment shall not exceed the amount(s) indicated in Exhibit F1 (Work Order for Time and Materials Basis) or Exhibit F2 (Work Order for Fixed Price Per Deliverable Basis). All payments to Contractor will be made in arrears on a monthly basis for Services performed, provided that Contractor is not in default under any provision of this Master Agreement. County has no obligation to pay for any work except those Services expressly authorized by this Master Agreement and under the Work Order.

5.9.10.2 Payments to Contractor will be made within thirty (30) calendar days after receipt of an "undisputed invoice". For purposes of this Subparagraph 5.9.10, an undisputed invoice shall mean an invoice which does not contain errors and has been completed and submitted by Contractor pursuant to the requirements outlined herein and as directed by County. County has the final authority to determine whether or not an invoice is an undisputed invoice. Contractor shall promptly adhere to County's instructions for correcting an invoice that is not undisputed in order to prevent any delays in processing payment(s). Until Contractor submits an undisputed invoice, County will not be under any obligation to pay any invoice that is not submitted pursuant to the requirements outlined herein and as directed by County.

5.9.10.3 All payments for Services provided under the terms of this Master Agreement shall be made to Contractor using Contractor's legal name and tax payer identification number. Contractor shall not request payments to be made to third-party vendors (i.e., subcontractors) or any vendor which Contractor may use in the performance of this Master Agreement. For purposes of this Master Agreement, Contractor's legal name is identified as the name on Contractor's articles of incorporation, charter or other legal document that was used to create Contractor's organization.

5.9.10.4 **Direct Deposit Requirements**

5.9.10.4.1 In an effort to reduce costs, Contractor shall receive payments through direct deposit and shall adhere to County's direct deposit requirements. Contractor shall complete a direct deposit authorization form and submit

it to County's Master Agreement Manager in the time and manner as prescribed by County.

5.9.10.5 **Past Due Invoice**

5.9.10.5.1 Any invoice submitted more than thirty (30) days after the last day of the month in which the Services were rendered shall constitute a "past due invoice". Notwithstanding any other provision of this Master Agreement, Contractor and County agree that County shall have no obligation whatsoever to pay any past due invoices. County may, in its sole discretion, pay some or all of a past due invoice which Contractor has submitted, provided that sufficient funds remain available under the Work Order.

5.9.11 **Master Agreement-Related Documents**

5.9.11.1 Contractor's failure to timely submit Master Agreement-related documents that are accurate and complete, as requested or required by County, may result in suspension of payments to Contractor or other remedies provided by law or under this Master Agreement. Such documents shall include, but are not limited to, the documents outlined in Subparagraph 9.18 (Master Agreement Document Deliverables), Subparagraph 9.19 (Fiscal Reporting Requirements) and the following: Exhibit B (Contractor's Administration); Exhibit C (Contractor's Equal Employment Opportunity Certification); Exhibit F1 (Work Order for Time and Materials Basis) or Exhibit F2 (Work Order for Fixed Price Per Deliverable Basis); Exhibit G1 (Certification of Employee Status); Exhibit G2 (Certification of No Conflict of Interest); Exhibit G3 (Contractor Acknowledgement and Confidentiality Agreement); Exhibit L (Charitable Contributions Certification); Exhibit N (Joint Funding Revenue Disclosure); Exhibit P (Inventory Control Form); Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program); Exhibit S (Budget); Exhibit T (List of Subcontractors); Exhibit U (Cost Allocation Plan); and, Exhibit V (Contractor's Compliance with Encryption Requirements).

5.9.12 **Local Small Business Enterprise (Local SBE) - Prompt Payment Program**

5.9.12.1 It is the intent of County that Certified Local SBEs will receive prompt payment for Services they provide to County. Prompt payment is defined as fifteen (15) calendar days after receipt of an undisputed invoice that has been properly matched

against a receiving or shipping document, service deliverable or payment schedule, or any other validation of receipt document.

5.10 CONTRACTOR INDIRECT COSTS

5.10.1 The maximum amount of indirect costs that is payable under this Master Agreement is ten percent (10%) of the **Maximum Master Agreement Sum**. Contractor shall not charge indirect costs exceeding the ten percent (10%) maximum to this Master Agreement.

5.10.2 The requirements for indirect costs are further outlined in Exhibit M (Accounting, Administration and Reporting Requirements) and CSS directive CCD-15-03 (Cost Allocation and Indirect Cost Requirements for CSS Subawards) which is available on-line at <http://css.lacounty.gov/programs/program-directives>.

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

6.1 COUNTY ADMINISTRATION

6.1.1 A listing of all County Administration referenced in the following Subparagraphs is provided in Exhibit A (County's Administration). County will notify Contractor in writing of any change in the names or addresses shown.

6.2 COUNTY'S MASTER AGREEMENT MANAGER

6.2.1 The responsibilities of County's Master Agreement Manager or his/her designee include:

6.2.1.1 approving all Work Order solicitations and executing all Work Orders;

6.2.1.2 overseeing the development of any Amendments to the terms and conditions of this Master Agreement or to the Work Order when such Amendments are formally prepared pursuant to Subparagraph 8.1 (Amendments);

6.2.1.3 functioning as County's chief contact person with respect to the overall administration of this Master Agreement.

6.2.1.4 Acting on behalf of County with respect to approval of subcontracts and subcontractor employees working on this Master Agreement.

6.3 COUNTY'S PROGRAM MANAGER

6.3.1 The responsibilities of County's Program Manager include:

6.3.1.1 Ensuring that the technical standards and task requirements articulated in the individual Work Order are satisfactorily complied with, and shall provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Contractor to perform the Work Order.

6.3.1.2 Overseeing the delivery of Services as specified in the Work Order.

6.3.1.3 Coordinating with Contractor's Project Manager, on a regular basis, regarding the performance of Contractor's personnel on each Work Order project.

6.3.1.4 Providing direction to Contractor in the areas relating to County policy, information requirements, and procedural requirements.

6.3.2 County's Program Manager is not authorized to make any changes in Work Order labor rates, dollar totals or periods of performance, or in the terms and conditions of this Master Agreement except through formally prepared Amendments pursuant to Subparagraph 8.1 (Amendments).

6.4 COUNTY'S COMPLIANCE MANAGER

6.4.1 The responsibilities of County's Compliance Manager include:

6.4.1.1 monitoring, evaluating and reporting Contractor performance and progress on the Work Order project;

6.4.1.2 verifying Contractor's compliance with the requirements of this Master Agreement;

6.4.1.3 monitoring the Work of Contractor personnel assigned to the Work Order project;

6.4.1.4 ensuring that the objectives of this Master Agreement and the Work Order are met.

7.0 ADMINISTRATION OF MASTER AGREEMENT - CONTRACTOR

7.1 CONTRACTOR ADMINISTRATION

7.1.1 A listing of all of Contractor's administration referenced in the following Subparagraphs is provided in Exhibit B (Contractor's Administration). Contractor will notify County's Master Agreement Manager in writing of any change in the names or addresses shown.

7.2 CONTRACTOR'S PROJECT MANAGER

7.2.1 Contractor's Project Manager is designated in Exhibit B (Contractor's Administration). Contractor shall notify County's Master Agreement Manager in writing of any change in the name or address of Contractor's Project Manager immediately upon occurrence of the change but no later than five (5) business days after the change is effective.

7.2.2 Contractor's Project Manager shall be responsible for Contractor's day-to-day activities as related to this Master Agreement and shall coordinate with County's Master Agreement Manager, County's Program Manager and County's Compliance Manager on a regular basis with respect to all active Work Orders.

7.3 APPROVAL OF CONTRACTOR'S STAFF

7.3.1 County has the absolute right to approve or disapprove all of Contractor's staff performing Work hereunder and any proposed changes in Contractor's staff, including, but not limited to, Contractor's Project Manager . Contractor shall provide County's Program Manager with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.4 CONTRACTOR'S STAFF IDENTIFICATION

7.4.1 Contractor shall provide, at Contractor's expense, all staff/employee providing Services under this Master Agreement with a photo identification badge ("badge"). The badge shall be developed in accordance with County's specifications. Contractor shall obtain approval for the format and content of the badge from County's Program Manager prior to Contractor creating, issuing, or implementing use of the badge.

7.4.2 Contractor's staff, while on duty or when entering County facilities or grounds, shall prominently display the badge on the upper part of the body. Contractor's staff may be asked by a County representative to leave a County facility if they do not have the photo identification badge on their person and Contractor's staff must immediately comply with such request.

7.4.3 Contractor shall notify County's Master Agreement Manager within five (5) days when staff is terminated from working under this Master Agreement. Contractor shall retrieve and immediately destroy the employee's badge upon the employee's termination of employment with Contractor.

7.4.4 If County requests the removal of Contractor's staff, Contractor shall retrieve and immediately destroy an employee's badge at the time the employee is removed from working on this Master Agreement.

7.5 BACKGROUND AND SECURITY INVESTIGATIONS

7.5.1 Each of Contractor's staff/employee performing Services under this Master Agreement who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform Services under this Master Agreement. This background investigation shall be conducted on an annual basis throughout the entire term of this Master Agreement. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and Federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of Contractor, regardless if the member of Contractor's staff passes or fails the background investigation. For purposes of this Master Agreement, a sensitive position is one in which the duties pose a potential threat or risk to Client when performed by persons who have a criminal history incompatible with those duties, whether those persons are employees of Contractor or other individuals

who perform Services on behalf of Contractor pursuant to this Master Agreement. For Work performed under this Master Agreement, sensitive positions include (but is not limited to) the following:

- 7.5.1.1 Positions that involve the care, oversight, or protection of persons through direct contact with such persons (e.g., social worker, case manager, etc.).
 - 7.5.1.2 Positions having direct or indirect access to funds or negotiable instruments (e.g., finance manager, accountant, bookkeeper, etc.).
 - 7.5.1.3 Positions that require State and/or professional licensing (e.g., Certified Public Accountant, etc.).
 - 7.5.1.4 Positions that have access to confidential or classified information including criminal conviction information (e.g., human resources manager, etc.).
 - 7.5.1.5 Positions that involve the care, oversight, or protection of County, public, or private property (e.g., property custodian, etc.).
- 7.5.2 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be immediately removed from performing Services under this Master Agreement at any time during the term of this Master Agreement. County will not provide to Contractor or to Contractor's staff any information obtained through County's background investigation.
- 7.5.3 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff who does not pass such investigation to the satisfaction of County or whose background or conduct is incompatible with County facility access.
- 7.5.4 No personnel employed by Contractor for this Master Agreement shall be on active probation, currently on parole or have been on probation or parole within the last three (3) years.
- 7.5.5 Contractor and its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Master Agreement shall be under a continuing obligation to disclose any prior or subsequent criminal conviction record or any pending criminal trial to County's Master Agreement Manager. Contractor shall inform its staff, including all current and prospective employees, independent contractors, volunteers or subcontractors who may come in contact with people in the course of their work, volunteer activity, or performance of a subcontract, providing Services under this Master Agreement of said obligation. Contractor shall maintain records of criminal convictions and/or pending criminal trials in the file of each such

person.

7.5.6 Contractor shall immediately notify County's Master Agreement Manager of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any Contractor staff, independent contractor, volunteer staff or subcontractor who may come in contact with children, elderly individuals or dependent adults while providing Services under this Master Agreement when such information becomes known to Contractor. Contractor shall not engage or continue to engage the services of any person convicted of any crime involving harm to minors, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to, the offenses specified in the California Health and Safety Code Section 11590 (i.e., offenses requiring registration as a controlled substance offender) and those crimes listed in the California Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.

7.5.7 Disqualification of any member of Contractor's staff pursuant to this Subparagraph 7.5 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Master Agreement.

7.6 CONFIDENTIALITY

7.6.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, bulletins, guidelines, policies, Program memoranda and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

7.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this Subparagraph 7.6, Exhibit G3 (Contractor Acknowledgement and Confidentiality Agreement) and Exhibit K (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")), as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 7.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without

County's prior written approval.

7.6.3 Contractor shall inform all of its officers, employees, agents and subcontractors providing Services hereunder of the confidentiality provisions of this Master Agreement.

7.6.4 Contractor shall sign and also adhere to the provisions of Exhibit G3 (Contractor Acknowledgement and Confidentiality Agreement).

7.6.5 **Unauthorized Disclosure**

7.6.5.1 Contractor shall ensure that personal, sensitive and confidential information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies. The requirement to protect information shall remain in force until superseded by laws, regulations, or policies.

7.6.5.2 Contractor shall protect from unauthorized disclosure the names and other identifying information, concerning Clients receiving Program Services pursuant to this Master Agreement, except for statistical information that does not identify any Client.

7.6.5.3 Contractor shall not use identifying information for any purpose other than carrying out Contractor's obligations under this Master Agreement. Identifying information shall include, but is not limited to the following: name; identifying number; social security number; State driver's license or State identification number; financial account numbers; and symbol or other identifying characteristic assigned to Client, such as finger print, voice print or a photograph.

7.6.5.4 Contractor shall not, except as otherwise specifically authorized or required by this Master Agreement or court order, divulge to any unauthorized person any data or identifying information obtained while performing Work pursuant to this Master Agreement without prior written authorization from County. Contractor shall forward all requests for the release of any data or identifying information received to County's Program Manager. Contractor may be authorized, in writing, by Client to disclose identifying information specific to the authorizing Client.

7.6.5.5 Contractor may allow Client to authorize the release of information to specific entities, but shall not request or encourage Client to give a blanket authorization or sign a blank release, nor shall Contractor accept such blanket authorization from Client.

8.0 STANDARD TERMS AND CONDITIONS

8.1 AMENDMENTS

- 8.1.1 For any change which materially affects the Scope of Work, Master Agreement Term, Master Agreement Sum, Work Order Sum, payments, or any other term or condition included under this Master Agreement and any Work Order(s), an Amendment to this Master Agreement or any Work Order(s) shall be prepared by County and executed by Contractor's Authorized Representative and by County's Department Head or his/her designee.

- 8.1.2 County's Board of Supervisors, Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in this Master Agreement during the term of this Master Agreement. County reserves the right to add and/or change such provisions as required by County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to this Master Agreement shall be prepared by County and executed by Contractor's Authorized Representative and by County's Department Head or his/her designee.

- 8.1.3 County's Department Head or his/her designee may, at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 (Term of Master Agreement). Contractor agrees that such extensions of time shall not change any other term or condition of this Master Agreement during the period of such extensions. To implement an extension of time, an Amendment to this Master Agreement shall be prepared by County and executed by Contractor's Authorized Representative and by County's Department Head or his/her designee.

- 8.1.4 The following events shall also warrant an Amendment to this Master Agreement as described in this Subparagraph 8.1:
 - 8.1.4.1 County may initiate a unilateral Amendment to this Master Agreement at any time when required by Federal, State or County laws or policies, and shall immediately notify Contractor of said Amendment and the justification thereto.

 - 8.1.4.2 To the extent that funding for a Work Order is eliminated or otherwise reduced, or the Program Services for such Work Order are terminated for any reason, County may in its sole discretion amend this Master Agreement accordingly, or move to terminate pursuant to the provisions in Subparagraph 8.41 (Termination for Convenience).

- 8.1.5 **Change Notice**
 - 8.1.5.1 For any change which does not affect the Scope of Work performed under this Master Agreement (including the Services provided under the Work Order), the Master Agreement Term, **Master Agreement Sum** or **Work Order Sum** and does not otherwise materially change any other term or condition under this Master Agreement, County reserves the right to initiate such change(s) through

a Change Notice Program memorandum or an administrative directive which shall all have the same effect. Such Change Notice shall be a written document that is prepared by County at its sole discretion and is signed by County's Master Agreement Manager or designee. A Change Notice will be used to communicate changes which do not warrant an amendment to this Master Agreement. Such Change Notice shall be provided to Contractor at least ten (10) days prior to its effective date and Contractor shall adhere to the requirements as specified therein. Contractor's failure to comply with the Change Notice(s) may result in County imposing remedies including suspension of payment(s), termination of Master Agreement and/or Work Order or other remedies under this Master Agreement as determined by County at its sole discretion.

8.2 ASSIGNMENT AND DELEGATION

- 8.2.1 Contractor shall not assign its rights or delegate its duties under this Master Agreement, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this Subparagraph 8.2, County consent shall require a written Amendment to this Master Agreement, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Master Agreement shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may sell, transfer, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of this Master Agreement, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Master Agreement.
- 8.2.3 Any assumption, assignment, delegation, or takeover of any of Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of this Master Agreement which may result in the termination of this Master Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

8.3 AUTHORIZATION WARRANTY

- 8.3.1 Contractor represents and warrants that the person executing this Master Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation of this Master Agreement and that all requirements of Contractor have been fulfilled to provide such actual authority (Contractor's Authorized Representative").
- 8.3.2 Contractor's Authorized Representative must be available to County and/or County's duly authorized representatives during the days and times specified in Exhibit I (Statement of Work). In the event that Contractor's Authorized Representative is not available during these specified days and times, he/she shall ensure that an appropriate designee is identified in writing to County's Master Agreement Manager. Such designee shall have the ability and authority to act as a proxy on behalf of Contractor's Authorized Representative, and this authority must also be evidenced in writing by Contractor's Authorized Representative. Contractor's Authorized Representative shall further ensure that he/she can be contacted by his/her designee when Contractor's Authorized Representative is not available during the days and times specified in Exhibit I (Statement of Work).

8.4 COMPLAINTS

- 8.4.1 Contractor shall develop, maintain and utilize procedures for receiving, investigating and responding to complaints. Within fifteen (15) business days after Master Agreement effective date, Contractor shall provide County's Master Agreement Manager with Contractor's policy for receiving, investigating and responding to Client complaints.
- 8.4.2 County will review Contractor's policy and provide Contractor with approval of said plan or with requested changes.
- 8.4.3 If County requests changes in Contractor's policy, Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.
- 8.4.4 If, at any time, Contractor wishes to change Contractor's policy, Contractor shall submit proposed changes to County's Master Agreement Manager for approval before implementation.
- 8.4.5 Contractor shall preliminarily investigate all complaints and notify County's Program Manager of the status of the investigation within ten (10) business days of receiving the complaint.
- 8.4.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7 Copies of all written responses shall be sent to County's Program Manager within five (5) business days of mailing to the complainant.
- 8.4.8 Contractor shall provide Client an opportunity to anonymously submit a grievance directly to County's Compliance Manager. Contractor shall ensure that the contact information of

County's Compliance Manager is posted in a publicly accessible area and also provided to Client in writing.

- 8.4.9 Contractor shall provide County an opportunity to consider any grievance whether it is anonymously submitted to County by Client or if it's a grievance that cannot be resolved by Contractor. At County's sole discretion, County's written decision regarding the grievance shall be final and irrevocable.
- 8.4.10 At a minimum, Contractor shall incorporate the procedures and provisions of this Subparagraph 8.4 in its written grievance policies.

8.5 COMPLIANCE WITH APPLICABLE LAWS

- 8.5.1 In the performance of this Master Agreement, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies, Program memoranda and procedures. Contractor shall also comply with all subsequent revisions, modifications, and administrative and statutory changes made thereto by Federal, State and County authorities. All provisions required thereby to be included in this Master Agreement are hereby incorporated herein by reference.
- 8.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, Program memoranda or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Subparagraph 8.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.
- 8.5.3 Contractor's compliance with applicable laws and regulations includes, but is not limited to, adherence to the mandatory standards and policies relating to the following: Title 2 Code of Federal Regulations Part 200 et seq.; State's energy efficiency regulations (Title 24 California Code of Regulations and Title 42 United States Code 6201); Jobs for Veterans Act (Public Law 107-288); Military Selective Service Act (Title 50 United States Code 3801 et seq.). In addition to these standards and policies, when the **Maximum Master Agreement Sum** is one hundred thousand dollars (\$100,000) or more, Contractor shall also

adhere to the following policies: Clean Air Act, as amended (Title 42 United States Code Section 7401 et seq.); Water Pollution Prevention and Control provisions (Title 33 United States Code Section 1251); Clean Water Act/Federal Water Pollution Control Act, as amended (Title 33 United States Code Sections 1251 et seq.); and, Executive Order 11738. County reserves the right to review Contractor's procedures to ensure that they comply with the statutes, ordinances, regulations, rules, rulings, policies and procedures of the Federal, State and County authorities, as applicable.

8.5.4 Contractor certifies that throughout the entirety of this Master Agreement it shall comply with all Federal and State payroll tax rules and employer tax guides; Contractor shall pay all Federal and State payroll taxes; and, Contractor shall make all tax deposits required by Federal and State laws within the time limits required.

8.5.5 Contractor's failure to comply with such regulations, rules, ordinances, court rules, municipal laws, directives, policies and procedures outlined in this Subparagraph 8.5 and/or the provisions, requirements or conditions of this Master Agreement, including but not limited to, performance documentation, reporting, audit and evaluation requirements shall be material breach of this Master Agreement and may result in termination of this Master Agreement or other remedies available herein.

8.6 COMPLIANCE WITH CIVIL RIGHTS LAWS

8.6.1 Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964 (42 USC 2000e - 2000e-17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, activity or Work Order(s) supported by this Master Agreement. Contractor shall comply with Exhibit C (Contractor's Equal Employment Opportunity Certification). Prior to the commencement of this Master Agreement, Contractor shall submit the completed Exhibit C to County's Master Agreement Manager in the time and manner as designated by County.

8.6.2 Notwithstanding any other provision of law and pursuant to the requirements outlined in California Public Contract Code Section 10295.3, when the **Maximum Master Agreement Sum** is one hundred thousand dollars (\$100,000) or more, Contractor shall not discriminate in the provision of benefits between employees with spouses and employees with domestic partners, or discriminate between employees with spouses or domestic partners of a different sex and employees with spouses or domestic partners of the same sex, or discriminate between same-sex and different-sex domestic partners of employees or between same sex and different-sex spouses of employees. For purposes of this Subparagraph 8.6.2, the "award" includes all Work Orders executed by County and Contractor with a cumulative amount of one hundred thousand dollars (\$100,000) or more for each Fiscal Year (where the Work Order funds

originate from the State).

8.7 COMPLIANCE WITH COUNTY'S JURY SERVICE PROGRAM

8.7.1 Jury Service Program

8.7.1.1 This Master Agreement is subject to the provisions of County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Los Angeles County Code Sections 2.203.010 through 2.203.090, a copy of which is attached as Exhibit D (Jury Service Ordinance) and incorporated by reference into and made a part of this Master Agreement .

8.7.2 Written Employee Jury Service Policy

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

8.7.2.2 For purposes of this Subparagraph 8.7, "Contractor" means a person, partnership, corporation or other entity which has a contract with County or a subcontract with a County contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one (1) 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 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 twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform Services for County under this Master Agreement (or under any subsequent Work Order(s)), the subcontractor shall also be subject to the provisions of this Subparagraph 8.7. The provisions of this Subparagraph 8.7, shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the

agreement.

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

8.7.2.4 Contractor's violation of this Subparagraph 8.7 of this Master Agreement may constitute a material breach of this Master Agreement. In the event of such material breach, County may, in its sole discretion, terminate this Master Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.8 CONFLICT OF INTEREST

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

8.8.2 Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Master Agreement. Contractor warrants that it is not now aware of any facts that create a conflict of interest. If Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to County's Master Agreement Manager. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Subparagraph 8.8 shall be a material breach of this Master Agreement.

8.9 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON RE-EMPLOYMENT LIST

8.9.1 Should Contractor require additional or replacement personnel after the effective date of this Master Agreement 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 to qualified former County employees who are on a re-employment list during the life of this Master Agreement.

8.10 CONSIDERATION OF HIRING GAIN AND GROW PARTICIPANTS

8.10.1 Should Contractor require additional or replacement personnel after the effective date of this Master Agreement, Contractor shall give consideration for any such employment openings to participants in County of Los Angeles Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to Contractor. To obtain a list of qualified GAIN/GROW job candidates, Contractor shall report all job openings with job requirements to GAINGROW@dpss.lacounty.gov.

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

8.11 CONTRACTOR RESPONSIBILITY AND DEBARMENT

8.11.1 Responsible Contractor

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

8.11.2 Los Angeles County Code Chapter 2.202

8.11.2.1 Contractor is hereby notified that, in accordance with Los Angeles County Code Chapter 2.202, if County acquires information concerning the performance of Contractor on this Master Agreement or other contracts which indicates that Contractor is not responsible, County may, in addition to other remedies provided in this Master Agreement, debar Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts Contractor may have with County.

8.11.3 Non-responsible Contractor

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

8.11.4 **Contractor Hearing Board**

8.11.4.1 If there is evidence that Contractor may be subject to debarment, County will notify Contractor in writing of the evidence which is the basis for the proposed debarment and will advise Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.11.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. Contractor and/or Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, 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. Contractor and County shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.11.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.11.4.4 If Contractor has been debarred for a period longer than five (5) years, Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that Contractor has adequately demonstrated one or more of the following: (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 County.

8.11.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board 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.

8.11.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.11.5 **Subcontractors of Contractor**

8.11.5.1 These terms shall also apply to subcontractors of County contractors.

8.11.6 Contractor hereby acknowledges that County is prohibited from contracting with parties that are suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. By executing this Master Agreement, Contractor certifies that neither it nor any of its owners, officers, partners, directors, or other principals is currently suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. Further by executing this Master Agreement, Contractor certifies that, to its knowledge, none of its subcontractors, at any tier, or any owner, officer, partner, director or other principal of any subcontractor is currently suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. During the term of this Master Agreement, Contractor shall immediately notify County's Compliance Manager in writing should it or any of its subcontractors or any principals of either be suspended, debarred, ineligible or excluded from securing State-funded or Federally-funded contracts. Failure of Contractor to comply with

this provision shall constitute a material breach of this Master Agreement upon which County may immediately terminate or suspend this Master Agreement.

8.12 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

8.12.1 Contractor acknowledges that County places a high priority on the implementation of the Safely Surrendered Baby Law. Contractor understands that it is County's policy to encourage all County contractors to voluntarily post County's "Safely Surrendered Baby Law" poster in a prominent position at Contractor's place of business. Contractor will also encourage its subcontractors, if any, to post this poster in a prominent position in the subcontractor's place of business. County of Los Angeles Department of Children and Family Services will supply Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

8.13 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

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

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

8.14 COUNTY'S QUALITY ASSURANCE PLAN

8.14.1 County or its agent will evaluate Contractor's performance under this Master Agreement on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Master Agreement terms and conditions and performance standards, in addition to the regulations outlined in Subparagraph 8.37.3 (Monitoring Reviews). Contractor deficiencies which County determines are severe or continuing and that may place performance of this Master Agreement in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Master Agreement or

impose other penalties as specified in this Master Agreement.

8.15 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS

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

8.16 EMPLOYMENT ELIGIBILITY VERIFICATION

- 8.16.1 Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing Work under this Master Agreement meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Contractor shall obtain, from all employees performing Work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986 (PL 99-603) as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employees for the period prescribed by law.
- 8.16.2 Contractor shall indemnify, defend, and hold harmless, County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing Work under this Master Agreement.

8.17 FACSIMILE REPRESENTATIONS

- 8.17.1 County and Contractor hereby agree to regard facsimile representations of original signatures (i.e., electronic signatures) of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Subparagraph 8.1 (Amendments) and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Master Agreement, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.18 FAIR LABOR STANDARDS

- 8.18.1 Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless County and its agents, officers, and employees from any and all liability, including, but not limited to,

wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for Work performed by Contractor's employees for which County may be found jointly or solely liable.

8.19 FORCE MAJEURE

8.19.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Master Agreement, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's subcontractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this Subparagraph 8.19 as "force majeure events").

8.19.2 Notwithstanding the foregoing, a default by a subcontractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such subcontractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph 8.19, the term "subcontractor" and "subcontractors" mean subcontractors at any tier.

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

8.20 GOVERNING LAW, JURISDICTION, AND VENUE

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

8.21 INDEPENDENT CONTRACTOR STATUS

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

8.21.2 Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing Work pursuant to this

Master Agreement all compensation and benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of Contractor.

8.21.3 Contractor understands and agrees that all persons performing Work pursuant to this Master Agreement are, for purposes of Workers' Compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any Work performed by or on behalf of Contractor pursuant to this Master Agreement.

8.21.4 Contractor shall adhere to the provisions stated in Subparagraph 7.6 (Confidentiality).

8.22 INDEMNIFICATION

8.22.1 Contractor shall indemnify, defend and hold harmless County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Master Agreement, except for such loss or damage arising from the sole negligence or willful misconduct of County Indemnitees.

8.23 GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

8.23.1 Without limiting Contractor's indemnification of County, and in the performance of this Master Agreement and until all of its obligations pursuant to this Master Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Subparagraph 8.23 and Subparagraph 8.24 (Insurance Coverage) of this Master Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Master Agreement. County in no way warrants that the Required Insurance is sufficient to protect Contractor for liabilities which may arise from or relate to this Master Agreement.

8.23.2 Evidence of Coverage and Notice to County

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

8.23.2.2 Renewal Certificates shall be provided to County's Master Agreement Manager not less than ten (10) days prior to Contractor's policy expiration dates.

County reserves the right to obtain complete, certified copies of any required Contractor and/or subcontractor insurance policies at any time.

8.23.2.3 Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Master Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of Contractor identified as the contracting party in this Master Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.

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

8.23.2.5 Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles
Workforce Development, Aging and Community Services
Contracts Management Division
Attention: County's Master Agreement Manager
3175 West Sixth Street
Los Angeles, CA 90020

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

8.23.3 **Additional Insured Status and Scope of Coverage**

8.23.3.1 County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, employees and

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

8.23.4 Cancellation of or Change(s) in Insurance

8.23.4.1 Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County's Master Agreement Manager 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 this Master Agreement, in the sole discretion of County, upon which County may suspend or terminate this Master Agreement.

8.23.5 Failure to Maintain Insurance

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

8.23.6 Insurer Financial Ratings

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

8.23.7 Contractor's Insurance Shall Be Primary

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

8.23.8 **Waivers of Subrogation**

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

8.23.9 **Subcontractor Insurance Coverage Requirements**

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

8.23.10 **Deductibles and Self-Insured Retentions (SIRs)**

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

8.23.11 **Claims Made Coverage**

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

8.23.12 **Application of Excess Liability Coverage**

8.23.12.1 Contractor may use a combination of primary, and

excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.23.13 **Separation of Insureds**

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

8.23.14 **Alternative Risk Financing Programs**

8.23.14.1 County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. County and its Agents shall be designated as an Additional Covered Party under any approved program. Refer to Subparagraph 8.24.9 (Requirements for Self-Insurance Coverage) and Subparagraph 8.24.10 (Requirements for Risk Sharing Pools Coverage) for additional information.

8.23.15 **County Review and Approval of Insurance Requirements**

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

8.24 INSURANCE COVERAGE

8.24.1 **Commercial General Liability**

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

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

8.24.2 **Automobile Liability**

8.24.2.1 Insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than one million (\$1,000,000) for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Master Agreement, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 **Workers Compensation and Employers' Liability**

8.24.3.1 Insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than one million (\$1,000,000) per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any Federal workers or workmen's compensation law or any Federal occupational disease law.

8.24.4 **Crime Coverage**

8.24.4.1 A Fidelity Bond or Crime Insurance policy with limits of not less than fifty thousand dollars (\$50,000) per occurrence. Such coverage shall protect against all loss of money, securities, or other valuable property entrusted by County to Contractor, and apply to all of Contractor's directors, officers, agents and employees who regularly handle or have responsibility for such money, securities or property. County and its Agents shall be named as an Additional Insured and Loss Payee as its interests may appear. This insurance shall include third-party fidelity coverage, include coverage for loss due to theft, mysterious disappearance, and computer fraud/theft, and shall not contain a requirement for an arrest and/or conviction.

8.24.5 **Professional Liability, Errors and Omissions Coverage**

8.24.5.1 Insurance covering Contractor's liability arising from or related to this Master Agreement, with limits of not less than one million (\$1,000,000) per claim and two million (\$2,000,000) aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Master Agreement's expiration, termination or cancellation.

8.24.6 **Property Coverage**

8.24.6.1 Contractor who is given exclusive use of County owned or leased property shall carry property coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30). County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full

replacement value.

8.24.7 Sexual Misconduct Liability

8.24.7.1 Insurance covering actual or alleged claims for sexual misconduct and/or molestation with limits of not less than two million (\$2,000,000) per claim and two million (\$2,000,000) aggregate, and claims for negligent employment, investigation, supervision, training or retention of, or failure to report to proper authorities, a person(s) who committed any act of abuse, molestation, harassment, mistreatment or maltreatment of a sexual nature.

8.24.8 Privacy and Network Security Coverage

8.24.8.1 Privacy and Network Security coverage ("Cyber Insurance") with limits of at least five hundred thousand dollars (\$500,000) providing protection against liability for the following: privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs); system(s) breaches; denial or loss of Service; introduction, implantation or spread of malicious software code; and, unauthorized access to or use of computer systems. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.24.9 Requirements for Self-Insurance Coverage

8.24.9.1 County will consider Contractor's request to substitute a program of self-insurance as an alternative to obtaining commercial insurance. Contractor's proposed self-insurance program must be approved by County prior to the effective date of this Master Agreement. Contractor shall submit a written declaration and a current audited financial statement as described herein to County for review and approval.

8.24.9.2 Written Declaration

8.24.9.2.1 The written declaration shall take the form of a board resolution or a certified statement which is signed by either Contractor's Governing Body chairperson/president or Contractor's Authorized Representative.

8.24.9.2.2 The declaration shall indicate that Contractor is self-insured for the type, amount and period of coverage required in this Master Agreement and shall identify which required coverages are self-insured and which are commercially insured (if any). When Contractor is self-insured for Workers Compensation, Contractor shall provide a copy of its "Certificate of Consent to Self-Insure" issued by the

State of California. County may obtain information from the California Department of Industrial Relations Self-Insurance Plans website (<http://www.dir.ca.gov/SIP/sip.html>) to verify whether or not Contractor is permitted to self-insure its Workers Compensation obligations. Contractor shall immediately notify County's Master Agreement Manager when the self-insurance program is discontinued or substantially changed.

8.24.9.2.3 The declaration shall indicate that County is a protected party under Contractor's self-insurance program and that Contractor's self-insurance program will respond on a primary basis to any County commercial insurance or self-insurance programs. Contractor shall ensure that County will be provided at least the same protection from liability and defense of lawsuits as would be provided by first dollar commercial insurance.

8.24.9.2.4 The declaration shall indicate that Contractor shall immediately notify County of any claim, judgment, settlement, award, verdict or change in Contractor's financial condition which would have a significant negative effect on Contractor's self-insurance program.

8.24.9.2.5 The declaration shall include Contractor's agreement to notify County immediately of any claim, judgment, settlement, award or verdict under Contractor's self-insurance program involving this Master Agreement and/or its Program Services.

8.24.9.2.6 The declaration shall provide the name, title, address and telephone number of the individual responsible for the administration of the Contractor's self-insurance program, as well as the name, address and telephone number of the Contractor's claims administrator and legal counsel.

8.24.9.3 **Audited Financial Statement**

8.24.9.3.1 Provide a current audited financial statement which reflects an accurate representation of the entire financial position of Contractor's organization. County will evaluate this financial

statement in order to determine whether or not Contractor has adequate financial resources to respond to claims falling within the self-insured retention or self-insurance program. On an annual basis or more frequently as directed by County, Contractor shall submit a current audited financial statement as part of its requirements to maintain self-insurance. Contractor's failure to comply with this requirement will result in County's denial of Contractor's self-insurance program.

8.24.10 Requirements for Risk Sharing Pools Coverage

8.24.10.1 County will consider Contractor's request to substitute a program offered through a risk sharing pool as an alternative to obtaining commercial insurance. Contractor's proposed risk sharing pool must be approved by County prior to the effective date of this Master Agreement. Contractor shall submit the documents outlined herein to County for review and approval.

8.24.10.2 Certificate of Insurance

8.24.10.2.1 Provide a current copy of the certificate of insurance which shall describe the risk sharing pool coverages.

8.24.10.3 Audited Financial Statement

8.24.10.3.1 Provide a current copy of the pool's audited financial statements.

8.24.10.4 Supporting Documentation

8.24.10.4.1 Include supporting documentation from an agency such as the California Association of Joint Powers Authority, or, provide other available financial ratings (such as an A.M. Best rating).

8.25 LIQUIDATED DAMAGES

8.25.1 If, in the judgment of County's Department Head, or his/her designee, Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, County's Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from Contractor's invoice for Work not performed. A description of the Work not performed and the amount to be withheld or deducted from payments to Contractor from County, will be forwarded to Contractor by County's Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.25.2 If County's Department Head or his/her designee determines that there are deficiencies in the performance of this Master

Agreement that County's Department Head or his/her designee deems are correctable by Contractor over a certain time span, County's Department Head or his/her designee will provide a written notice to Contractor to correct the deficiency within specified time frames. Should Contractor fail to correct deficiencies within said time frame, County's Department Head or his/her designee may take any of the actions identified in Subparagraph 8.25.3.

8.25.3 **Remedies for Non-Performance of Master Agreement**

8.25.3.1 County may deduct from Contractor's payment, pro rata, those applicable portions of the monthly **Work Order Sum** at County's sole discretion.

8.25.3.2 County may deduct liquidated damages at County's sole discretion. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages per day per infraction shall be twenty-five percent (25%) of the **Work Order Sum** or as specified in Exhibit I (Statement of Work), Attachment 2 (Performance Requirements Summary Chart) and that Contractor shall be liable to County for liquidated damages in said amount and this amount shall be deducted from County's payment to Contractor; and/or

8.25.3.3 Upon giving five (5) days' notice to Contractor for failure to correct the deficiencies, County may correct any and all deficiencies and the total costs incurred by County for completion of the Work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to Contractor from County, as determined by County.

8.25.4 The action noted in Subparagraph 8.25.3 shall not be construed as a penalty, but as adjustment of payment to Contractor to recover County cost due to the failure of Contractor to complete or comply with the provisions of this Master Agreement.

8.25.5 This Subparagraph 8.25 shall not, in any manner, restrict or limit County's right to damages for any breach of this Master Agreement provided by law or as specified in Exhibit I (Statement of Work), Attachment 2 (Performance Requirements Summary Chart) or Subparagraph 8.25.3, and shall not, in any manner, restrict or limit County's right to terminate this Master Agreement as agreed to herein. This Subparagraph 8.25 may be assessed as an option. It does not preclude utilizing Exhibit I (Statement of Work), Attachment 2 (Performance Requirements Summary Chart) or assessing actual costs of the damage.

8.26 MOST FAVORED PUBLIC ENTITY

8.26.1 If Contractor's prices decline, or should Contractor at any time during the term of this Master Agreement provide the same

goods or Services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Master Agreement, then such lower prices shall be immediately extended to County.

8.27 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

- 8.27.1 Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.
- 8.27.2 Contractor shall certify to, and comply with, the provisions of Exhibit C (Contractor's Equal Employment Opportunity Certification).
- 8.27.3 Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.27.4 Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.27.5 Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Master Agreement or under any project, program, or activity supported by this Master Agreement.
- 8.27.6 Contractor shall allow County representatives access to Contractor's employment records during County's regular business hours to verify compliance with the provisions of this Subparagraph 8.27 when so requested by County.
- 8.27.7 If County finds that any provisions of this Subparagraph 8.27 have been violated, such violation shall constitute a material breach of this Master Agreement upon which County may terminate or suspend this Master Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Master Agreement have been violated, in addition, a determination by the California Fair

Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Master Agreement.

8.27.8 The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Master Agreement, County shall, at its sole option, be entitled to the sum of \$500 for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Master Agreement.

8.28 NON-EXCLUSIVITY

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

8.29 NOTICE OF DELAYS

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

8.30 NOTICE OF DISPUTES

8.30.1 Contractor shall bring to the attention of County's Program Manager and/or County's Master Agreement Manager any dispute between County and Contractor regarding the performance of Services as stated in this Master Agreement. If County's Program Manager or County's Master Agreement Manager is not able to resolve the dispute, County's Department Head or his/her designee shall resolve it.

8.31 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

8.31.1 Contractor shall notify its employees, and shall require each subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the Federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service (IRS) Notice 1015. Contractor shall obtain the most current version of IRS Notice 1015 on-line at the IRS website: www.irs.gov.

8.32 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW

8.32.1 Contractor shall notify and provide to its employees, and shall require each subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit E (Safely Surrendered Baby Law), of this Master Agreement and is also available on the Internet at

www.babysafela.org for printing purposes.

8.33 NOTICES

8.33.1 All notices or demands required or permitted to be given or made under this Master Agreement shall be in writing and shall be hand-delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit A (County's Administration) and Exhibit B (Contractor's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. County's Master Agreement Manager or his/her designee shall have the authority to issue all notices or demands required or permitted by County under this Master Agreement.

8.34 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

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

8.35 PUBLIC RECORDS ACT

8.35.1 Any documents submitted by Contractor, all information obtained in connection with County's right to audit and inspect Contractor's documents, books, and accounting records pursuant to Subparagraph 8.37 (Record Retention, Inspection and Audit Settlement), as well as those documents which were required to be submitted in response to the solicitation used to procure for this Master Agreement, become the exclusive property of County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (California Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

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

8.36 PUBLICITY

8.36.1 Contractor shall not disclose any details in connection with this Master Agreement to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing Contractor's need to identify its Services and related Clients to sustain itself, County shall not inhibit Contractor from

publishing its role under this Master Agreement within the following conditions:

- 8.36.1.1 Contractor shall develop all publicity material in a professional manner; and
- 8.36.1.2 During the term of this Master Agreement, Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of County without the prior written consent of County's Master Agreement Manager. County shall not unreasonably withhold written consent.
- 8.36.2 Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Master Agreement with the County of Los Angeles, provided that the requirements of this Subparagraph 8.36 shall apply.
- 8.36.3 Contractor shall not use or display the official seal of County of Los Angeles or the logo of Workforce Development, Aging and Community Services on any of its letterhead or other communications with any debtor, or for any other reason, unless each form of usage has prior written approval of the Los Angeles County Board of Supervisors.

8.37 RECORD RETENTION, INSPECTION AND AUDIT SETTLEMENT

8.37.1 Record Retention Requirements

- 8.37.1.1 Contractor shall maintain accurate and complete financial records (such as bank statements, cancelled checks or other proof of payment) of its activities and operations relating to this Master Agreement in accordance with Generally Accepted Accounting Principles. Contractor shall also maintain all materials, including, but not limited to, complete employment records (such as timecards, sign-in/sign-out sheets and other time and employment records), supporting Program documents and proprietary data and information relating to its performance of this Master Agreement. Contractor shall further maintain on file the entirety of this Master Agreement, its amendments and/or addendums, modifications and all applicable laws, regulations, directives, Program memoranda and guidance which are hereby incorporated by reference. Contractor shall ensure that the security and integrity of all records are maintained throughout the entire term of this Master Agreement and during the authorized retention period as outlined below.
- 8.37.1.2 Contractor shall adhere to the requirements of the authorized retention period, which shall be the greater of the following: throughout the entire term of this Master Agreement and no less than three (3)

years after the expiration or termination of this Master Agreement unless Contractor receives County's written permission to dispose of any such material prior to such time; until an audit of this Master Agreement has occurred and a written audit resolution has been issued or unless otherwise authorized in writing by County; or, for such longer period, if any, as required by applicable statute, by any other provision of this Master Agreement, by Subparagraphs 8.37.2.2 and 8.37.2.3 or as County deems necessary (which shall be communicated to Contractor in writing).

8.37.1.3 All such material shall be maintained by Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at County's option, Contractor shall pay County for travel, per diem, and other costs incurred by County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1.4 After the authorized retention period has expired, Contractor shall dispose of, shred or destroy all confidential records in a manner that will maintain confidentiality. Contractor shall obtain a certificate of destruction to substantiate that all confidential records have been securely destroyed. Contractor shall notify County's Master Agreement Manager in writing within thirty (30) days after such records are destroyed. The certificate of destruction shall be provided to County's Master Agreement Manager upon County's request.

8.37.2 Access to Records

8.37.2.1 Contractor agrees that County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives), shall have both access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Master Agreement any books, documents, papers and records of Contractor that are directly pertinent to this Master Agreement (as determined by County and its duly authorized representatives). The rights of access which are outlined in this Master Agreement shall not be limited to the authorized retention period but shall last as long as the records are retained.

8.37.2.2 If this Master Agreement (or any part thereof) is terminated, Contractor shall preserve and make all records, relating to the Work terminated, available during the authorized retention period of

this Master Agreement. Contractor shall ensure that any resource directories and all Client records remain the property of County upon termination of this Master Agreement, and that they are returned to County or transferred to another contractor as instructed by County in writing.

8.37.2.3 In the event of any litigation, claim, negotiation, audit exception or other action involving the records, Contractor shall maintain all records relative to such action and shall make them available to County and/or its duly authorized representatives until every action has been cleared to the satisfaction of County and/or its duly authorized representatives, and such clearance must be evidenced to Contractor in writing.

8.37.2.4 County reserves the right to take physical custody of Contractor's records when any of the following situations occur: in the event that a potential litigation may be levied against Contractor for its Work performed under this Master Agreement; when County determines that Contractor is at a high risk of ceasing its operations during any time within the Master Agreement term or prior to the end of the retention period; when County determines that the records have long-term value; and/or, in the event that County and Contractor terminate the contractual relationship. For purposes of this Master Agreement, high risk is determined by County using criteria which includes but is not limited to the following: history of unsatisfactory contractual performance; financial instability or insolvency; documented evidence of an inadequate management system and lack of internal controls; non-conformance to the terms and conditions of previous awards; non-responsible; and/or history of disallowed costs.

8.37.3 **Monitoring Reviews**

8.37.3.1 Contractor shall provide the Services herein under the general supervision of County's Department Head and his/her authorized administrators who are designated in Paragraph 6.0 (Administration of Contract-County). County shall supervise, monitor and specify the kind, quality, appropriateness, timeliness and amount of the Services to be provided by Contractor as well as the criteria for determining the persons to be served (Clients). Contractor shall extend to County and to representatives authorized by County (including, but not limited to, State representatives) the right to observe, review and monitor Contractor's facilities, programs, records, procedures, performance, activities, or documents, which are used under this Master Agreement. Contractor shall provide County (or other designated authorities) the right to conduct such reviews at any

time during County's hours of operation. County (or other designated authorities) shall not unreasonably interfere with Contractor's performance. The requirements of this Subparagraph 8.37 shall also apply to subcontractors providing Services on behalf of Contractor.

8.37.3.2 County will monitor Contractor's Services provided under this Master Agreement on a regular basis and County may conduct unannounced site visits to ensure Contractor's compliance with this Master Agreement. County will summarize the results of the monitoring efforts in written reports, which shall be supported with documented evidence of follow-up actions taken to correct areas of non-compliance. Monitoring activities may include, but are not limited to interviewing Contractor employees and, when applicable, Clients; entering any premises or any site in which any of the Services or activities funded are being conducted or in which any records of Contractor are kept; etc. All information will be maintained in a confidential manner in accordance with any and all Federal, State and local laws.

8.37.3.3 Contractor shall be responsible for monitoring the activities of its subcontractor(s) providing Services under this Master Agreement. Contractor shall conduct on-site fiscal and program monitoring reviews which shall be documented and maintained on file according to the record retention requirements provided in this Subparagraph 8.37. Contractor shall ensure that subcontractor(s) adheres to all requirements for correcting areas of non-compliance, and implements the corrective action plan which has been approved by Contractor.

8.37.4 **Independent Audit Requirements**

8.37.4.1 County and Contractor acknowledge that this Master Agreement is funded with State, County and/or local monies (i.e., there are no Federal monies provided for this Master Agreement). Notwithstanding this acknowledgement, County and Contractor agree that the requirements for expenditures made by Contractor in the operation of this Master Agreement shall be in compliance and in conformity with Title 2 Code of Federal Regulations Part 200.500 et seq. To this end, when Contractor expends Master Agreement Sums totalling \$750,000 or more in a year, Contractor shall obtain an annual Program-specific audit. Such audit shall be conducted by an independent auditor in accordance with the requirements outlined in Title 2 Code of Federal Regulations Part 200.500 et seq. (and any amendments or supplements thereto). Contractor shall submit an audit engagement letter as

confirmation of the audit to be conducted by the independent auditor and such letter shall be submitted to County's Compliance Manager in the time and manner as directed by County. Upon auditor's completion of the Program-specific audit, Contractor shall obtain both the data collection form and the reporting package (i.e., auditor's report), as described in Title 2 Code of Federal Regulations Part 200.500 et seq., from the auditor for each audit period (i.e., each Fiscal Year or Program Year). Contractor shall submit a copy of the auditor's report to County's Compliance Manager within thirty (30) days after receipt of auditor's report but no later than nine (9) months following the end of the audit period.

- 8.37.4.2 When the requirements provided above for obtaining an annual audit do not apply to Contractor for any Fiscal Year (or Program Year), Contractor shall make its records available for review or audit by County and any of its duly authorized representatives (which may include State authorities, Federal agencies (including, but not limited to, Comptroller of the United States, Office of the Inspector General and General Accounting Office) and/or any of their duly authorized representatives). Such review or audit may include but is not limited to financial audits, performance audits, evaluations, inspections, monitoring, etc. as determined by County and/or by any other oversight agency that is responsible for overseeing Master Agreement Sums, the Program and Services. Contractor shall comply with the review and audit requirements which shall be identified in writing by County and/or its duly authorized representatives.
- 8.37.4.3 In the event that an audit of Contractor is conducted specifically regarding this Master Agreement by any Federal or State auditor, or by any auditor or accountant employed by Contractor or otherwise, then Contractor shall file a copy of such audit report with County's Compliance Manager within thirty (30) days of Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Master Agreement. Subject to applicable law, County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.37.4.4 If, at any time during the term of this Master Agreement or during the authorized retention period of this Master Agreement as noted in Subparagraph 8.37.1, representatives of County conduct an audit of Contractor regarding the Work performed under this Master Agreement, and if such audit finds that County's dollar liability for any such Work is less than payments made by County to Contractor,

then the difference shall be either: a) repaid by Contractor to County by cash payment upon demand; or, b) at the sole option of County of Los Angeles Department of Auditor-Controller, deducted from any amounts due to Contractor from County, whether under this Master Agreement or otherwise. If such audit finds that County's dollar liability for such Work is more than the payments made by County to Contractor, then the difference shall be paid to Contractor by County by cash payment, provided that in no event shall County's maximum obligation for this Master Agreement exceed the funds appropriated by County for the purpose of this Master Agreement.

8.37.5 Failure to Comply With Requirements

8.37.5.1 Failure on the part of Contractor to comply with any of the provisions of this Subparagraph 8.37 shall constitute a material breach of this Master Agreement upon which County may terminate or suspend this Master Agreement.

8.38 RECYCLED BOND PAPER

8.38.1 Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at Los Angeles County landfills, Contractor agrees to use recycled-content paper to the maximum extent possible on this Master Agreement.

8.39 SUBCONTRACTING

8.39.1 Contractor shall not delegate the requirements of this Master Agreement to a third-party ("subcontractor") without the advance written approval of County. Any attempt by Contractor to enter into a subcontract for that purpose without the prior written consent of County shall be deemed a material breach of this Master Agreement. Any potential subcontractors will be in the resulting Work Order. Contractor shall provide a draft copy of the proposed subcontract to County's Master Agreement Manager, and shall allow County up to sixty (60) days to complete its review process. As such, Contractor shall ensure that it provides the subcontract to County well in advance of its intended date to execute the subcontract (i.e., in order for Contractor to meet its target date for executing the subcontract, Contractor shall factor up to sixty (60) days into its timeline to account for County's review process).

8.39.2 Contractor shall indemnify, defend, and hold County harmless with respect to the activities of each and every subcontractor in the same manner and to the same degree as if such subcontractor(s) was Contractor's employee.

8.39.3 Contractor shall remain fully responsible for all performances required of it under this Master Agreement, including those that Contractor has determined to grant through a subcontract, notwithstanding County's approval of Contractor's proposed subcontract.

8.39.4 County's consent to allow Contractor to enter into a subcontract

with a third-party shall not waive County's right to prior and continuing approval of any and all personnel, including subcontractor employees, providing Services under this Master Agreement. Contractor is responsible for notifying its subcontractors of this County right.

8.39.5 County's Master Agreement Manager is authorized to act for and on behalf of County with respect to approval of any subcontract and subcontractor employees. After County's approval of the subcontract, Contractor shall forward a copy of the fully executed subcontract to County's Master Agreement Manager within five (5) days of its execution.

8.39.6 Contractor shall be solely liable and responsible for all payments or other compensation to all subcontractors and their officers, employees, agents, and successors in interest arising through Services performed hereunder, notwithstanding County's consent to allow Contractor to enter into such subcontract(s).

8.39.7 Contractor shall obtain current valid certificates of insurance, which establish that the subcontractor maintains all the programs of insurance required by County. Such certificates of insurance shall indicate the subcontract number. Before any subcontractor employee performs any Work hereunder, Contractor shall deliver all such certificate of insurance documents to County as follows:

County of Los Angeles
Workforce Development, Aging and Community Services
Contracts Management Division
Attention: County's Master Agreement Manager
3175 West Sixth Street
Los Angeles, CA 90020

8.39.8 Amending a subcontract may be initiated by either Contractor or County. When an amendment is initiated by County, County shall outline the reason(s) for the amendment and Contractor shall comply with County's request. All subcontract amendments are subject to review and must be approved in writing by County before they are executed. Contractor shall provide a draft copy of the proposed amendment to County's Master Agreement Manager, and shall allow County up to thirty (30) days to complete its review process. After County's approval of Contractor's amendment, Contractor shall forward a copy of the fully executed amendment to County's Master Agreement Manager within five (5) days of its execution.

8.39.9 Contractor shall adhere to all applicable Federal, State and/or County requirements for the procurement of a subcontractor(s) and/or vendor services using Master Agreement Sums.

8.39.10 In the event County approves Contractor's request to delegate any part of the requirements of this Master Agreement through a subcontract, all applicable provisions and requirements of this Master Agreement shall be made applicable to such subcontract. To this end, Contractor shall include the following provision in the subcontract: This agreement is a subcontract

under the terms of a prime Master Agreement (identified as Master Agreement Number [@ PO Document Number @]) with County of Los Angeles Workforce Development, Aging and Community Services and shall be subject to all of the provisions of such prime Master Agreement. All representations and warranties under this subcontract shall inure to the benefit of County of Los Angeles.

8.40 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM

8.40.1 Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.13 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Master Agreement. Without limiting the rights and remedies available to County under any other provision of this Master Agreement, failure of Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this Master Agreement pursuant to Subparagraph 8.42 (Termination for Default) and pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.202.

8.41 TERMINATION FOR CONVENIENCE

8.41.1 County may terminate this Master Agreement, and any Work Order issued hereunder, in whole or in part, from time to time or permanently, when such action is deemed by County, in its sole discretion, to be in its best interest. Termination of Work hereunder shall be effected by notice of termination to Contractor specifying the extent to which performance of Work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than thirty (30) calendar days after the notice is sent.

8.41.2 Upon receipt of a notice of termination and except as otherwise directed by County, Contractor shall immediately:

8.41.2.1 Stop Work under the Work Order or under this Master Agreement on the date and to the extent specified in such notice;

8.41.2.2 Complete performance of such part of the Work as shall not have been terminated by such notice;

8.41.2.3 Transfer title and deliver to County all completed Work and Work in process.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of Contractor under this Master Agreement or Work Order shall be maintained by Contractor in accordance with Subparagraph 8.37 (Record Retention, Inspection and Audit Settlement).

8.42 TERMINATION FOR DEFAULT

8.42.1 County may, by written notice to Contractor, terminate the whole or any part of this Master Agreement, if, in the judgment of

County:

- 8.42.1.1 Contractor has materially breached this Master Agreement; or
 - 8.42.1.2 Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, Service, or other work required either under this Master Agreement or any Work Order issued hereunder; or
 - 8.42.1.3 Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements of any Work Order issued under this Master Agreement, or of any obligations of this Master Agreement and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as County may authorize in writing) after receipt of written notice from County specifying such failure.
- 8.42.2 In the event that County terminates this Master Agreement in whole or in part as provided in Subparagraph 8.42.1, County may procure, upon such terms and in such manner as County may deem appropriate, goods and Services similar to those so terminated. Contractor shall be liable to County for any and all excess costs incurred by County, as determined by County, for such similar goods and Services. Contractor shall continue the performance of this Master Agreement to the extent not terminated under the provisions of this Subparagraph 8.42.
- 8.42.3 Except with respect to defaults of any subcontractor, Contractor shall not be liable for any such excess costs of the type identified in Subparagraph 8.42.2 if its failure to perform this Master Agreement, including any Work Order issued hereunder, arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to: acts of nature or of the public enemy, acts of County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of Contractor. If the failure to perform is caused by the default of a subcontractor, and if such default arises out of causes beyond the control of both Contractor and subcontractor, and without the fault or negligence of either of them, Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or Services to be furnished by the subcontractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this Subparagraph 8.42, the term "subcontractor(s)" means subcontractor(s) at any tier.
- 8.42.4 If, after County has given notice of termination under the provisions of this Subparagraph 8.42, it is determined by County that Contractor was not in default under the provisions of this Subparagraph 8.42, or that the default was excusable under the provisions of Subparagraph 8.42.3, the rights and obligations of

the parties shall be the same as if the notice of termination had been issued pursuant to Subparagraph 8.41 (Termination for Convenience).

8.42.5 The rights and remedies of County provided in this Subparagraph 8.42, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.43 TERMINATION FOR IMPROPER CONSIDERATION

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

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

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

8.44 TERMINATION FOR INSOLVENCY

8.44.1 County may terminate this Master Agreement forthwith in the event of the occurrence of any of the following:

8.44.1.1 Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

8.44.1.2 The filing of a voluntary or involuntary petition regarding Contractor under the Federal Bankruptcy Code;

8.45.1.3 The appointment of a Receiver or Trustee for Contractor;

8.45.1.4 The execution by Contractor of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of County provided in this Subparagraph 8.44, shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

8.45 TERMINATION FOR NON - ADHERENCE OF COUNTY LOBBYIST ORDINANCE

8.45.1 Contractor, and each County Lobbyist or County Lobbying firm as defined in Los Angeles County Code Section 2.160.010 retained by Contractor, shall fully comply with the County's Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County Lobbyist or County Lobbying firm retained by Contractor to fully comply with County's Lobbyist Ordinance shall constitute a material breach of this Master Agreement, upon which County may in its sole discretion, immediately terminate or suspend this Master Agreement.

8.46 TERMINATION FOR NON - APPROPRIATION OF FUNDS

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

8.47 VALIDITY

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

8.48 WAIVER

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

8.49 WARRANTY AGAINST CONTINGENT FEES

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

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

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

8.50.1 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. 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 Master Agreement will maintain compliance, with Los Angeles County Code Chapter 2.206. Prior to the commencement of this Master Agreement, Contractor shall complete Exhibit Q (Certification of Compliance with County's Defaulted Property Tax Reduction Program) and submit it to County's Master Agreement Manager in the time and manner as designated by County.

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

8.51.1 Failure of Contractor to maintain compliance with the requirements set forth in Subparagraph 8.50 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program), shall constitute default under this Master Agreement. Without limiting the rights and remedies available to County under any other provision of this Master Agreement, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this Master Agreement and/or pursue debarment of Contractor, pursuant to Los Angeles County Code Chapter 2.206.

8.52 TIME OFF FOR VOTING

8.52.1 Contractor shall notify and provide its employees, and shall require each subcontractor to notify and provide its employees, information regarding the time off for voting law pursuant to California Elections Code (EC) Section 14000. Not less than ten (10) days before every statewide election, Contractor and its subcontractor(s) 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 EC Section 14000.

8.53 MINIMUM WAGE REQUIREMENTS

8.53.1 Minimum Wage

8.53.1.1 Pursuant to Los Angeles County Code Chapter 8.100 (Minimum Wage), County of Los Angeles has established the Los Angeles County Minimum Wage Ordinance ("Minimum Wage Ordinance"). When Contractor provides Program Services in Los

Angeles County (including the unincorporated areas and any city), Contractor shall adhere to County's minimum wage requirements. As an employer (which means any person, as defined in the California Labor Code, General Provisions, Section 18, including such person, association, organization, partnership, business trust, limited liability company, corporation, corporate officer or executive, who directly, indirectly or through an agent or any other person, including through the services of a temporary service or staffing agency or similar entity, employs or exercises control over the wages, hours or working conditions of any employee), Contractor shall pay its employees no less than the hourly rates set forth in this Subparagraph 8.53.1.

8.53.1.2 Contractor with twenty-six (26) or more employees shall pay employees a wage of no less than the following hourly rates:

8.54.1.2.1 On July 1, 2016, the hourly wage shall be \$10.50.

8.54.1.2.2 On July 1, 2017, the hourly wage shall be \$12.00.

8.54.1.2.3 On July 1, 2018, the hourly wage shall be \$13.25.

8.54.1.2.4 On July 1, 2019, the hourly wage shall be \$14.25.

8.54.1.2.5 On July 1, 2020, the hourly wage shall be \$15.00.

8.53.1.3 Contractor with twenty-five (25) or fewer employees shall pay employees a wage of no less than the following hourly rates:

8.54.1.3.1 On July 1, 2017, the hourly wage shall be \$10.50.

8.54.1.3.2 On July 1, 2018, the hourly wage shall be \$12.00.

8.54.1.3.3 On July 1, 2019, the hourly wage shall be \$13.25.

8.54.1.3.4 On July 1, 2020, the hourly wage shall be \$14.25.

8.53.1.4 For purposes of this Subparagraph 8.53.1, the number of employees employed by Contractor shall be determined by calculating the average number of employees employed during the previous calendar year.

8.53.2 **Retaliatory Action Prohibited**

8.53.2.1 Contractor shall not discharge, reduce in compensation or otherwise discriminate against any employee for opposing any practice proscribed by this Minimum Wage Ordinance, for participating in proceedings related to this Minimum Wage Ordinance, for seeking to enforce his/her rights provided under this Minimum Wage Ordinance by any lawful means or for otherwise asserting his/her rights under this Minimum Wage Ordinance.

8.53.3 **No Waiver of Rights**

8.53.3.1 Any purported waiver by Contractor of any or all of the provisions of this Minimum Wage Ordinance shall be deemed contrary to public policy, void and unenforceable.

8.53.4 **Conflict with Other Laws, Severability and Savings**

8.53.4.1 Nothing in this Minimum Wage Ordinance shall be interpreted or applied so as to create any power or duty in conflict with any Federal or State law.

8.53.4.2 If any section, subsection, sentence, clause or phrase of this Minimum Wage Ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Minimum Wage Ordinance.

8.53.4.3 This Minimum Wage Ordinance provides for payment of a local minimum wage and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement, policy or standard that provides for payment of higher or supplemental wages or benefits or that extends other protections.

8.53.5 **Coexistence with Other Available Relief**

8.53.5.1 The provisions of this Minimum Wage Ordinance shall not be construed as limiting any employee's right to obtain relief to which he/she may be entitled at law or in equity.

8.53.6 **Exemptions**

8.53.6.1 Contractor shall be exempt from this Minimum Wage Ordinance when Contractor falls within any of the following categories: a person not subject to, or exempt from, the State minimum wage, as provided under California Labor Code Section 1197 and wage orders published by the California Industrial Welfare Commission; or, a public entity (including Federal, State, County and city entities (including school districts)).

8.53.6.2 In the event that Contractor is exempt from this Minimum Wage Ordinance, Contractor agrees to make a good faith effort to implement the

requirements outlined herein.

8.54 COMPLIANCE WITH COUNTY'S ZERO TOLERANCE HUMAN TRAFFICKING POLICY

- 8.54.1 Contractor acknowledges that County has established a Zero Tolerance Human Trafficking Policy which prohibits Contractor and member of Contractor's staff from engaging in human trafficking.
- 8.54.2 If Contractor or member of Contractor's staff is convicted of a human trafficking offense, County shall require that Contractor or member of Contractor's staff be removed immediately from performing Services under this Master Agreement. County will not be under any obligation to disclose confidential information regarding the offense(s) other than those required by law.
- 8.54.3 Disqualification of Contractor or member of Contractor's staff pursuant to this Subparagraph 8.54 shall not relieve Contractor of its obligation to complete all Work in accordance with the terms and conditions of this Master Agreement.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 ALLEGATIONS OF FRAUD AND/OR ABUSE

9.1.1 Fraud Prevention Reporting

- 9.1.1.1 Contractor's staff working on this Master Agreement shall immediately report all suspected or actual instances of fraud as designated in Exhibit M (Accounting, Administration and Reporting Requirements).

9.1.2 Child Abuse Reporting

- 9.1.2.1 Contractor's staff working on this Master Agreement shall comply with the Child Abuse and Neglect Reporting Act (California Penal Code (PC) Section 11164 et seq.), and shall report all known and suspected instances of child abuse to an appropriate child protective agency, as mandated by the referenced Penal Code. Additionally, Contractor's staff working on this Master Agreement shall also report such abuse to the Los Angeles County Department of Children and Family Services by calling the hotline at (800) 540-4000 within twenty-four (24) hours of discovering or suspecting the abuse. Contractor's staff shall submit all required information to the appropriate authorities in accordance with PC Sections 11166 and 11167.

9.1.3 Elder and Dependent Adult Abuse Reporting

- 9.1.3.1 Contractor's staff working on this Master Agreement shall comply with the Elder Abuse and Dependent Adult Civil Protection Act (California Welfare and Institutions Code (WIC) Section 15600 et seq.), and shall report all known or suspected instances of physical abuse of elders and dependent adults either to an appropriate County adult protective

services agency or to a local law enforcement agency, as mandated by the referenced Welfare and Institutions Code. Contractor's staff working on this Master Agreement shall report the abuse and shall submit all required information in accordance with WIC Sections 15630, 15633 and 15633.5.

9.1.4 **Withholding of Payment**

9.1.4.1 In the event that allegations of fraud and/or abuse are levied against Contractor or any individual or entity performing Work under this Master Agreement on behalf of Contractor, County reserves the right to withhold either ten percent (10%) of the **Maximum Annual Master Agreement Sum** (in the event that this Master Agreement is funded for one (1) Fiscal Year or Program Year term then ten percent (10%) will be withheld from the **Maximum Master Agreement Sum**) or the amount of the final year-end invoice, whichever is greater, until a determination is issued in writing by County that withheld funds will be released to Contractor. For purposes of this Master Agreement, fraud and abuse shall include but are not limited to the following: misapplication of funds; embezzlement; forgery; theft; solicitation and receipt of bribes; falsification of records; inauditable records; unsupported or undocumented Master Agreement expenditures; inaccurate fiscal and/or Program reports; misuse of fixed assets or non-fixed assets purchased with **Master Agreement Sums** (when the procurement of such assets are authorized in this Master Agreement); violation of conflict of interest requirements; etc.

9.2 **AMERICANS WITH DISABILITIES ACT (ADA)**

9.2.1 Contractor shall abide by all applicable Federal, State and local laws including the Americans with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, Contractor's operations. Contractor shall submit demonstrable evidence of such undue financial burden to County in such circumstances.

9.3 **CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

9.3.1 The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (Senate Bill 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractor to complete Exhibit L (Charitable Contributions Certification), County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect Los Angeles County and its taxpayers. When Contractor receives or raises charitable contributions without complying with its obligations under California law, Contractor commits a material breach subjecting it to termination of this Master

Agreement, debarment proceedings or both (Los Angeles County Code Chapter 2.202). Prior to the commencement of this Master Agreement, Contractor shall submit the completed Exhibit L (Charitable Contributions Certification) to County's Master Agreement Manager in the time and manner as designated by County.

9.4 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")

9.4.1 County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules which are outlined in Title 45 Code of Federal Regulations Sections 160 and 164 (collectively "HIPAA Rules"). Under this Master Agreement, Contractor provides Services to County and Contractor creates, has access to, receives, maintains, or transmits Protected Health Information as defined in Exhibit K (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")) in order to provide those Services. County and Contractor therefore agree to the terms of Exhibit K (Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA")).

9.5 FIXED ASSETS, NON-FIXED ASSETS AND SUPPLIES

9.5.1 Contractor may use **Master Agreement Sums** to purchase Fixed Assets, Non-Fixed Assets and Supplies, which are defined in Exhibit O (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies). Prior to the commencement of this Master Agreement, Contractor shall complete Exhibit P (Inventory Control Form) and submit it to County's Master Agreement Manager in the time and manner as designated by County. Contractor shall adhere to the purchase, inventory and disposal requirements for all Fixed Assets, Non-Fixed Assets and Supplies purchased with **Master Agreement Sums**, as provided by Federal and State regulations as well as the requirements outlined in Exhibit O (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

9.5.2 This Master Agreement involves the furnishing of equipment, materials and/or supplies. As such, it is unlawful for Contractor when engaged in business within the State to use any article or product as a "loss leader" as defined in the Business and Professions Code, Section 17030.

9.6 LIMITATION ON CORPORATE ACTS

9.6.1 Contractor shall not amend its articles of incorporation or bylaws, move to dissolve or transfer any assets obtained using **Master Agreement Sums**, or take any other steps which may materially affect the performance of this Master Agreement without first notifying County in writing no less than thirty (30) days prior to said action. Contractor shall notify County's Master Agreement Manager immediately in writing of any change in Contractor's corporate name.

9.6.2 If, in County's sole discretion, the steps taken by Contractor are determined to materially affect Contractor's performance of this Master Agreement, County may, at its sole discretion, take any (or all) of the following actions:

9.6.2.1 Require Contractor to remedy the areas that affect Contractor's ability to perform its obligations under this Master Agreement.

9.6.2.2 Suspend Contractor from performing (and receiving payment for) Master Agreement and Work Order tasks until a remedy has been reached.

9.6.2.3 Terminate this Master Agreement pursuant to Subparagraph 8.42 (Termination for Default).

9.7 COUNTY'S PREFERENCE PROGRAM

9.7.1 Local Small Business Enterprise Preference Program

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

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

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

9.7.1.4 If Contractor has obtained certification as a LSBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and Contractor knew, or should have known, that the information furnished was incorrect or that the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement/Work Order to which it would not otherwise have been entitled, Contractor shall:

9.7.1.4.1 Pay to County any difference between the **Work Order Sum** and what County's costs would have been if the Work Order had been properly awarded;

9.7.1.4.2 In addition to the amount described in Subparagraph 9.7.1.4.1 above, Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the Work Order; and

9.7.1.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.7.1.5 The above penalties shall also apply when Contractor has previously obtained proper certification, however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement or Work Order award.

9.7.2 Social Enterprise Preference Program

9.7.2.1 This Master Agreement is subject to the provisions of the County's ordinance entitled Social Enterprise ("SE") Preference Program, as codified in Chapter 2.205 of the Los Angeles County Code.

9.7.2.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a SE.

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

9.7.2.4 If Contractor has obtained County certification as a SE by reason of having furnished incorrect supporting information or by reason of having withheld information, and Contractor knew, or should have known, that the information furnished was incorrect or that the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement/Work Order to which it would not otherwise have been entitled, Contractor shall:

9.7.2.4.1 Pay to County any difference between the **Work Order Sum** and what County's costs would have been if the Work Order had been properly awarded;

9.7.2.4.2 In addition to the amount described in Subparagraph 9.7.2.4.1 above, Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of Work Order; and

9.7.2.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.7.2.5 The above penalties shall also apply when Contractor has previously obtained proper certification; however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement or Work Order award.

9.7.3 Disabled Veteran Business Enterprise Preference Program

9.7.3.1 This Master Agreement is subject to the provisions of Los Angeles County's ordinance entitled Disabled Veteran Business Enterprise ("DVBE") Preference Program, as codified in Los Angeles County Code Chapter 2.211.

9.7.3.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a DVBE.

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

9.7.3.4 If Contractor has obtained County certification as a DVBE by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Master Agreement/Work Order to which it would not

otherwise have been entitled, Contractor shall:

9.7.3.4.1 Pay to County any difference between the **Work Order Sum** and what County's costs would have been if the Work Order had been properly awarded;

9.7.3.4.2 In addition to the amount described in Subparagraph 9.7.3.4.1 above, Contractor will be assessed a penalty in an amount of not more than ten percent (10%) of the amount of the Work Order; and

9.7.3.4.3 Be subject to the provisions of Los Angeles County Code Chapter 2.202 (Determinations of Contractor Non-responsibility and Contractor Debarment).

9.7.3.5 Notwithstanding any other remedies in this Master Agreement, the above penalties shall also apply when Contractor has previously obtained proper certification; however, as a result of a change in its status, Contractor is no longer be eligible for certification, and fails to notify the State and the Department of Consumer and Business Affairs of this information prior to responding to a solicitation or accepting a Master Agreement or Work Order award.

9.8 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

9.8.1 Contractor represents and warrants that it has registered in the Los Angeles County's vendor registration system ("WebVen"). The WebVen contains Contractor's business profile and identifies the goods/services being provided by Contractor. Contractor shall ensure that it updates its vendor profile whenever changes occur to Contractor's operations by accessing the WebVen site located on-line at: <http://camisvr.co.la.ca.us/webven/>. County shall use the data obtained from Contractor's WebVen profile to ensure that Contractor's information is consistent with Master Agreement records (e.g., Contractor's legal name, as reflected in its WebVen profile, shall be used in all Master Agreement documents).

9.9 NEPOTISM

9.9.1 Contractor certifies that it shall not hire nor permit the hiring of any person in a position funded under this Master Agreement if a member of the person's immediate family is employed in an administrative capacity by Contractor. For purposes of this Subparagraph 9.9, the term "immediate family" means spouse (common law or otherwise, and including domestic partner), child, mother, father, brother, sister, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent, step-child, or such other

relationship which would give rise to a substantial appearance of impropriety if the person were to be hired by Contractor. The term "administrative capacity" means a position that has overall administrative responsibility for the Program, including but not limited to selection, hiring, or supervisory responsibilities.

9.10 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT

- 9.10.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools ("materials") which are originated or created through Contractor's Work pursuant to this Master Agreement. Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in County all of Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Contractor's Work under this Master Agreement.
- 9.10.2 During the term of this Master Agreement and during the authorized retention period of this Master Agreement, Contractor shall maintain and provide security for all of Contractor's working papers prepared under this Master Agreement. County shall have the right to inspect, copy and use at any time during the term of this Master Agreement and during the authorized retention period of this Master Agreement, any and all such working papers and all information contained therein.
- 9.10.3 Any and all materials, software and tools which are developed or were originally acquired by Contractor outside the scope of this Master Agreement, which Contractor desires to use hereunder, and which Contractor considers to be proprietary or confidential, must be specifically identified by Contractor to County's Master Agreement Manager as proprietary or confidential, and shall be plainly and prominently marked by Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.10.4 County will use reasonable means to ensure that Contractor's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Contractor.
- 9.10.5 Notwithstanding any other provision of this Master Agreement, County will not be obligated to Contractor in any way under Subparagraph 9.10.4 for any of Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Subparagraph 9.10.3 or for any disclosure which County is required to make under any Federal or State law or order of court.
- 9.10.6 Notwithstanding any other provision of this Master Agreement, County and Contractor agree that County shall have all ownership rights of software or modification thereof and associated documentation designed, developed or installed using Federal financial participation. 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 Master Agreement, proprietary operating/vendor software packages, 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 Subparagraph 9.10.

9.10.7 All the rights and obligations of this Subparagraph 9.10 shall survive the expiration or termination of this Master Agreement.

9.11 PATENT, COPYRIGHT AND TRADE SECRET INDEMNIFICATION

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

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

9.11.2.1 Procure for County all rights to continued use of the questioned equipment, part, or software product; or

9.11.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.11.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

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

9.12 PROBATION AND SUSPENSION

9.12.1 Contractor may be placed on probation, suspension or a combination thereof when County determines that Contractor is not in compliance with any Service, Work, task, deliverable or requirement outlined in this Master Agreement and/or when Contractor has demonstrated a consistent and significant lack of achievement of the Master Agreement and Work Order goals (including, but not limited to, meeting the requirements for Program performance, the Budget, expenditures, staffing,

administration, etc.). County shall notify Contractor in writing in the event that Contractor is placed on probation, suspension or a combination thereof.

9.12.2 **Probation**

9.12.2.1 Probation as used herein shall mean a specified period of time (as determined by County) during which Contractor must remedy all areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Contractor's adherence to such remedy(ies) during the probation.

9.12.2.2 When County places Contractor on probation, County shall provide Contractor a written notice indicating the reasons for the probation (which shall include a description of the areas of Contractor's non-compliance), the date upon which this probation shall become effective, the date upon which Contractor shall fully remedy all areas of non-compliance and a determination as to whether or not Contractor may continue to provide Services during the probation.

9.12.2.3 Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its probation and/or when Contractor is placed on multiple probations (as determined by County at County's sole discretion).

9.12.3 **Suspension**

9.12.3.1 Suspension as used herein shall mean a specified period of time (as determined by County) during which County will withhold payment from Contractor (i.e., suspension of payment(s)), County will institute a temporary curtailment of the Services provided by Contractor and its subcontractor(s), if any, (i.e., suspension of Work) or a combination thereof. This Master Agreement may be suspended in whole or in part, from time to time, when such action is deemed by County in its sole discretion to be in County's best interest. During the suspension, Contractor has a continuing obligation to remedy the areas of non-compliance which have been identified by County or its duly authorized representative(s). County shall monitor Contractor's adherence to such remedy(ies) during the suspension.

9.12.3.2 When County suspends Contractor, County shall provide Contractor a written notice indicating the type of suspension, the reasons for such suspension (which shall include a description of the areas of Contractor's non-compliance), the date upon which this suspension shall become effective, the date upon which Contractor shall fully remedy all areas of non-compliance and a determination as

to whether or not Contractor may continue to provide Services which are not suspended during the suspension. When County institutes a temporary curtailment of Services, the written notice shall include a description of the Service(s) being suspended.

- 9.12.3.3 At County's sole discretion, when Contractor's payment(s) and/or Services are suspended, County may also elect to transfer suspended Services from Contractor to another contractor for a period of time that will be determined solely by County. Contractor's ability to obtain future funding may be impacted when Contractor does not remedy its non-compliance during its suspension and/or when Contractor is placed on multiple suspensions (as determined by County at County's sole discretion).
- 9.12.3.4 Upon receipt of a notice of suspension of Services and except as otherwise directed by County, Contractor shall:
 - 9.12.3.4.1 Stop providing Services under this Master Agreement on the date and to the extent specified in such notice.
 - 9.12.3.4.2 Complete performance of such part of the Services that is not suspended by such notice.
- 9.12.3.5 Contractor shall be promptly paid for Services properly completed up until the time of suspension. Such payment is contingent upon Contractor properly completing and timely submitting its invoice(s) for Services completed up until effective date of suspension.
- 9.12.3.6 Suspension shall continue for the period specified in the written notice of suspension provided to Contractor, unless County provides written notice to resume Services at an earlier date.
- 9.12.3.7 All other terms and remedies provided in this Master Agreement, including provisions for Termination, shall remain valid during any period of suspension.
- 9.12.4 In response to the notice of probation or suspension, Contractor shall submit a written Corrective Action Plan to County's Compliance Manager within ten (10) days of the postmark date indicated on the notice from County. Contractor's Corrective Action Plan shall address all of the deficiencies noted by County.
- 9.12.5 County shall review Contractor's Corrective Action Plan, and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments for or to terminate all or any part of this Master Agreement (and/or any of Contractor's other contracts with County) when Contractor submits a Corrective Action Plan that is

not acceptable to County.

- 9.12.6 Contractor shall implement the Corrective Action Plan upon receiving County's final written approval of the Corrective Action Plan. Contractor's failure to comply with an approved Corrective Action Plan will be cause for material breach of this Master Agreement upon which County may pursue the remedies for default of Master Agreement, including, but not limited to, reimbursement for all debt collection costs incurred by County.

9.13 TRANSITION OF MASTER AGREEMENT SERVICES

9.13.1 Completion of Master Agreement

- 9.13.1.1 Within sixty (60) calendar days prior to the expiration of this Master Agreement (or shorter time period if notified in writing by County), Contractor shall allow County or a newly selected contractor a transition period for orientation purposes and the orderly transition of Contractor's current Services without additional costs to County. Contractor shall continue to provide Services timely and accurately so that the Services are current at the expiration of this Master Agreement.

9.13.2 Transition Plan

- 9.13.2.1 If this Master Agreement (or any part thereof) is terminated pursuant to any of the termination provisions outlined herein or if it expires pursuant to Paragraph 4.0 (Term of Master Agreement), Contractor shall provide a Transition Plan to County. Contractor shall submit said Transition Plan to County's Master Agreement Manager within the timeframe designated by County in the notice of termination or Contractor shall submit it at least sixty (60) days prior to the expiration of this Master Agreement as noted in Paragraph 4.0 (Term of Master Agreement).

- 9.13.2.2 County shall review Contractor's Transition Plan and will determine whether it meets the requirements for County's approval. County reserves the right to suspend/deduct payments under this Master Agreement and/or under any of Contractor's other contracts with County when Contractor submits a Transition Plan that is not acceptable to County. Contractor shall adhere to the Transition Plan which, at a minimum, shall include all of the elements outlined below.

9.13.3 Elements of the Transition Plan

- 9.13.3.1 Description of how Clients will be notified about the change in their Service provider.
- 9.13.3.2 Contractor's method to communicate with other organizations that can assist in locating alternative Services.

- 9.13.3.3 Contractor's method to inform community referral sources of the pending termination of Services and what alternatives, if any, exist for future referrals.
- 9.13.3.4 Contractor's method to evaluate Clients in order to assure appropriate placement that will allow Clients to receive Services.
- 9.13.3.5 Contractor's method to transfer any confidential medical and Client records to the new contractor in accordance with applicable provisions of the Health Insurance Portability and Accountability Act of 1996 or other Federal, State or local laws and regulations.
- 9.13.3.6 Contractor's method to dispose of confidential records in accordance with applicable laws and regulations, and the terms of this Master Agreement.
- 9.13.3.7 Contractor's plan to assure for the provision of adequate staff to provide continued care through the remaining term of this Master Agreement.
- 9.13.3.8 A fully documented inventory of all Fixed and Non-Fixed Assets as well as a method to dispose, transfer or return to County all Fixed and Non-Fixed Assets purchased with **Master Agreement Sums** during the entire term of this Master Agreement.
- 9.13.3.9 Any additional information which may be necessary to effect a safe transition of Clients to other community service providers.

9.13.4 **Implementation of the Transition Plan**

- 9.13.4.1 Contractor shall implement the Transition Plan that is approved by County. Contractor's failure to provide and/or implement the Transition Plan as prescribed herein shall mean that County will provide Contractor a Transition Plan and Contractor will implement the Transition Plan provided by County. County will monitor Contractor's progress in carrying out all elements of the Transition Plan.

9.14 TRAVEL EXPENSES

- 9.14.1 Contractor shall obtain prior written approval from County's Master Agreement Manager for any expenses under this Master Agreement related to travel outside of Los Angeles County.
- 9.14.2 Contractor shall maintain written documentation evidencing that all out-of-town travel expenses are specifically related to providing Services under this Master Agreement, in conformity with the document retention requirements specified in Subparagraph 8.37 (Record Retention, Inspection and Audit Settlement).
- 9.14.3 Contractor shall ensure that no more than two (2) of its staff incur

any out-of-town travel expenses at any time.

9.14.4 Contractor shall not invoice County if out-of-town travel expenses are incurred without proper documentation evidencing County's prior written approval.

9.14.5 Contractor's non-compliance with the requirements of this Subparagraph 9.14 will result in these costs being disallowed, payments being withheld or other remedy being applied as County shall determine to be appropriate.

9.15 DRUG-FREE WORKPLACE

9.15.1 Contractor and its subcontractors(s) shall adhere to the requirements outlined in the California Drug-Free Workplace Act of 1990, as amended (California Government Code Section 8350 et seq.). Contractor and its subcontractor(s) shall provide and maintain a drug-free workplace for all of their employees, and shall have a documented anti-drug policy and a drug-free awareness program. Violation of or non-compliance with these requirements by Contractor, its subcontractor or both shall subject Contractor to remedies available under the terms of this Master Agreement. Such remedies shall include suspending Contractor's payments, placing Contractor on probation or suspension, terminating this Master Agreement or other available remedies which shall be determined by County at its sole discretion.

9.15.2 Contractor shall provide a written drug-free workplace policy statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and stating the specific actions that will be taken for violations.

9.15.3 The ongoing drug-free awareness program must inform employees about the following: the dangers of drug abuse; available drug counseling, rehabilitation, and employee assistance programs; penalties that may be imposed; and, that employees are to be aware that Contractor and its subcontractor(s) operate a drug-free workplace.

9.15.4 Contractor shall require its employees to report in writing any conviction for a violation of a criminal drug statute occurring in the workplace. Contractor shall provide written notice to County's Master Agreement Manager within ten (10) days of having received such notice from employee(s). Within thirty (30) days of receiving the notice of a conviction, Contractor must have taken appropriate action against the employee(s) or have required employee's participation in a drug abuse assistance or rehabilitation program.

9.16 INFORMATION TECHNOLOGY, SECURITY AND PRIVACY REQUIREMENTS

9.16.1 This Subparagraph 9.16 sets forth the requirements for the information technology systems which Contractor shall use in the course of completing the Work and providing Services under this Master Agreement. This Subparagraph 9.16 also sets forth the security procedures for these systems which Contractor shall

have in place by the effective date of this Master Agreement and which Contractor shall maintain throughout the Master Agreement term. They present a minimum standard only. Contractor shall implement appropriate administrative, physical and technical measures to secure its systems and data to protect and ensure the privacy, confidentiality, integrity and availability of County Information Assets as defined in Subparagraph 9.16.5 (County Information Assets) (which consists of but is not limited to confidential County data, Personally Identifiable Information, Protected Health Information and Medical Information) against internal and external threats, vulnerabilities and risks. Contractor shall also continuously review and revise those measures to address ongoing threats, vulnerabilities and risks.

9.16.2 Contractor's failure to comply with the minimum standards set forth herein will constitute a material, non-curable breach of this Master Agreement, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under this Master Agreement, to immediately terminate this Master Agreement.

9.16.3 **Information Technology Systems - Contract Management System-Contractor's Gateway**

9.16.3.1 County has implemented use of the Contract Management System Contractor's Gateway ("Contractor's Gateway"), an automated system designed to electronically manage this Master Agreement. Contractor shall use the System to perform its administrative contracting functions as directed by County.

9.16.3.2 County has established policies concerning the access, use and maintenance of the Contractor's Gateway. Contractor shall adhere to these policies, which are identified in Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use), instruction guides/ tutorials provided by County, training sessions conducted by County, etc. Contractor's noncompliance with these policies may subject Contractor to denial of access to the Contractor's Gateway, suspension of payment(s), termination of this Master Agreement, and/or other remedies/actions which County may take at its sole discretion under the terms of this Master Agreement and/or applicable law or regulation.

9.16.4 **Information Technology Systems - Management Information System**

9.16.4.1 **Data Entry**

9.16.4.1.1 County has implemented use of the Management Information System (MIS), a computerized data based system that is used to record and track Service delivery, Program data and Client information. Contractor shall use the MIS to enter Program, Service delivery and Client data as directed by

County.

- 9.16.4.1.2 Contractor shall ensure the accuracy and authenticity of the number of eligible Client Services provided each day. Contractor shall track, document and report the actual date when Services are rendered. Contractor shall complete direct data entry of the required Program, Service delivery and Client data (including but not limited to, the total number of Clients served, the type and number of Services provided to Client and the date(s) of Service) into the MIS within ten (10) days of Service delivery. Contractor shall not back-date any data and any attempts to do so may subject Contractor to appropriate remedies as determined by County at County's sole discretion.
- 9.16.4.1.3 In order to ensure accurate reporting, Contractor shall enter Program, Service delivery and Client data on a regular basis, preferably on the day when Services are provided and no later than ten (10) days of Service delivery.

9.16.4.2 **Data Records**

- 9.16.4.2.1 Contractor's failure to submit the required MIS data within the time and manner as designated by County may subject Contractor to appropriate remedies as determined by County at County's sole discretion. Remedies will remain in effect until Contractor becomes compliant. County will consider Contractor's non-compliance during future funding decisions.
- 9.16.4.2.2 Contractor shall maintain all records and reports, consistent with Subparagraph 8.37 (Records Retention, Inspection and Audit Settlement), and shall make them available for audit, assessment, or inspection by County and any of its duly authorized representatives (including, but not limited to, State authorities, Federal agencies and/or any of their duly authorized representatives).
- 9.16.4.2.3 All information, records, data elements and print-outs collected and maintained for the operation of the Program and pertaining to Clients

(including paper and electronic data) must be protected from unauthorized disclosures in accordance with Subparagraph 7.6 (Confidentiality), California Welfare and Institutions Code Section 10850, Title 45 Code of Federal Regulations Part 205.50, California Information Practices Act of 1977, and all other applicable laws and regulations.

9.16.4.3 MIS Personnel

9.16.4.3.1 Contractor shall assign an employee to have the primary responsibility for data entry into the MIS. This employee shall be the primary contact person for data issues and problems. This employee shall also be assigned a password to log-in and enter Program, Service delivery and Client data. Contractor shall designate a secondary/back-up employee who can act on behalf of the primary MIS employee contact in the event of his or her absence. Contractor shall ensure that its users do not share their user identification and password information.

9.16.4.3.2 Contractor shall provide the names of Contractor's primary and secondary MIS employees using Exhibit B (Contractor's Administration). Contractor shall submit the completed Exhibit B (Contractor's Administration) in the time and manner as directed by County. In the event of any changes to the information provided in Exhibit B (Contractor's Administration), Contractor shall update Exhibit B (Contractor's Administration) and submit the revised document to County within two (2) weeks of any reassignment or substitution. Only those Contractor employees who have been designated by Contractor and assigned a password by County shall be allowed to access the MIS system.

9.16.4.3.3 Contractor shall ensure that the primary and secondary MIS employees are properly trained to operate the MIS and attend all MIS training provided by County to ensure that MIS operations are in compliance with all applicable regulations.

9.16.5 County Information Assets

9.16.5.1 County Information Assets are public, confidential, sensitive and/or personal data, records, materials, etc. and include (but are not limited to):

9.16.5.1.1 Information that is stored in any media form, paper or electronic.

9.16.5.1.2 Information that is collected, transmitted and/or accessed in the administration of the Program and in the provision of Services.

9.16.5.1.3 Personally Identifiable Information as defined in California Civil Code Section 1798.29(g).

9.16.5.1.4 Protected Health Information as defined in Health Insurance Portability and Accountability Act of 1996.

9.16.5.1.5 Medical Information as defined in California Civil Code Section 56.05(j).

9.16.6 **Physical and Environmental Security**

9.16.6.1 Contractor shall take reasonable measures to ensure the physical security of its operating location(s) that handles County Information Assets. Work areas containing computers or source documents should be secured from public access unless Contractor's representative is present. When unoccupied during non-operating hours, Contractor's facility(ies) shall be locked.

9.16.7 **Data Destruction**

9.16.7.1 When Contractor has maintained, processed or stored County Information Assets, implied or expressed, and such County Information Assets are no longer required to be retained by Contractor under this Master Agreement and applicable law, County shall have sole authority to determine when Contractor shall destroy any such County Information Assets as described herein. Contractor shall only proceed with the destruction of County Information Assets (which may be stored on purchased, leased or rented electronic storage equipment (e.g., printers, hard drives, etc.) and electronic devices (e.g., servers, workstations, etc.) that are geographically located within Los Angeles County or external to Los Angeles County's boundaries) upon receiving written authorization from County.

9.16.7.2 Contractor shall destroy such County Information Assets by:

9.16.7.2.1 Shredding or otherwise destroying paper, film, disk drives or other hard copy media so that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be read or otherwise reconstructed.

9.16.7.2.2 Clearing, purging or destroying electronic media containing Personally Identifiable Information, Protected Health Information and Medical Information consistent with National Institute of Standards and Technology ("NIST") Special Publication ("SP") 800-88 (Guidelines for Media Sanitization) which is available on-line at: [http://csrc.nist.gov/publications/PubsDRAFTS.html#SP-800-88-Rev. %201](http://csrc.nist.gov/publications/PubsDRAFTS.html#SP-800-88-Rev.%201) and United States Department of Defense 5220.22-M data sanitization and clearing directive such that the Personally Identifiable Information, Protected Health Information and Medical Information cannot be retrieved.

9.16.7.3 Contractor shall have the sole responsibility to certify that the County Information Assets have been appropriately destroyed consistent with the requirements outlined herein.

9.16.7.4 Contractor shall provide County with written certification validating that any and all County Information Assets were placed in one (1) or more of the following stored states: unusable, unreadable and/or indecipherable. Contractor shall submit such certification to County's Master Agreement Manager no later than ten (10) days after the occurrence of this event.

9.16.7.5 Subcontractor shall provide County with written certification validating that any and all County Information Assets were destroyed and are in one (1) or more of the following states: unusable, unreadable and/or undecipherable. Subcontractor shall submit such certification to County's Master Agreement Manager no later than ten (10) days after the removal of any electronic storage equipment and devices and the destruction of the County Information Assets.

9.16.8 **Encryption on Workstations and Portable Computing Devices**

9.16.8.1 Contractor shall use software and/or hardware encryption methods for confidential County

Information Assets stored on all electronic media in accordance with the following standards:

- 9.16.8.1.1 Federal Information Processing Standard Publication ("FIPS") 140-2.
 - 9.16.8.1.2 NIST SP 800-57 (Recommendation for Key Management - Part 1: General (Revision 3)).
 - 9.16.8.1.3 NIST SP 800-57 (Recommendation for Key Management - Part 2: Best Practices for Key Management Organization).
 - 9.16.8.1.4 NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).
 - 9.16.8.1.5 At a minimum, Contractor shall use Advanced Encryption Standard ("AES") with cipher strength of 256-bit
 - 9.16.8.1.6 Prior to use of remote servers (e.g., cloud storage, Software-as-a-Service (SaaS), etc.) for storage of County Information Assets, Contractor shall obtain written approval from County's Master Agreement Manager.
- 9.16.8.2 Contractor shall use software and/or hardware encryption methods for transmitted (i.e., through network transmission) confidential County Information Assets in accordance with the following standards:
- 9.16.8.2.1 NIST SP 800-52 (Guidelines for the Selection and Use of Transport Layer Security Implementations).
 - 9.16.8.2.2 NIST SP 800-57 (Recommendation for Key Management - Part 3: Application-Specific Key Management Guidance).
- 9.16.8.4 Contractor shall encrypt confidential, sensitive and/or personal County Information Assets which are stored on all electronic media (including workstations, portable computing devices (including, but not limited to, mobile devices, wearables, tablets, laptops, personal digital assistants, notebook computers, and backup media) and/or portable electronic storage media (including, but not limited to, discs, thumb/flash drives, external/portable hard drives, and backup media)).
- 9.16.8.5 **Removable Media**

9.16.8.5.1 Except in the context of Contractor's routine back-ups or as otherwise specifically authorized by County in writing, Contractor shall institute strict administrative, physical and logical security controls to prevent transfer of County information to any form of removable media. For purposes of this Master Agreement, removable media means portable or removable hard disks, floppy disks, universal serial bus (USB) memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., secure digital (SD), memory sticks (MS), compact flash (CF), smart media (SM), multimedia card (MMC), and xD-picture card (xD)), magnetic tape and all other removable data storage media.

9.16.8.6 In the event that Contractor will have County Information Assets on or accessed by mobile devices, Contractor shall have in place, a mobile computing policy, reviewable and audited by County. This policy must address device recovery and data eradication methods, the mobile device management capabilities in place, the use of personal devices versus Contractor-supplied devices and all applications that may have access to or render County Information Assets.

9.16.8.7 **Data Control and Media Servicing**

9.16.8.7.1 Contractor shall adhere to the requirements for back-up data stored by Contractor at off-site facilities as provided in this Subparagraph 9.16.8.7.

9.16.8.7.2 County Information Assets shall only be made available and accessible to those parties explicitly authorized under this Master Agreement or otherwise expressly approved by County in writing.

9.16.8.7.3 If transferred across the Internet, any wireless network (e.g., cellular, Bluetooth, 802.11x, or similar technology), or other public or shared networks, County Information Assets must be protected using industry standard encryption technology in accordance with the NIST SP 800-52 (Guidelines for the Selection and use of Transport Layer Security Implementations).

9.16.8.7.4 If transferred using removable media

(as defined above), County Information Assets must be sent via a bonded courier or protected using industry standard encryption technology in accordance with NIST SP 800-111 (Guide to Storage Encryption Technologies for End User Devices).

9.16.8.7.5 In the event any hardware, storage media or removable media must be sent off-site for servicing, Contractor shall ensure that all confidential County Information Assets, including Personally Identifiable Information, Protected Health Information and Medical Information, have been cleared, purged and/or scrubbed from such hardware and/or media using industry best practices in accordance with NIST SP 800-88 (Guidelines for Media Sanitization).

9.16.8.8 Contractor shall certify its compliance with the encryption standards noted herein as a condition of executing this Master Agreement. Contractor provide such certification by completing and submitting Exhibit V (Contractor's Compliance with Encryption Requirements) in the form and manner as determined by County. Contractor shall maintain compliance with this policy during the term of this Master Agreement and for as long as Contractor maintains or is in possession of County Information Assets. In addition to the foregoing certification, Contractor shall maintain any validation/attestation reports that the data encryption product generates and such reports shall be subject to audit in accordance with the requirements outlined in Subparagraph 8.37 (Record Retention, Inspection and Audit Settlement). In the event of Contractor's non-compliance with these requirements, County will require Contractor to develop and execute a corrective action plan. Contractor's failure to comply with this policy may subject Contractor to suspension or termination of this Master Agreement, denial of access to County information technology resources and/or other remedies which are deemed appropriate by County.

9.16.9 **Software Maintenance and Operational Management**

9.16.9.1 Contractor shall deploy up-to-date anti-virus software with current definitions on all computer systems on which County Information Assets are stored and/or transmitted.

9.16.9.2 Contractor shall ensure that all security patches, software updates/upgrades, etc. are applied to all computer systems on which County Information Assets are stored and/or transmitted.

9.16.9.3 Contractor shall deploy adequate back-up facilities to ensure that its essential business information can be promptly recovered in the event of a disaster or media failure.

9.16.9.4 Contractor shall ensure that its operating procedures are adequately documented and designed to protect information, computer media and data from theft and unauthorized access.

9.16.10 **Access Control**

9.16.10.1 Contractor shall implement formal procedures to control access to its systems, services and data, including, but not limited to, user account management procedures and other controls as outlined in this Subparagraph 9.16. Contractor shall ensure that network access to both internal and external networked services shall be controlled through the use of properly configured firewalls, etc. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization and event logging. Applications will include access control to limit user access to information and application system functions. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Contractor shall record, review and act upon all events in accordance with incident response policies set forth herein.

9.16.10.2 Contractor shall develop, implement and enforce/maintain a password policy which requires users who are authorized to access confidential County Information Assets on electronic media to: create a strong complex password containing at least eight (8) characters, which shall include upper and lower case letters, digits and symbols; and, change his/her password at a minimum every ninety (90) days, etc.

9.16.10.3 Contractor shall develop, implement and enforce/maintain a password policy which provides for the following system requirements: when user changes his/her password, the system shall restrict user from re-using any of the last six (6) passwords; the system will lock itself after a minimum of three (3) to a maximum of five (5) failed logon attempts made by user within a thirty (30) minute time frame; and, the system will either lock itself or log off user after thirty (30) minutes of inactivity.

9.16.11 **Personnel and Contractor Protections**

9.16.11.1 Contractor shall screen and conduct background checks on all Contractor personnel exposed to confidential County Information Assets. Contractor shall require its employees and subcontractor(s) to sign an appropriate written

confidentiality/non-disclosure agreement. All subcontracts involving access to Contractor's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls, and procedures for information systems. Contractor shall supply each of its employees with appropriate, ongoing training regarding information security procedures, risks, vulnerabilities and threats. Contractor shall have an established set of procedures to ensure Contractor employees promptly report actual and/or suspected breaches of security.

9.16.12 County's Security Audit

9.16.12.1 At County's sole discretion, County or its designee may annually, or more frequently, conduct a security audit to determine Contractor's adherence to the requirements outline in this Subparagraph 9.16.

9.16.12.2 County's security audit may include, but is not limited to, a review of the following elements, which shall be provided by Contractor upon County's request: a report on Contractor's encryption of all electronic media; Contractor's report verifying County's written authorization for data destruction along with documented certification of such destruction; and, Contractor's written assurance indicating that Contractor enforces security measures to control physical access (i.e., access to premises) and electronic access (i.e., access to electronic media) to County Information Assets.

9.16.13 Security Incident Reporting

9.16.13.1 A security incident occurs when County Information Assets are accessed, modified, destroyed or disclosed without proper authorization or are lost or stolen. A security incident includes (but is not limited to) instances in which Contractor employees access systems in excess of their user rights or use the systems inappropriately, data is breached, etc.

9.16.13.2 Notification of Security Breach to County

9.16.13.2.1 Contractor must immediately report all security incidents to County's Program Manager but in no event shall the report be made more than two (2) business days after its detection. Contractor shall initiate the contact by telephone and followed by written letter of any potential or actual security attacks or security incidents.

9.16.13.2.2 Contractor's notification of the security incident shall include the approximate date and time of its occurrence and a

summary of the relevant facts, including a description of measures being taken to address the occurrence.

9.16.13.3 Notification of Security Breach to Clients

9.16.13.3.1 Contractor shall give written notice to any Client or data subject whose personal information may have been breached.

9.16.13.3.2 Contractor shall provide such written notice in the most expedient time possible and without unreasonable delay except when notification would impede a criminal investigation or, when necessary, measures to restore system integrity are required.

9.16.14 Electronic Backups

9.16.14.1 Contractor shall ensure that all electronic County Information Assets are protected by performing regular backup of automated files and databases, and ensure the availability of County Information Assets for continued business. Contractor shall ensure that any portable electronic media used for backups is encrypted.

9.16.15 Cloud Storage

9.16.15.1 Contractor and its subcontractor(s) may not utilize cloud storage of County Information Assets without the express written authorization of County, after a review of the cloud service by County or its designee(s).

9.16.16 Hardware Return

9.16.16.1 Upon termination or expiration of this Master Agreement or at any time upon County's request, Contractor will return all hardware provided by County or purchased by Contractor using Master Agreement Sums. Contractor shall not alter or modify such hardware. Contractor shall physically seal the hardware and return it to County via a bonded courier or as otherwise directed by County in accordance with Exhibit O (Purchase, Inventory and Disposal Requirements for Fixed Assets, Non-Fixed Assets and Supplies).

9.16.16.2 In the event that the hardware contains confidential County Information Assets and is owned by Contractor or its subcontractor, Contractor shall send a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction and the company or individual who performed the destruction to County's Program Manager within fifteen (15) days of termination or expiration of this Master Agreement or at any time upon County's request.

Contractor's destruction or erasure of Personal Information, Protected Health Information and Medical Information shall be in compliance with industry best practices as outlined in NIST SP 800-88 (Guidelines for Media Sanitization).

9.16.17 Contractor shall ensure that its subcontractor(s) adheres to all of the provisions included in this Subparagraph 9.16.

9.17 REMEDIES FOR NON-COMPLIANCE

9.17.1 Contractor agrees to comply with the requirements set forth in the entirety of this Master Agreement as well as the requirements contained in supporting Program legislation and all applicable directives, Program memoranda, notices, guidelines and instructions issued by or on behalf of Federal, State or County authorities. Contractor's failure to comply with such requirements shall subject Contractor to remedies which are available under this Master Agreement and as provided by law. These remedies include but are not limited to the following: probation; suspension of payment(s); suspension of Services; assessment and collection of liquidated damages; de-obligation of Master Agreement Sums (for purposes of this Master Agreement, de-obligation is the partial or full removal of Master Agreement Sums from Contractor); re-obligation of Master Agreement Sums (for purposes of this Master Agreement, re-obligation is the allocation of de-obligated Master Agreement Sums to another current contractor(s) and/or to a new contractor); debarment; and/or termination of this Master Agreement. County shall have the sole discretion to determine which remedy(ies) will be applied as a result of Contractor's non-compliance.

9.18 MASTER AGREEMENT DOCUMENT DELIVERABLES

9.18.1 Prior to the execution of this Master Agreement and throughout the entire term of this Master Agreement, Contractor shall obtain and maintain current and appropriate licenses, permits and certificates which are required by all applicable County, State and/or Federal laws, regulations, guidelines, Program memoranda and directives for the operation of its facility(ies) and for the provision of Services hereunder. Prior to the execution of this Master Agreement and annually thereafter (or as otherwise established by County), Contractor shall submit evidence/documentation (Master Agreement Document Deliverables) of its compliance with this requirement in the form and manner that is prescribed by County. Contractor shall provide to County's Master Agreement Manager, by the deadline imposed by County, current copies of these deliverables which must be complete (without missing pages) and legible, and shall include:

9.18.1.1 Master Agreement Compliance Documents (as described in Subparagraph 9.18.3)

9.18.1.2 Business Forms (as described in Subparagraph 9.18.4)

9.18.1.3 Reporting Documents (as described in Subparagraph 9.18.5)

9.18.1.4 Other Documents: During the term of this Master Agreement, County or its designee(s) may request from time to time additional documents from Contractor, and Contractor shall adhere to County's request for such documents.

9.18.2 Contractor shall submit copies of all new or renewed licenses, permits, and certificates to County's Master Agreement Manager within five (5) business days of the license, permit or certification award or renewal. Contractor shall immediately notify County of any lapses or expirations of these items. Contractor's failure to maintain and/or timely submit documents required or requested by County may result in County imposing remedies as determined by County in its sole discretion.

9.18.3 **Master Agreement Compliance Documents**

9.18.3.1 **Business License**

9.18.3.1.1 When the local governing authority requires Contractor's organization to obtain a license to operate and conduct business within its local governing authority's jurisdiction, Contractor shall obtain such license to perform the Services outlined in this Master Agreement. The local governing authority may be either the local city government for entities doing business within its city limits or County of Los Angeles for entities located outside of city limits (i.e., unincorporated areas or designated cities). Contractor shall ensure that the license is current throughout the entire term of this Master Agreement. Contractor shall provide a current copy of its license to County annually (or upon expiration, as noted on the license).

9.18.3.2 **Certificate of Insurance**

9.18.3.2.1 The certificate shall evidence Contractor's compliance with the insurance requirements outlined in Subparagraph 8.23 (General Provisions for all Insurance Coverage) and Subparagraph 8.24 (Insurance Coverage). Contractor shall also provide copies of the certificate of insurance as it relates to its subcontractor(s).

9.18.3.3 **Fire Department Inspection Report**

9.18.3.3.1 For each Service site that Client will visit, Contractor shall obtain an annual fire inspection of its facility(ies). The

inspection shall be conducted by the Los Angeles County Fire Department or by Contractor's local fire department and Contractor shall obtain a written report of the inspection which shall be provided to County annually. In the event that violations are noted on the inspection report, Contractor shall ensure that it complies with all corrective measures as directed by the fire department. Contractor shall provide to County written evidence of its compliance within five (5) days of receiving the evidence from the fire department. The fire inspection report shall be current within the most recent twelve (12) month period.

9.18.4 **Business Forms**

9.18.4.1 **Articles of Incorporation**

9.18.4.1.1 This document, which evidences the legal formation of Contractor's organization, shall reflect Contractor's current legal name; and, County shall use this document as verification of Contractor's name. In the event there are any amendments or addendums to the articles of incorporation, Contractor shall provide copies of such amendments/addendums to County within five (5) days of said amendments/addendums being finalized.

9.18.4.1.2 When Contractor's organization is a local government or a consortium of local governments, Contractor shall provide either a city charter or a joint powers agreement respectively, in lieu of the articles of incorporation.

9.18.4.2 **Board of Director's Resolution**

9.18.4.2.1 A resolution which provides written evidence to support the delegated authority that Contractor's organization has vested in Contractor's Authorized Representative who will act on behalf of Contractor pursuant to Subparagraph 8.3 (Authorization Warranty). Such written evidence shall adhere to the following requirements outlined in this Subparagraph 9.18.4.2.

9.18.4.2.2 If Contractor is a public entity (defined as the government of the United States; the government of a State or political subdivision of a State; or any

interstate governmental agency), Contractor shall submit a copy of its resolution, order or motion which has been approved by its Governing Body (e.g., Board of Supervisors, City Council, etc.) and signed by the presiding chairperson/president of the Governing Body to County. If Contractor is a private non-profit entity, Contractor shall submit a copy of written authorization from its Governing Body (e.g., Board of Directors) and signed by the presiding chairperson/president to County.

9.18.4.2.3 Contractor's resolution, order, motion or other authorization shall contain the following elements: reference to this Master Agreement by name and number; authorize execution of this Master Agreement; identify Contractor's Authorized Representative and any designee who will execute the original Master Agreement and any subsequent amendments to this Master Agreement (Contractor's Authorized Representative and any designee shall be specified in Exhibit B (Contractor's Administration)); and, approve and accept Master Agreement Sums. In the event that there is a change in Contractor's Authorized Representative, Contractor shall provide County a revised resolution, order, motion or other authorization which reflects the new Contractor's Authorized Representative within five (5) days of being approved by the Governing Body.

9.18.4.3 **Board of Directors Roster**

9.18.4.3.1 The roster shall include the individuals who comprise Contractor's Board of Directors. In the event that the roster is updated, Contractor shall provide an updated roster to County within five (5) days of it being approved or finalized.

9.18.4.4 **Bylaws**

9.18.4.4.1 This document shall reflect the internal rules which govern Contractor's organization. These rules are generally concerned with the operation of the organization, and setting out the form, manner or procedure in which the organization should operate. In the event that the bylaws are

amended, Contractor shall provide such amendments to County within five (5) days of them being approved.

9.18.4.5 Complaint Policies and Procedures

9.18.4.5.1 Contractor's policies and procedures for receiving, investigating and responding to Client complaints shall be prepared and submitted to County pursuant to the requirements outlined in Subparagraph 8.4 (Complaints).

9.18.4.6 Direct Deposit Authorization Form

9.18.4.6.1 Document completed by Contractor for purposes of authorizing payment for Services to be received through direct deposit into Contractor's bank account. County shall provide the form to Contractor upon commencement of Master Agreement.

9.18.4.7 Organization Chart

9.18.4.7.1 The chart shall provide an outline of the hierarchy, relationships and relative ranks of Contractor's organizational parts and positions/jobs as it related to the operations of this Master Agreement. In the event that Contractor revises its organization chart, a copy shall be provided to County within five (5) days of any change in its organization chart.

9.18.4.8 Subcontract

9.18.4.8.1 This executed third-party agreement (as defined in Subparagraph 8.39 (Subcontracting)) and any amendments or addendums thereto, shall be provided to County within five (5) days of the execution of that agreement, amendment, and addendum.

9.18.4.9 Tax Exempt Status Letter

9.18.4.9.1 Written documentation that is obtained from the Internal Revenue Service as evidence of Contractor's tax exempt status. When Contractor is a non-profit entity, such evidence must reflect Contractor's tax exempt status. In the event Contractor's tax exempt status changes, Contractor shall provide County a copy of its new status within five (5) days of any change in its tax exempt status.

9.18.4.10 Terms and Conditions of Use-User Agreement

9.18.4.10.1 Each employee who will access the Contract Management System - Contractor's Gateway shall complete and submit this agreement. Additional information is available in Exhibit R (Contract Management System - Contractor's Gateway Terms and Conditions of Use).

9.18.5 Reporting Documents

9.18.5.1 Cost Allocation Plan

9.18.5.1.1 This Plan, included herein as Exhibit U (Cost Allocation Plan), shall adhere to the requirements outlined in Subparagraph 9.19.1 (Cost Allocation Plan for Cost Reimbursement Activities).

9.18.5.2 Closeout Report

9.18.5.2.1 This report shall adhere to the requirements outlined in Subparagraph 9.19.2 (Closeout Reporting Requirements).

9.18.5.3 Other Reporting Documents

9.18.5.3.1 From time-to-time, County or its designee(s) may request other documents relating to Contractor's performance, Work, and/or Services. County shall not be unreasonable in its request and Contractor shall adhere to County's request for such documents.

9.19 FISCAL REPORTING REQUIREMENTS

9.19.1 Cost Allocation Plan for Cost Reimbursement Activities

9.19.1.1 Contractor acknowledges that as a condition of receiving this Master Agreement, Contractor shall submit its organization-wide Cost Allocation Plan to County no later than sixty (60) days after the start date of the Master Agreement term. This Cost Allocation Plan shall be included in this Master Agreement as Exhibit U (Cost Allocation Plan).

9.19.1.2 The Cost Allocation Plan shall adhere to the requirements outlined in the following: County directives (including but not limited to CSS directive CCD-15-03 (Cost Allocation and Indirect Cost Requirements for CSS Subawards)) which may be obtained at <http://css.lacounty.gov/programs/program-directives/>, Exhibit M (Accounting, Administration and Reporting Requirements) and Title 22 Code of Federal Regulations Part 200 et seq. At a minimum, the Plan shall include the following information:

- 9.19.1.2.1 Description of Contractor's organization (i.e., non-profit, for-profit, public/government, etc.).
 - 9.19.1.2.2 Description of Contractor's general accounting policies, including its basis of accounting.
 - 9.19.1.2.3 List of all the funded programs.
 - 9.19.1.2.4 An organizational chart that identifies the various services and/or functions for each unit.
 - 9.19.1.2.5 A detailed listing of all shared and pooled direct and indirect costs that will be allocated.
 - 9.19.1.2.6 Identification of the Master Agreement year term for any information/documentation related to the Plan (i.e., July 1, 2017 - June 30, 2018).
 - 9.19.1.2.7 A thorough description of the methods used to allocate all shared or pooled direct or indirect costs and the auditable documentation for supporting each basis for allocation.
- 9.19.1.3 Every cost included in the Cost Allocation Plan shall be supported by formal, documented accounting records, and the basis for its distribution must be calculated by actual usage (e.g., time distribution, number of Clients served, square footage, etc.) - arbitrary percentages or estimates are not allowed.
- 9.19.1.4 In order to certify the accuracy of the Cost Allocation Plan, Contractor shall sign the Cost Allocation Plan and any revisions made thereto.
- 9.19.1.5 By April 1 of each Master Agreement year after the first Master Agreement year in a multi-year term, Contractor shall submit written confirmation that its Cost Allocation Plan methodology described in Subparagraph 9.19.1.2.7 will remain in effect throughout the following Master Agreement year. In the event that this Cost Allocation Plan methodology must be revised for the following Master Agreement year then Contractor shall submit the revised methodology to County's Master Agreement Manager by April 1 of the current Master Agreement year. The Cost Allocation Plan methodology may only be revised once during any Master Agreement year.
- 9.19.1.6 In the event that the information provided in the Cost Allocation Plan as it relates to Subparagraphs

9.19.1.2.1 - 9.19.1.2.6 must be revised at any time during the Master Agreement term then Contractor shall submit the revisions to County's Master Agreement Manager within thirty (30) days of completing the revisions.

9.19.1.7 Upon receipt of the revisions made to Contractor's Cost Allocation Plan, County will review these revisions. Neither Contractor's submission of these revisions to its Cost Allocation Plan nor County's receipt of these revisions to Contractor's Cost Allocation Plan shall constitute County's acceptance or approval of the Cost Allocation Plan revisions. County reserves the right to either accept or reject any revision(s) to the Cost Allocation Plan that County deems is unacceptable. County will notify Contractor in writing whether the revisions are approved or rejected. Upon rejection of the revisions, Contractor shall take the required actions needed to correct its revisions. Contractor's failure to adhere to County's requirements shall subject Contractor to remedies available under this Master Agreement.

9.19.2 **Closeout Reporting Requirements**

9.19.2.1 The closeout is a process that takes place upon the expiration or termination of the period in which Program Services are provided which includes the end of the Master Agreement term, the end of the Fiscal Year or any other period when the Master Agreement is terminated. The purpose of closeout is to ensure that final reports are received and evaluated, allowable costs are determined and amounts due to either County or to Contractor are determined and payment arrangements made.

9.19.2.2 Contractor shall complete and submit a mandatory Closeout Report in the form and manner designated by County. The Closeout Report shall include the reporting of expenses and accruals incurred through the last day of the Fiscal Year or Program Year. County will notify Contractor of the deadline for submission of the Closeout Report.

9.19.2.3 Contractor must ensure that all invoices are submitted and finalized prior to the submission of its Closeout Report. County will not pay invoices that are received after Contractor has submitted the Closeout Report. Once County has reviewed and accepted Contractor's Closeout Report, the data reflected on the Closeout Report will be reported to State as final. Any subsequent revisions will require the written signature and authorization of Contractor's Authorized Representative.

9.19.2.4 If this Master Agreement is terminated or cancelled prior to June 30th of any Fiscal Year, the Closeout Report shall be for that Master Agreement period which ends on the termination or cancellation date.

Contractor shall submit the Closeout Report after the termination/cancellation date in the manner and timeframe designated by County.

9.19.3 **Program Income Requirements**

9.19.3.1 Program Income includes, but is not limited to:

9.19.3.1.1 Income received by Contractor or subcontractors directly generated by a grant support activity, or earned only as a result of the grant Master Agreement during the grant period.

9.19.3.1.2 Income from usage or rental fees of real or personal property acquired with Master Agreement Sums.

9.19.3.1.3 Interest income earned on funds received under this Master Agreement is included.

9.19.3.2 Contractor shall adhere to the Program Income requirements outlined herein and in Title 2 Code of Federal Regulations Part 200 et seq.

9.19.3.3 Contractor shall use Program Income to expand baseline Program Services.

9.19.3.4 Contractor shall report Program Income in Exhibit S (Budget) and shall expend Program Income under the same terms and conditions as the Master Agreement Sums from which it is generated.

9.19.3.5 Program Income shall be used to pay for current allowable Program costs in the same Fiscal Year or Program Year that the Program Income is earned. If Program Income is earned in excess of the amount reported in Exhibit S (Budget) then that excess amount may be deferred for use in the first quarter of the following Fiscal Year or Program Year. If such Program Income is deferred for use, Contractor shall use it by the last day of the first quarter of that Fiscal Year or Program Year.

9.19.3.6 Contractor shall not use Program Income to meet the match contribution requirement of this Master Agreement.

9.19.3.7 Contractor shall provide a disposition of all Program Income received and expended as part of the Closeout reporting process in the form, manner and timeline as designated by County.

9.19.4 **Program Refunds and Rebates**

9.19.4.1 Contractor shall abide by the following:

9.19.4.1.1 Any refunds or rebates made during the period of performance of this Master Agreement shall abate expenditures and not be retained by Contractor for other purposes. Examples of refunds and rebates include but are not limited to:

9.19.4.1.1.1 Refunds for workers compensation payments,

9.19.4.1.1.2 Vendor rebates, and

9.19.4.1.1.3 Receipts from sale of property for which County does not hold title.

9.19.4.2 Any refunds or rebates related to this Master Agreement made after submission of the final report must be remitted to County. Checks shall be sent to:

County of Los Angeles
Workforce Development, Aging and Community Services
Financial Management Division
Attention: Fiscal Officer II
3175 West 6th Street
Los Angeles, CA 90020

9.20 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) AND SYSTEM FOR AWARD MANAGEMENT (SAM)

9.20.1 Pursuant to the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) and Title 2 Code of Federal Regulations Part 25, Contractor shall be responsible for obtaining and maintaining a DUNS number from Dun and Bradstreet and should be registered in SAM. The DUNS number is a unique nine-digit identification number and is site-specific. Therefore, each distinct physical location of Contractor's organization (such as branches, divisions, and headquarters) will have its own, unique DUNS number. Contractor can obtain a DUNS number at no cost by telephone 1-866-705-5711 or on-line at <http://fedgov.dnb.com/webform>. Contractor shall comply with the requirements outlined in this Subparagraph 9.20.

9.20.2 Contractor shall provide a valid DUNS number to County in the time and manner as designated by County. Contractor must keep its DUNS number and maintain an active SAM registration with current information at all times on the website at: <https://www.sam.gov/portal/SAM#1>. If County cannot access Contractor's DUNS information related to this Master Agreement on the Federal Funding Accountability and Transparency Act Contract Reporting System (SAM.gov) due to errors in

Contractor's data entry for its DUNS number, County will notify Contractor and Contractor must immediately update the information as required.

9.20.3 Contractor's failure to adhere to applicable DUNS and SAM requirements may result in County imposing remedies as determined by County in its sole discretion.

9.21 UNUSUAL OCCURRENCES AND CRIME

9.21.1 Unusual occurrences such as natural disaster (including earthquakes, floods, landslides, wildfires, extreme heat/cold), man-made emergencies (such as epidemic outbreaks, bio-terrorism, food-borne illness, fire, major accidents, death from unnatural causes or other catastrophes), and unusual occurrences which threaten the welfare, safety or health of Clients, Contractor personnel or visitors to Contractor's facility(ies) shall be reported by Contractor within twenty-four (24) hours to the local health officer by telephone and in writing, and to County by telephone and also in writing or email.

9.21.2 Crime related occurrences, such as theft or vandalism, must be reported by Contractor within twenty-four (24) hours to the local police or sheriff by filing a police report and to County by telephone, and in writing or email. Contractor shall also prepare and retain an incident report on file, and shall include a copy of the filed police report.

9.21.3 Contractor shall maintain all incident reports in a manner consistent with Subparagraph 8.37 (Record Retention, Inspection and Audit Settlement). Contractor shall furnish such other pertinent information related to such occurrence as the local authorities and/or County may require.



IN WITNESS WHEREOF, Contractor has executed this Master Agreement or caused it to be duly executed, and the County of Los Angeles, by order of its Board of Supervisors, has caused this Master Agreement to be executed on its behalf by the Director of Workforce Development, Aging and Community Services, on the day and year first above written. The person(s) signing on behalf of Contractor warrants under penalty of perjury that he or she is authorized to bind Contractor. Contractor and County acknowledge that this Master Agreement shall not be deemed to be active until such time that the document is executed by the respective authorized representatives of both Contractor and County.

COUNTY OF LOS ANGELES

By _____ Date _____
Cynthia D. Banks, Director
County of Los Angeles
Workforce Development, Aging
and Community Services

CONTRACTOR

Contractor's Legal Name

Master Agreement Number

By _____ Date _____
Name of Authorized
Representative

Title

Approved as to Form:

Signature

OFFICE OF COUNTY COUNSEL
Mary C. Wickham, County Counsel

By _____
Lawrence M. Green
Deputy County Counsel

By _____ Date _____
Name of Authorized
Representative

Title

Signature