



**REGIONAL COOPERATIVE AGREEMENT RCA-017-22010016**  
**BETWEEN**  
**THE COUNTY OF ORANGE**  
**AND**  
**MATRIX IMAGING PRODUCTS, INC**  
**FOR**  
**SCANNING, INDEXING, REDACTION AND IMAGING SERVICES**

This Contract RCA-017-22010016 for Scanning, Indexing, Redaction and Imaging Services (“Contract”) is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California, (“County”) and Matrix Imaging Products, Inc with a place of business at 18445 Amistad Street, Fountain Valley, CA 92708 (“Contractor”), with County and Contractor sometimes referred to individually as “Party” or collectively as “Parties”.

**ATTACHMENTS**

This Contract is comprised of this document and the following Attachments, which are incorporated by reference into this Contract and constitute a part of this Contract:

Attachment A – Scope of Work

Attachment B – Compensation and Pricing

Attachment C - Business Associate Contract

Attachment D - Certification for Data Removal

Attachment E – Contractor’s Equipment List

**RECITALS**

**WHEREAS**, County solicited via a Request for Proposal (“RFP”) for Scanning, Indexing, Redaction and Imaging Services; and

**WHEREAS**, Contractor responded to RFP and represented that Contractor is qualified to provide Scanning, Indexing, Redaction and Imaging Services to County; and

**WHEREAS**, Contractor agrees to provide Scanning, Indexing, Redaction and Imaging Services to County as further set forth in the Scope of Work, attached hereto as Attachment A and incorporated herein; and

**WHEREAS**, Contractor agrees to accept payment based on the pricing set forth in Compensation and Pricing, attached hereto as Attachment B and incorporated herein; and

**WHEREAS**, Contractor agrees to comply with the business associate requirements set forth in Business Associate Contract, attached hereto as Attachment C and incorporated herein; and

*NOW THEREFORE*, the Parties mutually agree as follows:

ARTICLES

**GENERAL TERMS AND CONDITIONS**

- A. Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.
- B. Entire Contract:** This Contract, including Attachments which are attached hereto and incorporated herein by this reference, contains the entire contract between the Parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. Electronic acceptance of any additional terms, conditions or supplemental contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee.
- C. Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the Parties; no oral understanding or agreement not incorporated herein shall be binding on either of the Parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. Taxes:** Unless otherwise provided herein or by law, the price stated in Attachment B does not include California state sales or use tax. Out-of-state Contractors shall indicate California Board of Equalization permit number and sales permit number on invoices, if California sales tax is added and collectable. If no permit numbers are shown, sales tax will be deducted from payment. The Auditor-Controller will then pay use tax directly to the State of California in lieu of payment of sales tax to Contractor.
- E. Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed scope of work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.
- F. Acceptance/Payment:** Unless otherwise agreed to in writing by County: 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of County, and 2) payment shall be made in arrears pursuant to Attachment B after County's satisfactory acceptance.

- G. Warranty:** Contractor expressly warrants that the goods covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold County and County Indemnitees, as more fully described in Paragraph Z, harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in Paragraph Z, it shall indemnify, defend and hold County and County Indemnitees harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses and attorney's fees.
- I. Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the Parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express prior written consent of County. Contractor shall provide County no less than sixty (60) calendar days' written notification of its intent to assign, sell, delegate or otherwise dispose of the rights and obligations of this Contract. Any attempt by Contractor to assign the performance or any portion thereof of this Contract without the express prior written consent of County shall be void and invalid and shall constitute a material breach of this Contract.
- J. Non-Discrimination:** In the performance of this Contract, Contractor must comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.
- K. Termination:** In addition to any other remedies or rights it may have by law and those set forth in this Contract, County has the right to immediately terminate this Contract without penalty for cause or after thirty (30) calendar days' written notice without cause, unless otherwise specified. Cause shall include, but not be limited to, any material breach of contract, any misrepresentation or fraud on the part of Contractor, and any assignment, subcontracting or change of ownership without County's express prior written consent. County's decision to exercise the right to terminate the Contract shall relieve County of all further obligations under this Contract. The Parties may mutually terminate this Contract by written agreement at any time. The rights, obligation, and conditions, that by their express terms or nature and context are intended to

survive the termination or expiration of this Contract, survive any termination or expiration of this Contract.

- L. Consent to Breach Not Waiver:** Any action or inaction by County or failure of County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to enforce any right or provision contained herein shall not be construed as a waiver or relinquishment by County of its rights hereunder and shall not prevent County from enforcing such provision or right on any future occasion. Further, no term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent is in writing and signed by the Party claimed to have waived or consented. Any consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- N. Performance:** Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.
- O. Insurance Provision:** Prior to the provision of services under this Contract, Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy County that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with County during the entire term of this Contract.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by County from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by County representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any SIR in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by County's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold County harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subcontractor's performance of this Contract, Contractor shall defend County at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and Contractor's SIR provision shall be interpreted as though Contractor was an insurer and County was the insured.

If Contractor fails to maintain insurance acceptable to County for the full term of this Contract, County may terminate this Contract.

#### Qualified Insurer

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by Contractor shall provide the minimum limits and coverage as set forth below:

Coverage	Minimum Limits
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence
Network Security & Privacy Liability	\$1,000,000 per claims-made

#### **Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

#### **Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the *County of Orange, its elected and appointed officials, officers, agents and employees* as Additional Insureds, or provide blanket coverage, which will state **AS REQUIRED BY WRITTEN CONTRACT**.
- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that Contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Network Security and Privacy Liability policy shall contain the following endorsements which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement naming the County of Orange, its elected and appointed officials, officers, agents and employees as Additional Insureds for its vicarious liability.
- 2) A primary and non-contributing endorsement evidencing that the Contractor's insurance is primary and any insurance maintained by the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the *County of Orange, its elected and appointed officials, officers, agents and employees* or provide blanket coverage, which will state **AS REQUIRED BY WRITTEN CONTRACT**.

All insurance policies required by this Contract shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) calendar days of any policy cancellation and ten (10) calendar days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which County may suspend or terminate this Contract.

The Commercial General Liability policy shall contain a severability of interest clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 Policy).

Insurance certificates should be emailed to [CEOCPOInsurance@ocgov.com](mailto:CEOCPOInsurance@ocgov.com).

Certificate Holder must state:

County of Orange  
 c/o: CEO/County Procurement Office  
 Attn: Insurance  
 1300 S. Grand Ave., Ste. A, 2<sup>nd</sup> Floor, Santa Ana, CA 92705-4434

If Contractor fails to provide the insurance certificates and endorsements within seven (7) calendar days of notification by CEO/County Procurement Office or the department purchasing division, award may be made to the next qualified vendor.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) calendar days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

**P. Changes:** Contractor shall make no changes in the work or perform any additional work without County's express prior written consent.

**Q. Change of Ownership/Name, Litigation Status, Conflicts with County Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and County agrees to an assignment of the Contract, the new owners shall be required under terms of sale or other transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of County.

County reserves the right to immediately terminate the Contract in the event County determines that the assignee is not qualified or is otherwise unacceptable to County for the provision of services under the Contract.

In addition, Contractor must notify County in writing of any change in Contractor's status with respect to name changes that do not require an assignment of the Contract. Contractor also must notify County in writing if Contractor becomes a party to any litigation against County, or a party to litigation that may reasonably affect Contractor's performance under the Contract, as well as any potential conflicts of interest between Contractor and County that may arise prior to or during the period of Contract performance. While Contractor must provide this information without prompting from County any time there is a change in Contractor's name, conflict of interest or litigation status, Contractor must also provide an update to County of its status in these areas whenever requested by County.

Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with County interests. In addition to Contractor, this obligation applies to Contractor's employees, agents, and subcontractors associated with the provision of goods and services provided under this Contract. Contractor's efforts shall include, but not be limited to, establishing rules and procedures preventing its employees, agents, and subcontractors from providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to influence or appear to influence County staff or elected officers in the performance of their duties.

**R. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract to the extent such delay is caused by any act of God, war, civil disorder, employment

strike or other cause beyond Contractor's reasonable control, provided Contractor gives written notice of the cause of the delay to County within thirty-six (36) hours of the start of the delay and Contractor avails itself of any available remedies to end the delay and minimize the effects of such delay. County may terminate this Contract by written notice to Contractor if the delay continues substantially uninterrupted for a period of five (5) business days or more.

- S. Confidentiality:** All County Data shall be deemed confidential. Contractor must hold County Data in strict confidence and maintain the confidentiality of County Data pursuant to all statutory laws relating to privacy and confidentiality that currently exist or may exist at any time during the term of this Contract. Contractor must protect County Data from unauthorized access, use, disclosure and loss through the observance of the same or more effective procedural requirements as used by County. In addition, Contractor must not use, modify, merge with other data, commercially exploit, make available or make any other use of County Data or take, or refrain from taking, any other action that might, in any manner or form, adversely affect or jeopardize the integrity, security, or confidentiality of County Data, except as expressly permitted herein or as expressly directed by County in writing. Contractor also must not copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose, such County Data to third parties other than employees, agents, or subcontractors who require the County Data for performance of this Contract. The obligation in this Paragraph S applies to Contractor's employees, agents, and subcontractors.

Contractor must immediately report to County any and all unauthorized disclosures or uses of County Data or suspected or threatened unauthorized disclosures or uses of County Data of which Contractor or Contractor's employees, agents and/or subcontractors are aware or have knowledge or reasonable belief. Contractor acknowledges that any unauthorized publication or disclosure of County Data to others or unauthorized use of County Data may cause immediate and irreparable harm to County. If Contractor should publish, disclose, or use such County Data without authorization, or threaten such action, County is immediately entitled to injunctive relief and any other remedies to which it is entitled under law or equity, without requiring a cure period. Contractor must, in accordance with the more specific requirements contained in Paragraph Z, indemnify, defend, and hold County and County Indemnitees harmless from and against any and all damages, costs, liabilities, and expenses (including without limitation attorneys' fees) relating to or arising from Contractor's unauthorized publication, use, or disclosure of County Data.

- T. Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of Paragraph Z, Contractor agrees that it shall defend, indemnify and hold County and County Indemnitees harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.

- U. Freight:** Intentionally Omitted.

- V. Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions



hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

- W. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each Party shall bear its own attorney's fees, costs and expenses.
- X. Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each Party has been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each Party further acknowledges that it has not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the Parties and this Contract.
- Y. Employee Eligibility Verification:** Contractor warrants that it is and will remain in full compliance with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., 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 the law. Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.
- Z. Indemnification:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- AA. Audits/Inspections:** Contractor agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any

aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. County will provide reasonable notice of such an audit or inspection.

County reserves the right to audit and verify Contractor's records before final payment is made.

Contractor must maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor agrees to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor must include in each subcontract a similar right to County to audit records and interview staff of any subcontractor related to performance of this Contract.

Should Contractor cease to exist as a legal entity, Contractor's records pertaining to this Contract shall be forwarded to County's project manager.

- BB. Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.
- CC. Expenditure Limit:** Contractor shall notify the County of Orange assigned Deputy Purchasing Agent in writing when the expenditures against the Contract reach seventy-five percent (75%) of the dollar limit on the Contract. County is not responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.
- DD. Remedies Not Exclusive:** The remedies for breach set forth in this Contract are cumulative as to one another and as to any other provided by law, rather than exclusive; and the expression of certain remedies in this Contract does not preclude resort by either Party to any other remedies provided by law.
- EE. Bills and Liens:** Contractor shall pay promptly all indebtedness for labor, materials and equipment used in performance of the work. Contractor shall not permit any lien or charge to attach to the work or the premises, but if any does so attach, Contractor shall promptly procure its release and, in accordance with the requirements of Paragraph Z, indemnify, defend, and hold County harmless and be responsible for payment of all costs, damages, penalties and expenses related to or arising from or related thereto.
- FF. Headings:** The various headings and numbers herein, the grouping of provisions of this Contract into separate clauses and paragraphs, and the organization hereof are for the purpose of convenience only and shall not limit or otherwise affect the meaning hereof.

#### ADDITIONAL TERMS AND CONDITIONS

- 1. Scope of Contract:** This Contract, including the attachment(s) that constitute a part of this Contract, specifies the contractual terms and conditions by which Contractor will provide Scanning, Indexing, Redaction and Imaging Services described in Attachment A, Scope of Work.

2. **Term of Contract:** This Contract shall commence on May 7, 2022 and continue for five (5) calendar years from that date, unless otherwise terminated pursuant to this Contract.
3. **Breach of Contract:** The failure of Contractor to comply with any of the provisions, covenants or conditions of this Contract, shall constitute a material breach of this Contract. In such event, County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract, do any of the following:
  - a. Afford Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach.
  - b. Discontinue payment to Contractor for and during the period in which Contractor is in breach and offset against any monies billed by Contractor but yet unpaid by County those monies disallowed pursuant to the breach.
  - c. Terminate the Contract for cause immediately without penalty pursuant to Paragraph K, Termination.
4. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title II of the Americans with Disabilities Act of 1990; and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.
5. **Conflict of Interest:** The County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. Contractor shall not, during the period of this Contract, employ any County employee for any purpose.
6. **Conditions Affecting Work:** Contractor is responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to County. County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents during or prior to the execution of this Contract, unless such understanding or representations by County are expressly stated in the Contract and the Contract expressly provides that County assumes the responsibility.
7. **Contingent Fees:** Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees of Contractor or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

For breach or violation of this warranty, County has the right to immediately terminate this Contract for cause in accordance with Paragraph K, Termination, and, at its sole discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee from Contractor.
8. **Contractor's Expense:** Contractor is responsible for all costs related to photo copying, telephone communications, fax communications, and parking while on County sites during the

performance of work and services under this Contract. County will not provide free parking for any service in the County Civic Center.

9. **Contractor's Project Manager:** Contractor's Project Manager, as specified in Paragraph 9, Notices, will direct Contractor's efforts in fulfilling Contractor's obligations under this Contract. This Project Manager shall be subject to approval by County and shall not be changed without the written consent of County's Project Manager, which consent shall not be unreasonably withheld. Contractor's Project Manager and key personnel shall be assigned for the duration of this Contract and shall diligently pursue all work and services to meet the project time lines.
10. **County's Project Manager:** County's Project Manager, as specified in Paragraph 10, Notices, will act as liaison between County and Contractor during the term of this Contract.

County's Project Manager has the right, in its sole discretion, to require the removal and replacement of Contractor's Project Manager and Contractor personnel from providing services to County under this Contract. County's Project Manager shall notify Contractor in writing of such action. Contractor shall accomplish the removal of Contractor's Project Manager and Contractor personnel within three (3) calendar days after written notice by County's Project Manager. County's Project Manager shall review and approve the appointment of the replacement for Contractor's Project Manager and Contractor personnel. Said approval shall not be unreasonably withheld. County is not required to provide any information, reason or rationale in the event it requires the removal of Contractor's Project Manager or Contractor personnel.

11. **Contractor's Records:** Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from County. Storage of records in another county will require written consent from the County of Orange DPA.
12. **Contractor Personnel – Reference Checks:** Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Contractor's employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the County department issuing this Contract.
13. **Contractor Work Hours and Safety Standards:** Contractor shall ensure compliance with all safety and hourly requirements for employees in accordance with federal, state and County safety regulations and laws.
14. **Contractor Personnel – Uniform/Badges/Identification:** All Contractor's employees shall wear uniforms, badges, or other means of identification furnished by Contractor at all times while working on County property. The assigned Deputy Purchasing Agent must be notified in writing within seven (7) calendar days of execution of Contract of the uniform and/or badges and/or other identification to be worn by employees prior to beginning work and notified in writing at least seven (7) calendar days prior to any changes in this procedure.
15. **County of Orange Disabled Veteran Business Enterprise Preference Requirements:** Contractor certifies it is in compliance, and will remain in compliance, with County of Orange Disabled Veteran Business Enterprise Preference requirements at the time this Contract is executed.

16. **County of Orange Local Small Business Preference Requirements:** Contractor certifies it is in compliance, and will remain in compliance, with County of Orange Local Small Business Preference requirements at the time this Contract is executed.
17. **Data – Title To:** All materials, documents, data, reports, information or other materials obtained from County data files or any County medium or furnished by or on behalf of County to Contractor in the performance of this Contract or created, generated or modified by County or by Contractor through the performance of this Contract, including all intellectual property rights in or pertaining to the same, (“County Data”) shall be owned solely and exclusively by and will at all times remain the property of County. To the extent there is any uncertainty as to whether data constitutes County Data, the data in question shall be treated as County Data. Contractor acknowledges and agrees that, as between the Parties, County owns all right, title, and interest in, and all intellectual property rights in and to, all County Data. Within forty-eight (48) hours of County’s request, Contractor shall provide County a copy of any County Data, reports and other documents or materials created by or obtained from County being held by Contractor under this Contract. All County Data, including copies, must be promptly returned to County upon expiration or earlier termination of this Contract.
18. **Default – Reprocurement Costs:** In case of Contract breach by Contractor, resulting in termination by County, County may procure the goods and/or services from other sources. If the cost for those goods and/or services is higher than under this Contract, Contractor will be responsible for paying County the difference between the Contract cost and the price paid, and County may deduct this cost from any unpaid balance due Contractor. The price paid by County shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this Contract and under law.
19. **Drug-Free Workplace:** Contractor hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. Contractor must:
- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a)(1).
  - b. Establish a drug-free awareness program as required by Government Code Section 8355(a)(2) to inform employees about all of the following:
    1. The dangers of drug abuse in the workplace;
    2. The organization’s policy of maintaining a drug-free workplace;
    3. Any available counseling, rehabilitation and employee assistance programs; and
    4. Penalties that may be imposed upon employees for drug abuse violations.
  - a. Provide as required by Government Code Section 8355(a)(3) that every employee who works under this Contract:
    1. Will receive a copy of the company’s drug-free policy statement; and
    2. Will agree to abide by the terms of the company’s statement as a condition of employment under this Contract.

Failure to comply with these requirements may result in suspension of payments under the Contract or termination of the Contract or both, and Contractor may be ineligible for award of any future County contracts if County determines that any of the following has occurred:

- b. Contractor has made false certification, or
- c. Contractor violates the certification by failing to carry out the requirements as noted above.

**20. Disputes – Contract:**

- a. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by Contractor's Project Manager and County's Project Manager, such matter shall be brought to the attention of the County Purchasing Agent by way of the following process:
  - 1. Contractor shall submit to the department assigned DPA a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Contract, unless County, on its own initiative, has already rendered such a final decision.
  - 2. Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which Contractor believes County is liable.
- b. Pending the final resolution of any dispute arising under, related to, or involving this Contract, Contractor must diligently proceed with the provision of services under this Contract. Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of County shall be expressly identified as such, shall be in writing, and shall be signed by the County Purchasing Agent or his designee. If County fails to render a decision within ninety (90) calendar days after receipt of Contractor's demand, it shall be deemed a final decision adverse to Contractor's contentions. Nothing in this paragraph shall be construed as affecting County's right to terminate the Contract for cause or for convenience as provided in Paragraph K, Termination.

- 21. Emergency/Declared Disaster Requirements:** In the event of an emergency or if Orange County is declared a disaster area by County, state or federal government, this Contract may be subjected to unusual usage. Contractor shall service County during such an emergency or declared disaster under the same terms and conditions that apply during non-emergency/disaster conditions. The pricing in Attachment B shall apply to serving County's needs regardless of the circumstances. If Contractor is unable to supply the goods/services under the terms of the Contract, then Contractor shall provide proof of such disruption and a copy of the invoice for the goods/services from Contractor's supplier(s). Additional profit margin as a result of supplying goods/services during an emergency or a declared disaster shall not be permitted. In the event of an emergency or declared disaster, emergency purchase order numbers will be assigned. All applicable invoices

from Contractor shall show both the emergency purchase order number and the Contract number.

22. **Errors and Omissions:** All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as Project Manager, prior to submission to County. Contractor agrees that County review is discretionary and Contractor shall not assume that County will discover errors and/or omissions. If County discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should County or others discover errors or omissions in the reports, files or other written documents submitted by Contractor after County approval thereof, County approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between County and Contractor, and the reports, files or documents will be returned to Contractor for correction.
23. **Equal Employment Opportunity:** Contractor shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity", as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable state of California regulations as may now exist or be amended in the future. Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

Regarding handicapped persons, Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. Contractor agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.

Regarding Americans with disabilities, Contractor agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

24. **Gratuities:** Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, County has the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by County in procuring on the open market any services which Contractor agreed to supply shall be borne and paid for by Contractor. The

rights and remedies of County provided in this paragraph are not exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

25. **Lobbying:** On best information and belief, Contractor certifies no federal appropriated funds have been paid or will be paid by, or on behalf of, Contractor to any person for influencing or attempting to influence an officer or employee of Congress; or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
26. **News/Information Release:** Contractor shall not issue any news releases or make any contact with the media in connection with either the award of this Contract or any subsequent amendment of, or effort under this Contract. Contractors must first obtain review and written consent of said news media contact from County through County DPA. Any requests for interviews or information received by the media should be referred directly to County. Contractors are not authorized to serve as a media spokesperson for County projects without first obtaining permission from County.
27. **Notices:** Any and all notices, request, demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the Parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the Parties hereto may designate by written notice from time to time in the manner aforesaid.

Contractor: Matrix Imaging Products, Inc  
 Attn: James Linhart, Project Manager  
 18445 Amistad Street  
 Fountain Valley, CA 92708  
 Phone: 714-556-5600  
 Email: james.linhart@matriximaging.com

County: County of Orange  
 County Executive Office/County Procurement Office  
 Attn: Sharmila Chadrasekharan or Sapreena Leoso  
 1300 S. Grand Ave., Bldg. A, 2<sup>nd</sup> Floor  
 Santa Ana, CA 92705-4434  
 Phone: 714-567-7428  
 Email: [Sharmila.Chadrasekharan@ocgov.com](mailto:Sharmila.Chadrasekharan@ocgov.com) or  
[Sapreena.Leoso@ocgov.com](mailto:Sapreena.Leoso@ocgov.com)

28. **Ownership of Documents:** County has permanent ownership of all directly connected and derivative materials produced under this Contract by Contractor. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remain the sole property of County and may be used by County as it may require without additional cost



to County. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by Contractor without the express prior written consent of County.

29. **Precedence:** The Contract documents consist of this Contract and its attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the attachments. Interpretation and clarification as necessary shall be determined by the County's Purchasing Agent or his designee
30. **Price Increase/Decrease:** No price increases will be permitted during the initial term of the Contract. County requires documented proof of cost increases on contracts prior to any price adjustment. A minimum of thirty (30) business days advance notice in writing is required to request such adjustment. No retroactive price adjustments will be considered. All price decreases will automatically be extended to the County of Orange. County may enforce, negotiate, or cancel escalating price contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing Contractor's profit are not allowed.
31. **Promotional/Advertisement:** County owns all rights to the name, trademarks, logos and symbols of County. The use and/or reproduction of County's name, trademark, logo and/or symbol for any purpose, including commercial advertisement, promotional purposes, announcements, displays or press releases, without County's express prior written consent is expressly prohibited. No use or reproduction may state or imply that County endorses Contractor's products or services.
32. **Publication:** No copies of sketches, schedules, written documents, computer-based data, photographs, maps or graphs, including graphic artwork, resulting from performance or prepared in connection with this Contract, are to be released by Contractor and/or anyone acting under the supervision of Contractor to any person, partnership, company, corporation, or agency, without County's express prior written consent, except as necessary for the performance of the services of this Contract. All press contacts, including graphic display information to be published in newspapers, magazines, etc., are to be administered by County or only after County approval.
33. **Regional Cooperative Agreement:** The provisions and pricing of this Contract will be extended to other California local or state governmental entities. Governmental entities wishing to use this Contract are responsible for issuing their own purchase documents/price agreements, providing for their own acceptance, and making any subsequent payments. Contractor must include in any contract entered into with another agency or entity that uses the terms and pricing of this Contract, a contract provision that states Contractor will hold harmless the County of Orange from all claims, demands, actions or causes of actions of every kind resulting directly or indirectly, arising out of, or in any way connected with the use of this Contract. Any contract that attempts to use the terms and pricing of this Contract without this contract provision is not permitted under this Contract. Further, the failure to include the contract provision will be considered a material breach of this Contract and grounds for County to immediately terminate the Contract for cause. The cooperative entities using this Contract are responsible for obtaining all certificates of insurance and bonds required. Contractor is responsible for providing each cooperative entity a copy of the Contract upon request by the cooperative entity. The County of Orange makes no guarantee of usage by other users of this Contract.

Contractor is required to maintain a list of the cooperative entities using this Contract. The list shall report dollar volumes spent annually and shall be provided on an annual basis to County, at County's request.

- 34. Reports/Meetings:** Contractor shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this Contract. County's Project Manager and Contractor's Project Manager shall meet on reasonable notice to discuss Contractor's performance and progress under this Contract. If requested, Contractor's Project Manager and other project personnel shall attend all meetings. Contractor shall provide such information that is requested by County for the purpose of monitoring progress under this Contract.
- 35. Security Requirements:** Upon request by County, Contractor shall, for all employees of Contractor performing services hereunder, do the following:
- a. Perform background checks on past employment history; Contractor may not rely on County's background clearance set forth in Paragraph 36, Background Clearance.
  - b. Inquire as to past criminal felony convictions.
  - c. Ascertain that those employees who are required to drive in the course of performing services hereunder have a valid California driver's license and no DUI convictions within two (2) years prior to commencement of services hereunder.
- 36. Background Clearance:** At least thirty (30) calendar days prior to the start of the Contract, or as soon as possible thereafter, Contractor shall email a list of current employees who will be assigned to perform services under this Contract to the corresponding County department Project Manager so that the department can conduct background investigations of those assigned employees as needed or as required by this Contract. While clearance may be denied for many reasons based on information obtained in a background investigation, an omission or false statement made by the employee, regardless of the nature of magnitude of the omission or false statement, may also be grounds for denying clearance.
- 37. Termination – Orderly:** If County terminates this Contract, Contractor may submit to County a termination claim, if applicable, after receipt of the termination notice. Contractor's claim must be submitted promptly, but in no event later than sixty (60) calendar days from the effective date of the termination, unless one or more extensions in writing are granted by County upon written request of Contractor. County agrees to pay Contractor for all services satisfactorily performed prior to the effective date of the termination that meet the requirements of the Contract according to the compensation provisions contained in this Contract; provided, however, that such compensation combined with previously paid compensation must not exceed the total compensation set forth in this Contract. Upon termination or other expiration of this Contract, each party must promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of execution and performance of this Contract and transfer all assets, tangible and intangible, as may be necessary for the orderly, non-disruptive business continuation of each party.
- 38. Usage:** No guarantee is given by County to Contractor regarding usage of this Contract. Usage figures, if provided, are approximate, based upon past usage. Contractor agrees to supply services requested, as needed by County, at rates/prices listed in the Contract, regardless of quantity requested.

39. **Usage Reports:** Contractor shall submit usage reports on an annual basis to the assigned Deputy Purchasing Agent of the County of Orange user department. The usage report shall be in a format specified by the user department and shall be submitted ninety (90) calendar days prior to the expiration date of the contract term, or any subsequent renewal term, if applicable.
40. **Waivers:** Failure of County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or options on any future occasion.
41. **California Public Records Act:** Contractor and County agree and acknowledge that all information and documents related to the award and performance of this Contract may be subject to disclosure pursuant to the California Public Records Act, California Government Code Section 6250 et seq.
42. **Cost/Price Data:** At all times during and following the period of Contract performance, County may require Contractor to furnish such cost and pricing data as County deems necessary to assess the reasonableness of Contract pricing, including the reasonableness of changes. Contractor agrees to maintain such records for a minimum of three (3) years after final payment unless a longer period of records retention is stipulated under this Contract or by law.
43. **Debarment:** Contractor certifies that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency. County has the right to terminate this Contract for cause pursuant to Paragraph K, Termination, if Contractor is or becomes the subject of any debarment or pending debarment, declared ineligible or voluntary exclusion from participation by any Federal department or agency.
44. **Subcontracting:** No performance of this Contract or any portion thereof may be subcontracted by Contractor without the express written consent of County. Any attempt by Contractor to subcontract any performance of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

In the event that Contractor is authorized by County to subcontract, this Contract shall take precedence over the terms of the Contract between Contractor and subcontractor and the subcontract shall incorporate by reference the terms of this Contract. County shall look to Contractor for performance and indemnification and not deal directly with any subcontractor. All work performed by a subcontractor must meet the approval of the County of Orange.

45. **Orange County Information Technology (OCIT) Confidentiality and Security Language**
- I. **Confidentiality:** Contractor shall ensure the confidentiality, protection and preservation of County's Confidential Information (defined below) and information of a confidential, sensitive, and/or proprietary nature, which may be disclosed or made available to Contractor for its performance of services under this Contract, all related subordinate contracts, and any cyber security assessment and audit of County's network equipment, and associated software, information and documentation (collectively, the "Purpose").
- a. "Confidential Information" means all non-public information, material, or documents, of any kind obtained from, or on behalf of, the County through any medium that is:

1. Designated in writing as “confidential” or “private” at the time of its disclosure; or
2. County’s sensitive security information, technical data, programs, software (including configuration or source codes), technical information, screen shots, customer information, employee records, computer network, or architectural or engineering information; or
3. Exploitable data, information protected by privacy law, or other information that is treated as confidential by County, or is prohibited from being disclosed for any reason pursuant to law, statute, regulation, ordinance, or contract; or
4. County information security records, the disclosure of which would reveal vulnerabilities to or otherwise increase the potential for an attack on an information technology system of County; or
5. Information obtained by Contractor relating to County during Contractor’s performance of the Contract, any related subordinate contracts, or the Purpose, that a reasonable person knows or reasonably should understand to be confidential and is treated confidential by the disclosing party.

**II. General Policies and Procedures:** Contractor and Contractor’s subcontractors, personnel, and all other agents and representatives of Contractor, shall at all times comply with and abide by all policies and procedures of County as they now exist or may hereafter be created, changed, modified, amended, supplemented or replaced by County from time to time, in its sole discretion, that are provided or available to Contractor in connection with Contractor’s performance under this Contract. Contractor shall cooperate with County in ensuring Contractor’s compliance with County policies and procedures described in this Contract and as adopted by County from time-to-time, and any material violations or disregard of such policies or procedures shall, in addition to all other available rights and remedies of County, be cause for termination of this Contract.

**III. Security Policies:** All performance under this Contract shall be in accordance with County’s security requirements, policies, and procedures as set forth in this Paragraph 45, Orange County Information Technology Confidentiality and Security Language. Contractor shall at all times use industry best practices and methods with regard to the prevention, detection, and elimination, by all appropriate means, of fraud, abuse, and other inappropriate or unauthorized access to County Resources (which is defined as all applicable County systems, software, assets, hardware, equipment, and other resources owned by or leased or licensed to County or that are provided to County by third party service providers) and County Data accessed in the performance of Services in this Contract. Contractor also must comply with Attachment C, Business Associate Contract.

**IV. Information Access:** Contractor must at all times use appropriate safeguard and security measures to ensure the confidentiality and security of all County Data and County Resources. All County Data and County Resources used and/or accessed by Contractor: (a) must be used and accessed by Contractor solely and exclusively in connection with, and in furtherance of, the performance of Contractor’s obligations under this Contract;

(b) must not be used or accessed except as expressly permitted in this Contract and must not be commercially exploited in any manner whatsoever by Contractor or Contractor's personnel and subcontractors; and (c) must not be shared with Contractor's parent company or other affiliate without County's express prior written consent.

County may require Contractor to issue any necessary information-access mechanisms, including access IDs and passwords, to Contractor personnel and subcontractors, only with such level of access as is required for the individual to perform the individual's assigned tasks and functions under this Contract. The issued mechanisms may not be shared and may only be used by the individual to whom the information-access mechanism is issued. In addition, the issued mechanisms must be promptly cancelled when the individual is terminated, transferred or on a leave of absence. Each calendar year of the Contract and any time upon request by County, Contractor must provide County with an accurate, up-to-date list of those Contractor personnel and subcontractors with access to County Data and/or County Resources and the respective security level or clearance assigned to each such individual.

Contractor, including Contractor personnel and subcontractors, must fully comply with all of County's policies and procedures regarding data access and security, including those prohibiting or restricting remote access to County Data and County Resources. County may require all Contractor personnel and subcontractors performing Services under this Contract to execute a confidentiality and non-disclosure agreement concerning County Data and County Resources in the form provided by County. Contractor's failure to comply with the provisions of this Paragraph is a breach of this Contract and entitles County to deny or restrict the rights of such non-complying Contractor personnel to access and use the County Resources and County Data, as County in its sole discretion deems appropriate.

- V. **Data Security Requirements:** Without limiting Contractor's obligation of confidentiality as further described in this Contract, Contractor must establish, maintain, and enforce a data privacy program and an information security program, including safety, physical, and technical security policies and procedures, that comply with the requirements set forth in this Contract and, to the extent such programs are consistent with and not less protective than the requirements set forth in this Contract, are at least equal to applicable best industry practices and standards. These programs must provide physical and technical safeguards against accidental, unlawful, or unauthorized access to or use, destruction, loss, alteration, disclosure, transfer, commingling, or processing of County Data. Contractor must take all necessary measures to secure and defend all locations, equipment, systems, and other materials and facilities employed in connection with the Services against "hackers" and others who may seek, without authorization, to disrupt, damage, modify, access or otherwise use Contractor Resources (which is defined as all Services, software, assets, hardware, equipment, and other resources and materials provided by Contractor to County, otherwise utilized by Contractor, or approved by Contractor for utilization by County, in connection with this Contract) or the information found therein; and prevent County Data from being commingled with or contaminated by the data of other customers or their users. Contractor also must continuously monitor Contractor Resources for potential areas where security could be breached. Contractor must review the data privacy and information security programs

regularly, but no less than annually, and update and maintain them to comply with applicable laws, regulations, technology changes, and best practices.

Without limiting County's audit rights in this Contract, County has the right to review Contractor's data privacy program and information security program prior to commencement of Services and from time to time during the term of this Contract. Contractor must allow County reasonable access to Contractor's security logs, latency statistics, and other related security data that affect this Contract and County Data, at no cost to County. In addition, during the term of this Contract from time to time without notice, County, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. Contractor must implement any required safeguards as identified by County or by any audit of Contractor's data privacy and information security program. County reserves the right, at its sole discretion, to immediately terminate this Contract or a part thereof for cause pursuant to Paragraph K, Termination, if County reasonably determines Contractor fails or has failed to meet its obligations under this Paragraph.

**VI. Enhanced Security Measures:** County may, in its discretion, designate certain areas, facilities, or County Resources as requiring an enhanced level of security and access control above that expressly required in this Contract. County will notify Contractor in writing reasonably in advance of any such designation becoming effective. The notice will set forth in reasonable detail the enhanced security or access-control procedures, measures, or requirements that Contractor must implement and enforce as well as the date on which such procedures and measures will take effect. If commercially reasonable, Contractor, including Contractor's personnel and subcontractors, must fully comply with and abide by all such enhanced security and access measures and procedures as of such date. If not commercially reasonable to fully comply as of such date, Contractor, including Contractor's personnel and subcontractors, must fully comply with and abide by all such enhanced security and access measures and procedures within a commercially reasonable time. County will be responsible for any additional cost required by the changes.

**VII. General Security Standards:** Contractor is solely responsible for the Contractor Resources used by or for Contractor to access County Resources, County Data or otherwise in connection with the Services and must prevent unauthorized access to County Resources or County Data through the Contractor Resources. At all times during the term, Contractor must maintain a level of security with regard to the Contractor Resources, that in all events is at least as secure as the levels of security that are common and prevalent in the industry and in accordance with industry best practices. Contractor must maintain all appropriate administrative, physical, technical, and procedural safeguards and controls to secure County Data from data breach, protect County Data and the Services from loss, corruption, unauthorized disclosure, and from hacks, and the introduction of viruses, Disabling Devices, malware, and other forms of malicious and inadvertent acts that can disrupt County's access and use of County Data and the Services. Such measures must include at a minimum: (a) access controls on information systems, including controls to authenticate and permit access to County

Data only to authorized individuals and controls to prevent Contractor employees from providing County Data to unauthorized individuals who may seek to obtain this information; (b) industry-standard firewall protection; (c) encryption of electronic County Data while in transit from Contractor networks to external networks; (d) measures to store in a secure fashion all County Data which must include but not be limited to, encryption at rest and multiple levels of authentication; (e) dual control procedures, segregation of duties, and pre-employment criminal background checks from employees with responsibilities for or access to County Data; (f) measures to ensure that County Data is not altered or corrupted without the prior written consent of County; (g) measures to protect against destruction, loss or damage of County Data due to potential environmental hazards, such as fire and water damage; (h) staff training to implement the information security measures; and (i) monitoring of the security of any portions of Contractor Resources that are used in the provision of the Services against intrusion on a twenty-four hour a day basis.

**VIII. Security Failures:** County has the right to immediately terminate this Contract with cause pursuant to Paragraph K, Termination, and the right to receive Contractor's payment of any pre-paid fees prorated to the date of termination if County in its sole discretion determines there is a Security Failure. A "Security Failure" means Contractor or its subcontractors, or the employees or agents of the foregoing, do not meet the security requirements of this Contract, including any backup, disaster recovery, or other policies, practices, or procedures related to security of County Data and County Resources. The remedy provided in this Paragraph is not exclusive and is in addition to any other rights and remedies provided by law or under this Contract.

**IX. Security Breach Notification:** In the event Contractor becomes aware of any act, error or omission, negligence, misconduct, or security incident including unsecure or improper data disposal, theft, loss, unauthorized use and disclosure or access, that compromises or is suspected to compromise the security, confidentiality, or integrity of County Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the security, confidentiality, or integrity of County Data, Contractor shall, at its own expense, (1) immediately notify the County's Chief Information Security Officer and County Privacy Officer of such occurrence and perform a root cause analysis thereon, (2) investigate such occurrence, (3) provide a remediation plan, acceptable to County, to address the occurrence and prevent any further incidents, (4) conduct a forensic investigation to determine what systems, data and information have been affected by such event, and (5) cooperate with County and any law enforcement or regulatory officials investigating such occurrence, including but not limited to making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by County and/or any law enforcement or regulatory officials, and (6) perform or take any other actions required to comply with applicable law as a result of the occurrence (at the direction of County). County shall make the final decision on notifying County persons, entities, employees, service providers, and/or the general public of such occurrence, and the implementation of the remediation plan. If notification to particular persons is required under any law or pursuant to any of County's privacy or security policies, then

notifications to all persons and entities who are affected by the same event shall be considered legally required. Contractor shall reimburse County for all notification related costs incurred by County arising out of or in connection with any such occurrence due to Contractor's acts, errors or omissions, negligence, and/or misconduct resulting in a requirement for legally required notifications.

**In the case of personally identifiable information, Contractor shall provide third-party credit and identity monitoring services to each of the affected individuals for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twelve (12) months following the date of notification to such individuals.**

**In addition to indemnity obligations set forth elsewhere in this Contract, Contractor shall indemnify, defend and hold County and County Indemnitees harmless from and against any and all claims, including reasonable attorneys fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from County in connection with the occurrence.**

Rafael Linares Chief Information Security Officer 1055 N. Main St, 6th Floor Santa Ana, CA 92701 Office: (714) 567-7611 E-mail: <a href="mailto:Rafael.linares@ocit.ocgov.com">Rafael.linares@ocit.ocgov.com</a>	Linda Le, CHPC, CHC, CHP County Privacy Officer 1055 N. Main St, 6th Floor Santa Ana, CA 92701 Office: (714) 834-4082 Email: <a href="mailto:linda.le@ocit.ocgov.com">linda.le@ocit.ocgov.com</a> <a href="mailto:securityadmin@ocit.ocgov.com">securityadmin@ocit.ocgov.com</a>
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- X. **Security Audits:** Contractor shall maintain complete and accurate records relating to its SOC Type II or equivalent's data protection practices and the security of any of County Data, including any backup, disaster recovery, or other policies, practices or procedures. Further, Contractor shall inform County of any security audit or assessment performed on Contractor's operations, information security program, or disaster recovery plan that includes County Data, within sixty (60) calendar days of such audit or assessment. Contractor will provide a copy of the audit report to County within thirty (30) days after Contractor's receipt of request for such report. If Contractor does not perform a SOC Type II or equivalent audit at least once per calendar year, County may perform or have performed by an independent security expert its own such security audits, which may include penetration and security tests of Contractor Systems and operating environments. All such testing shall ensure all pertinent County security standards as well as any customer agency requirements (e.g., such as federal tax requirements or HIPAA) are in place. Contractor shall reasonably cooperate with all County security reviews and testing, including but not limited to, penetration testing. Contractor shall implement any required safeguards as identified by County or by any audit of Contractor's data privacy and



information security program. In addition, Contractor will provide to County upon request the most recent third-party SOC 2 Type II report. County may also have the right to review Plans of Actions and Milestones (POA&M) for any outstanding items identified by the SOC 2 Type II report requiring remediation as it pertains to the confidentiality, integrity, and availability of County Data. County reserves the right, at its sole discretion, to immediately terminate this Contract or a part thereof without limitation and without liability if County reasonably determines Contractor fails or has failed to meet its obligations under this paragraph.

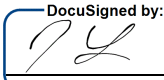
**SIGNATURE PAGE FOLLOWS**

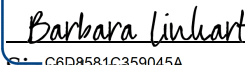
**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties hereto have executed this Contract on the dates shown opposite their respective signatures below.

**MATRIX IMAGING PRODUCTS, INC\***

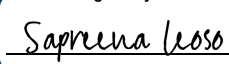
\* If Contractor is a corporation, signatures of two (2) specific corporate officers are required as further set forth. The first corporate officer signature must be one of the following: 1) the Chairman of the Board, 2) the President or 3) any Vice President. The second corporate officer signature must be one of the following: 1) Secretary, 2) Assistant Secretary, 3) Chief Financial Officer or 4) Assistant Treasurer. The signature of one person alone is sufficient to bind a corporation, as long as he or she holds corporate offices in each of the two categories described above. For County purposes, proof of such dual office holding will be satisfied by having the individual sign the instrument twice, each time indicating his or her office that qualifies under the above described provision. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signator to bind the corporation.

<b>James Linhart</b>	<b>President</b>
_____ Print Name	_____ Title
 DocuSigned by: 9418D91BA1574DF...	3/22/2022
_____ Signature	_____ Date

<b>Barbara Linhart</b>	<b>Secretary</b>
_____ Print Name	_____ Title
 DocuSigned by: C6D8E581C359045A...	3/23/2022
_____ Signature	_____ Date

\*\*\*\*\*

**COUNTY OF ORANGE A political subdivision of the State of California**

<b>Sapreena Leoso</b>	<b>Deputy Purchasing Agent</b>
_____ Print Name	_____ Title
 DocuSigned by: 5276040B14194D9...	3/23/2022
_____ Signature	_____ Date

## ATTACHMENT A SCOPE OF WORK

### I. INTRODUCTION

The County of Orange has established a Regional Cooperative Agreement (RCA) for Scanning, Indexing, Redaction and Imaging Services (hereinafter referred to as "Services"). This Contract is a usage contract between County and Contractor for the following Scope of Work.

### II. OVERVIEW AND APPROACH

Contractor shall provide all labor, materials, tools, and equipment required for Scanning, Indexing, Redaction and Imaging Services for all County Departments requesting Services under this Contract. Services shall be provided on an as-needed basis per Department requirements pursuant to a subordinate contract.

Services shall be in accordance with standards set by the American National Standards Institute (ANSI) and Association for Information and Image Management (AIIM) and Government Code section 26205.1.

**Contract shall include, but not be limited to, provision of the following:**

- A. Archiving of document images and metadata onto permanent storage media
- B. Compliance with Department-specific requirements for document handling and confidentiality
- C. Conversion of CD-ROM images and data for use in County document system
- D. Copying and/or printing of microfilm/microfiche records
- E. Delivery of document scan and index files in a format compatible with and usable by Department-specific document management applications
- F. Electronic form design and implementation
- G. Indexing of image files
- H. Inventorying and preparation for scanning of boxed documents provided to Contractor by County
- I. Optical Character Recognition (OCR) services
- J. Onsite scanning as required
- K. Redaction services for scanned images
- L. Release of metadata and images to legacy imaging and document management applications
- M. Roll film and microfiche scanning services
- N. Scanning of office and engineering drawings; photographs; case files; patient records; medical records; business records; parcel, subdivision, lot grade and curb grade maps; Public Hearing exhibits; precinct maps; Medical Examiner records and other documents as provided by Departments

### III. DEFINITIONS

**AIIM** Association for Information and Image Management  
**ANSI** American National Standards Institute  
**MASL** Minimum Acceptable Service Level  
**MQL** Minimum Quality Level  
**ANSI** American National Standards Institute  
**OCR** Optical Character Recognition  
**PDF** Portable Document File (Adobe)  
**TIFF** Tagged Image File Format  
**DPI** Dots Per Inch  
**FTP** File Transfer Protocol  
**SQL** Structured Query Language  
**ODBC** Open Database Connectivity

### IV. CONTRACTOR RESPONSIBILITIES

#### A. General Service Requirements

Contractor shall, at a minimum, meet the following service requirements:

1. Be available Monday through Friday from 8:00 a.m. to 5:00 p.m. Pacific Time to perform Services. At least one Contractor employee that can respond to inquiries and complaints shall staff the office during the hours of 8:00a.m – 5:00pm, Monday through Friday.
2. When the office is closed, an answering service shall be provided to receive calls. Answer calls received by the answering service within two (2) hours of receipt of call.
3. Maintain an office located within a seventy-five (75) mile radius from 12 Civic Center Plaza, on the corner of Civic Center Drive and Broadway Avenue in Santa Ana, California. This office must have a telephone in Contractor's name.
4. Maintain physical and data protection and control of all County files at all times. Contractor shall permit County to conduct a formal walk-through of Contractor's facility to validate that Contractor's physical security meets the minimum standards for security as described in the Security section of this Scope of Work. County documents and all copies remain the property of County at all times.
5. Make all documents in Contractor's possession available and retrievable by County personnel within a 24-hour recall period, either by returning the original document(s) to County or providing a digital image via email or other transfer protocol.
6. Make Services available on a 24-hour turnaround basis for limited use by Departments on an emergency basis.
7. Prepare documents to include removal of staples, clips, and bindings, sticky notes, rubber bands, unrolling of maps, repair of torn documents, etc.
8. Provide controlled access to Contractor's building when requested by County.
9. Provide document pickup and delivery at the locations specified and according to schedule(s) determined by County Departments. These locations will generally be within the geographical area of downtown Santa Ana, CA. Contractor must provide the necessary equipment, e.g., hand truck or hand cart, to load/unload County documents during pickup and delivery service. County personnel

will not participate in the loading/unloading of documents. County will contact Contractor prior to scheduled pick-up(s) if there are items for pick-up. In the event of unusually high volume, County will contact Contractor with a box count so that Contractor may adjust the size of the transport vehicle as necessary.

10. If a supplemental document needs to be added to a record that has already been provided to County, Contractor will schedule pickup of the document and scan/append the document as the first page in the digital record at no additional cost to County.
11. Provide required Network Security & Privacy Liability insurance when Payment Card Industry Data, Protected Health Information or Personal Identifiable Information is accessible to Contractor.
12. Transport all County documents in a secure, covered vehicle.
13. Utilize current hardware and software (preferably not greater than three years old) for film conversion and determine the resolution that will yield the best image quality and that will be forwardly compatible with County software.

#### **B. General Scanning, Indexing and Imaging Services**

Additional and/or detailed document scanning requirements may be specified by individual County Departments. At a minimum, Contractor shall have the ability to:

1. Accommodate various paper weights, types and sizes, including, but not limited to:
  - a. Color documents
  - b. Grayscale paper files ranging in size from (but not limited to) 8.5" x 11" E size drawings
  - c. Manuals (with disposable bindings)
  - d. Photographs
  - e. Mounting small papers on same color papers in order to ensure proper lighting illumination when scanning various colored documents. (It is acceptable to scan smaller papers separately without mounting if the image result is the same or better.)
2. Complete indexing for all scanned images and review for accuracy prior to submission to County. Indices shall be in a format required by the Department.
3. Ensure 100% image capture.
4. Convert scanned images to PDF archive format as well as PDF image, including searchable text with thumbnails or bookmarks.
5. Convert TIFF Images to searchable PDF images.
6. Cooperate with Department in the development of document workflows and operational procedures that ensure Department operations are not impacted. This may include transfer of data or documents from Contractor to County staff and vice versa for the purpose of task assignment, recording receipt in County systems, and development of data files that align with all required County systems.
7. Coordinate pick-up and delivery of source media and converted data.
8. Deliver to each Department its scanned files in the format and via the media or method requested by that Department.

9. Digitize jacketed microfiche sheets.
10. Digitize rolled film (16mm).
11. Ensure that all related documents, regardless of size, are scanned into and indexed in the same file folder. Where applicable, documents are to be re-stapled prior to being returned to County.
12. Maintain a priority scanning sequence of paper, film and aperture cards.
13. Not purge any documents during the preparation and/or scanning process without written permission from County Project Manager.
14. Provide on-site (on County property) services as requested by County.
15. Provide automatic double-sided scanning. Both sides of documents shall be imaged, excluding blank pages.
16. Provide mixed media scanning of large architectural drawings, Mylar (film), sepia and "Blue Line" drawings as well as standard office-sized documents.
17. Provide OCR services. This process shall provide an accurate conversion of image data into a searchable PDF format. Contractor should address whether a searchable database can be generated from OCR and whether OCR information will be retained.
18. Provide special handling and scanning of older or degraded files and plans. County expects Contractor will produce the best image possible and will make the necessary repairs, e.g., taping corners, staple removal, etc., to produce an acceptable product.
19. Scan documents contained within a file in the same sequence as originally received. If the individual Department requires the return of document originals, Contractor shall return documents within a file in the same sequence as originally received. Actual file folders will not be scanned.
20. Scan media at 300 DPI or higher. County will accept varying DPI for color copies if the copies produced are the same or superior to those at 300 DPI.
21. Scan & index case records and other County designated documents immediately from date of receipt by Contractor or upon an agreed timeframe with the department.
22. Store hard copy of imaged documents up to seven (7) calendar days as determined by the Department. Stored case documents must be separated by date for ease of identification and retrieval and must be made available to County staff as needed for quality control purposes. Contractor must work with County staff to identify documents eligible for destruction. No documents may be destroyed or disposed of by Contractor unless approved by County Project Manager.
23. Use batch targets to indicate file separation and individual document types. Automatic de-skew, de-speckle, document rotation, border detection and image enhancement shall be provided at no extra cost to County.
24. Use target identifiers that minimize manual indexing and ensure the proper segmentation and compilation of file folders. Each record type must have an indexing structure. Examples of the types of targets that shall be used include:

- a. Batch Targets
- b. Folder Separators
- c. Certification Targets
- d. Document File Identifier
- e. Document Type Identifier

25. Verify all index information to ensure accurate retrieval of imaged data.
26. Data Removal - Contractor shall provide County with Contractor's written policies and procedures associated with permanently removing all stored County data/images from the hard disk drives and Cache memory that resides within Copiers. Procedures associated with permanently removing all stored County data/images from the hard disk drives and Cache memory that resides within Copiers shall be in compliance with NIST SP 800-88 and Department of Defense (DoD) 5220.22-compliant sanitation programs. "

### C. County Department – Specific Services

Contractor will enter into subordinate contracts with individual County Departments under this Contract and tailor Services to meet Department needs. Services subject to customization by individual Departments may include, but are not limited to:

1. **HIPAA:** Confidentiality of all programs and records pursuant to all statutory laws relating to privacy, confidentiality, HIPAA, and confidentiality as now in existence or as hereafter. Any and all persons and data referred to Contractor by County shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees. Upon request of County, Contractor's staff may be required to sign and return a confidentiality statement from each person having access to data while in Contractor's possession and beyond.

County Department shall provide the appropriate HIPAA Business Associate Language Terms and Conditions pertinent to need basis. (See Attachment C)

2. **Work Location**  
Work may be performed at Contractor facility, County facility, or some combination thereof, per the requirements of each Department. Contractor must maintain the ability to perform work at either location. Each Department will provide pick-up and delivery locations.
3. **Document Handling**
  - a. Specific pickup/delivery schedules will be determined by each Department in coordination with Contractor.
  - b. Departments may arrange to have documents sent to Contractor by the originating entity via U.S. Mail or other delivery service. In such instances, Contractor must complete opening, sorting, and stamping of date received for all documents per the requirements of each Department.
4. **Volume**  
Document volume will be specified by each Department. The number of documents or records to be processed in a given timeframe will be negotiated by Department directly with Contractor.

5. Turnaround  
Contractor shall upload the scanned images and their indices into each Department data repository within one (1) week of pickup of the documents or records unless otherwise specified by Department.
6. Department Scope of Work  
Contractor shall provide to each contracting Department the timeframes for completion and costs to complete the Scope of Work based on the terms of the Subordinate Contract.
7. Document Return  
All documents must be returned to County unless specified differently and data removed by Contractor as required by the Department and this Contract.
8. Document/Record Transmittal and Indexing
  - a. Departments shall provide Contractor with records/documents that are stored in adequately marked boxes.
  - b. Each Department will specify whether Contractor or Department is responsible for providing a document manifest for each box of records/documents.
  - c. Contractor shall index each document/record according to Department specifications.
  - d. Contractor shall provide bar-coding services for County at no additional charge.
9. Provision of Scanned Documents via Medium of Department's Choice  
Scanned documents may be provided via one or more of the following media per each Department's requirements:
  - a. DVDs
  - b. Online repository
  - c. FTP site
  - d. Computer server accessible by FTP which shall be accessible and importable via online and/or Internet secured access
  - e. Online and/or Internet secured access
  - f. Contractor hosted system
10. Provision of Files for Use by Department Specified Software Application(s)
  - a. Departments electing to receive document files in electronic format may specify whether Contractor or Department has responsibility for uploading files to the identified target platform(s).
  - b. Department technical staff may work with Contractor to define file formats, data formats and import requirements for each Department application(s).
  - c. Document repositories must integrate seamlessly with Department administrative work environment.
  - d. Contractor shall provide all information, support and assistance necessary for the importation of each data repository.



- e. Contractor shall retain the data repository for a minimum of thirty (30) days or for a period specified by Department after Department has successfully imported the data.
- f. In the event that data is lost by Department, Contractor shall provide a copy of the lost data in the specified format, provided Department requests the data within the specified Contractor retention period.

#### 11. Redaction Services

Departments may have redaction requirements. In such cases, Contractor must be able to:

- a. Provide a written plan for the redaction process and validation methodology.
- b. State how many Social Security numbers will be redacted per document and if there is an additional cost if this number is exceeded.
- c. Describe how the proposed redaction solution will detect the presence of Social Security numbers in any format (with or without dashes), including the ability to recognize handwritten, typed, and machine generated Social Security numbers throughout an entire single or multiple-page document.
- d. Provide statistical reports based on the status of the redaction progress and provide the ability to customize and/or run ad-hoc reports.
- e. Provide a tool that enables County to run reports to test the control and effectiveness of the redaction process.
- f. Provide an example of a report generated after redaction and information about what software was used to generate the report.
- g. Describe to Department staff a method for manually checking the accuracy and quality of the redacted images.
- h. Identify if additional costs will be charged if legislation is later enacted to include other types of information to be redacted.
- i. Identify how the redacted images will be returned and imported. (Please refer to Government Code Section 27301-27305).
- j. Describe any exceptions or special procedures required to handle back-file images that must be flagged or redacted on a batch basis (multiple images at once), an individual basis (single or one-by-one), or when accessed via a restricted (non-public) search after being noted as a redacted document during public searches. The latter will require integration with the records management non-public search system.
- k. Correct any errors County discovers in the redaction process at no additional cost to County.
- l. Redact information with a minimum accuracy rate of 99%.
- m. Support single or multi-page TIFF-IV format images.
- n. Describe whether the redacted information is reversible, whether the software generates metadata and whether the redaction will take place at Contractor location or whether it will be outsourced.
- o. Return redacted images via secure FTP, including a summary of the aggregate file size, record count, and a report detailing the instrument number, record type and date of recording of each redacted image by drive.

## D. Service Levels

1. The MASL for Services is a minimum of 24 hours and a maximum of two work weeks (80 hours) from the time the work is received by Contractor.

Contractor shall provide the minimum MASL of 24 hours in emergency or urgent circumstances. Work provided in this timeframe may receive compensation at a premium rate that shall be established prior to commencement of work for any County Department.

2. Pick-up and delivery schedules will be negotiated between Contractor and the applicable representative for each County Department.

## E. Security

### 1. General Requirements

- a. Contractor assumes responsibility for protecting County equipment and data assets and maintaining their integrity, confidentiality, and availability at all times.
- b. Contractor must only use and disclose County data as permitted in this Contract and only use the data to perform an administrative function in direct support of County. All other uses and disclosure of County data requires the express written approval of County. Access to County data will be limited to those who require this access to perform their official duties in support of County business requirements. Contractors who access, disclose, or use County data for a purpose not authorized in this Contract may be subject to civil and criminal prosecution.
- c. Each Contractor employee must sign a confidentiality statement setting forth the employee's agreement to comply with all information security-related provisions in this Contract before accessing County data and annually thereafter. Contractor must draft the confidentiality statement and submit the statement for County's review and approval prior to signing. The statement must include at a minimum: General use; security and privacy safeguards; unacceptable use; and enforcement policies. Contractor must retain all signed statements for a minimum of three years.

### 2. System Requirements

- a. All workstations, laptops, tablets or other communication devices that process or store County data must encrypt the data using a FIPS 140-2 256 bit or higher algorithm that is full disk. Servers that process or store County data must have sufficient administrative, physical and technical controls in place to protect that data based on a risk assessment and security review.
- b. All workstations and laptops that process or store County data must install and actively use an anti-virus software solution that automatically updates at least daily.
- c. All workstations and laptops that process or store County data must have critical security patches applied within 30 days of release. Higher risk patches should be applied within 7 days.

- d. All users must have a unique password with high complexity (minimum 8 characters with at least one upper case letter, lower case letter, number and special character) and which must be changed at least every 90 days.
- e. The systems providing access to County data must have an automatic timeout requiring re-authentication of users after no more than 20 minutes of inactivity.
- f. All systems providing access to County data must display a warning banner stating at a minimum that the data is confidential, the system is logged, and that the system shall only be used for business purposes by authorized users.
- g. The systems that provide access to County data must maintain an automated audit trail that can identify the user on the system.

### 3. Security Plan

- a. Contractor shall provide a written security plan a minimum of two (2) weeks prior to Contract start date and County must approve this plan prior to gaining access to County data. This plan will explain the procedures to be used by Contractor to prevent theft or unauthorized access to and/or dissemination of County data, documents, photographic images, sound recordings, CDs, DVDs, or other County-owned media.
- b. Contractor shall describe all safeguards in place to ensure compliance with legal and regulatory requirements as they relate to County data. These include, but are not limited to, Personal Identifying Information (PII), the Health Insurance Portability and Accountability Act (HIPAA), SB1386 compliance, Payment Card Industry (PCI) Data Security Standards, and Sarbanes-Oxley (SOX).
- c. Contractor shall describe all processes in place to ensure compliance with requirements for County data classification, including County *Proprietary*, *Confidential* and *Sensitive* classifications.
- d. The County Information Security Officer (CISO) or designee may validate that Contractor's security plan is being enforced and that all precautions are being taken to secure and protect County records.

### 4. Control Access

- a. Access to the work area shall be controlled by key cards, key pad access, or other secure means. Only authorized and cleared personnel shall be permitted in the area where County documents are stored, scanned or indexed.
- b. Contractor shall maintain a daily incoming and outgoing log of all personnel entering or leaving the facility for the duration of this Contract.
- c. County may, at any time, conduct a formal walk-through of Contractor's facility to validate that Contractor's physical security meets the minimum standards for security as described herein.

### 5. Uniform/Identification Badges

- a. Contractor employees assigned to pick up documents and records from County facilities shall wear an appropriate uniform at all times. At a minimum, such uniform

shall consist of a shirt featuring Contractor name/logo. Uniforms will be provided by and at Contractor expense.

- b. Contractor shall furnish and require every on-duty employee to wear a visible photo identification badge identifying employee, at a minimum, by name, and company. Such badge shall be displayed on employee's person at all times he/she is at County facilities or on County premises.

## F. Quality Assurance and Control

### 1. Contractor shall:

- a. Ensure services are in accordance with standards set by the American National Standards Institute (ANSI) and Association for Information and Image Management (AIIM) and Government Code section 26205.1.
- b. Provide to County samples of documents converted to appropriate media within thirty (30) business days of Contract execution for the purpose of establishing Quality Benchmarks. Additionally, prior to the start of any new Department engagement or project, representative samples as specified above will be provided to Department. County and Contractor will meet and jointly agree as to the subjective measurement(s) for acceptable image quality.
- c. Return scanned media on no less than a weekly basis.
- d. Provide County with a weekly report that indicates work received from each Department. This report shall include the time received and the type and volume of work provided.
- e. Perform adequate quality assurance so that the index data is ninety-nine percent (99%) accurate at the field level.
- f. Be subject to random quality checks of all Services. When the image quality encountered by County during a random inspection is poor or marginal, County shall compare this image to the previously accepted benchmark sample. If the document image in question is equal to or of better quality than the benchmark sample then the document will be accepted; if not, the document (image) along with all images contained in the same file folder will be rejected and re-scanned by Contractor. If Contractor is repeatedly unable to produce acceptable image quality from documents determined to be acceptable in the benchmark test, County shall issue a cure notice asking Contractor to explain how it is going to rectify the problem. If Contractor's response is not satisfactory, County may immediately terminate this Contract for cause pursuant to Paragraph K, Termination. After rejecting a file, the applicable Department representative may inspect at least ten (10) additional document scans both before and after any corrective actions have been taken. If this inspection results in another rejection of an image or file, then the entire batch may be rejected.
- g. Ensure that any document that is regarded as poor quality will be compared to the quality sample provided by County. Images not meeting this quality level may be cause for rejection by County unless Contractor can prove that it has provided the best image possible based upon the original document.

2. Contractor must provide a Quality Assurance Plan. This plan must be accepted by County prior to commencement of Services. The plan shall, at a minimum, include the following:

- a. An acknowledgement that all images must be equal to or better than the benchmark samples submitted and accepted by County. Contractor must provide a method for handling missing images, multiple images, and incorrect or poor-quality images. County may elect to receive or reject the product at no cost to County. County may reject product and require Contractor to reproduce product to meet MQL.
  - b. Description of how the production process will produce consistent quality on a regular basis.
  - c. Formal documentation of all production procedures.
  - d. Description of the document preparation process.
  - e. Description of the indexing process for data entry and for OCR processes which can meet the MASLs.
  - f. Written quality assurance procedures for image and index data.
  - g. A description of how document and file index integrity will be maintained throughout the conversion process.
  - h. Legal certification documenting the creation date, imaging staff and job tracking.
  - i. Method for monitoring the number of documents and/or microfilm picked-up, the number of documents prepared for imaging, the number of pages imaged, and the number of documents returned.
  - j. Methods for maintaining the integrity of the data extracted and assuring the clarity of the scanned images.
  - k. Method for achieving ninety-nine percent (99%) accuracy of converted/scanned images.
  - l. Method for providing searchable text from full page OCR that is ninety-nine percent (99%) accurate on a page basis.
  - m. Method for ensuring that PDF index file formats are 100% compatible with County imaging and document management system (including Hyland OnBase).
  - n. Description of method/solution for converting/scanning of the remaining percentage (no greater than one percent (1%) of non-scanned/non-converted images).
  - o. Description and sample of Exception Report that identifies, lists, and explains each document that was not successfully scanned or indexed or otherwise failed Contractor's internal quality control process. The report will also include the sample size of the batch that was reviewed and the number of packages in error.
3. Upon request, Contractor shall provide to County a Summary Exception Report, including a record of all inspections conducted by Contractor, corrective actions taken, the time a problem was first identified, a clear description of the problem, and the time elapsed between identification and completed corrective action

## G. Personnel

1. In order to fulfill the requirements of individual County Departments, Contractor shall assign a sufficient number of employees to perform the required work and shall ensure all such persons have undergone a background investigation prior to accessing County data per the Security requirements in this Contract and this Paragraph G.
2. Contractor also shall assign a full-time Project Manager (single point of contact) and designated alternate. Project Manager and designated alternate shall have full authority to act for Contractor on all matters relating to the daily operation of this Contract. Project Manager and designated alternate shall be able to effectively communicate in English, both orally and in writing.
3. Contractor employees assigned to perform duties under this Contract shall undergo security screening. Proof of security screening must be made available to County at its request. All background checks will be provided at Contractor expense. Contractor employee screenings will be considered acceptable if they meet one or more of the following criteria:
  - a. Successful completion of a security background check conducted by the Orange County Sheriff's Department.
  - b. Proof of a current "Secret" or "Top Secret" security clearance from a Federal Agency.
  - c. Proof of a background check performed by either State or Local (California) government security staff, equal to that conducted by the Orange County Sheriff's Department, within the preceding 12-month period.
  - d. A statewide and national screening of law enforcement agency databases such as Live Scan.

## H. Training

1. Contractor must provide training for all Contractor employees who are assigned to this Contract to ensure compliance with this Contract. This training must be completed prior to providing any employee with access to County data and annually thereafter. Documentation of training of training completion shall be retained for three years after completion.
2. At a minimum, Contractor will provide the following training to Contractor employees:
  - a. Initial training for new employees
  - b. Continuing in-service training for all employees
  - c. Training in the secure and confidential handling of County documents
  - d. Training in assigned tasks and in the safe handling of equipment
3. Contractor also shall provide training necessary to bring County Department staff to a proficient level of expertise in operation of any hosted solution provided under this Contract.

**I. Materials and Equipment**

1. Contractor is solely responsible for the purchase and maintenance of all materials and equipment, including hardware and software, required for provision of Services. Contractor shall use materials and equipment that are safe for the environment.
2. Contractor is responsible for hardware, software and equipment maintenance, including, but not limited to, any upgrades, patches and/or enhancements.
3. Contractor must provide installation, testing and implementation of any onsite materials and equipment as well as onsite system support as needed.

**J. Back-up and Recovery**

1. Contractor is required to have a viable risk management strategy that is formally documented in a Business Continuity Plan (BCP) and/or a Disaster Recovery Plan (DRP). The BCP/DRP shall identify recovery strategies within the application service areas, outline specific recovery methods and goals, indicate data backup and recovery methodology, and provide the maximum time required to restore Services to County in the event of a system disruption or failure.
2. Contractor's data backup and recovery methodology shall ensure security for all backup and archive data by creating a robust strategy for use of unalterable backup media and chain of custody procedures. These procedures shall include a documented media destruction strategy compliant with County regulations as required.

**K. Transition Plan from Existing Contractor**

Contractor shall provide a step by step, detailed transition plan prior to execution of subordinate contract that shall be included in the subordinate contract. Contractor shall explain in detail information required from County to complete the transition from County's existing contractor to Contractor.

**ATTACHMENT B  
COMPENSATION AND PRICING**

**I. COMPENSATION**

This is a fixed-fee Contract between County and Contractor for services set forth in Attachment A, Scope of Work. Contractor agrees to supply all goods and services required to perform the services.

Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing, labor, tax, shipping, freight, insurance requirements, and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by Contractor of all its duties and obligations hereunder. County has no obligation to pay any sum in excess of total Contract amount specified herein unless authorized by amendment, which may require approval by the County Board of Supervisors.

**II. CONTRACTOR PRICING**

Contractor's per image rates include all work, including supervision, profit, overhead, prevailing wage, mark-up for use of subcontractors, coordination of subcontractors, administration services, supplies, tools, routine equipment, work drawings, transportation, quotes, tests, inspections, and other items, that is necessary to and appropriate for the performance of services under this Contract.

**A. Capture/Scanning**

No	Item Description	Unit Price
1	On-Site (on County property) Services: scanning of office and engineering drawings; photographs; case files; patient records; medical records; business records; parcel, subdivision, lot grade and curb grade maps; Public Hearing exhibits; precinct maps; Medical Examiner records and other documents as provided by various Departments - mixed sizes and paper weights.	
a	Various mixed sizes and paper weights – per image, B&W, up to size 11 x 17 at 300 dpi	\$0.06/each
b	Scan 16MM Microfilm per image	\$0.10/each
c	Scan Microfiche per image	\$0.10/each
d	Scan Large Format Documents per image	\$1.25/each
e	Microfilm roll scanning price per image	\$0.08/each
2	Off-Site (on Contractor's property) Services: scanning of office and engineering drawings; photographs; case files; patient records; medical records; business records; parcel, subdivision, lot grade and curb grade maps; Public Hearing exhibits; precinct maps; Medical	



	Examiner records and other documents as provided by various Departments - mixed sizes and paper weights.	
a	Various mixed sizes and paper weights – per image, B&W, up to size 11 x 17 at 300 dpi	\$0.036/each
b	Scan 16MM Microfilm per image	\$0.05/each
c	Scan Microfiche per image	\$0.07/each
d	Scan Large Format Documents per image	\$0.90/each
e	Microfilm roll scanning price per image	\$0.04/each

## B. Indexing

No	Item Description	Unit Price
1	Indexing - Off-Site (on Contractor's property) price per character.	\$0.0045/each
2	Indexing – On-Site (on County property) price per character.	\$0.008/each
3	OCR (Optical Character Recognition) form based, OCR template automatic convert image data to text, price per image	\$0.005/each
4	Full page OCR, price per page	\$0.005/each

## C. Miscellaneous

No	Item Description	Unit Price
1	Electronic form design per hour	\$125.00/each
2	CD Output price per CD	\$40.00/each
3	DVD Output price per DVD	\$45.00/each
4	Secure Transportation of Original Documents and various media types not mentioned in the scope of work, price per trip each way	\$50.00/each
5	Conversion of data or images to various County software files per hour	\$125.00/each
6	Conversion to PDF image, archive format and searchable text with thumbnails per image	\$0.018/each
7	On-Site (on County property) - Professional Services including Initial project Set-Up, Installation, Implementation, On-Site Training, Technical Support, and time to import scanned images/data onto Server, etc. On-Site (on County property) Project Management, price per hour	\$125.00/each
8	Document destruction, per box	\$3.50/each
9	Redaction Services, per hour Manual redaction because of variable data location and requirements	\$25.00/each

**D. Price Breakdown**

<b>Task/Service Description/Item description</b>	<b>Cost</b>
On-Site File Preparation, Cataloging, and Reassembly (staple removal, dividing sections, etc.) Quality Control (Performed in a separate queue). <u>Per Hour</u>	\$27.00
Off-Site File Preparation, Cataloging, and Reassembly (staple removal, dividing sections, etc.) Quality Control (Performed in a separate queue). <u>Per Hour</u>	\$24.00
Matrix Cloud Hosting / SaaS Services: - Monthly Storage \$4.00/GB <u>per month</u> - Concurrent User \$100.00 per user, per month - One time set-up fee \$175.00	See pricing on left
Scan Aperture Card (Includes indexing). <u>Per Card</u>	\$0.35
Box storage – after 90 days of project completion. <u>Per regular size bankers box, per month</u>	\$1.00

### III. INVOICE INSTRUCTIONS

Contractor must provide an invoice on Contractor's letterhead for goods delivered and/or services rendered. In the case of goods, Contractor must leave an invoice with each delivery. Each invoice must have a unique number and must include the following information:

- A. Contractor's name and address;
- B. Contractor's remittance address if different from above;
- C. Name of County Department;
- D. RCA Contract number must be referenced on all invoices;
- E. Service date(s) – Month of Service;
- F. Service address
- G. Service description,
- H. Subordinate Contract MA-DO, PO or CT Number
- I. Contractor's Tax Identification Number (TIN) or Employer's Identification Number (EIN);
- J. Total Amount Due

The responsibility for providing an acceptable invoice to County for payment rests with Contractor. Incomplete or incorrect invoices are not acceptable and will be returned to Contractor for correction. County's Project Manager, or designee, is responsible for approval of invoices and subsequent submittal of invoices to the Auditor-Controller for processing of payment.

**Invoices shall be forwarded to: Provided by requesting Department**

### IV. PAYMENT TERMS

Invoices must be submitted to the user department to the ship-to address, unless otherwise directed in this Contract. Payment will be net thirty (30) calendar days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the department and subject to routine processing requirements.

Billing shall cover services not previously invoiced. Contractor must reimburse the County of Orange for any monies paid to Contractor for services not provided or when services do not meet the Contract requirements.

Payments made by County shall not preclude the right of County from thereafter disputing any items or services involved or billed under this Contract and shall not be constructed as acceptance of any part of the services.

### V. ELECTRONIC FUNDS TRANSFER (EFT)

The County of Orange offers Contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An email address will need to be provided to the County of Orange via an EFT Authorization Form. To request a form, please contact the DPA.

ATTACHMENT C  
BUSINESS ASSOCIATE CONTRACT

A. GENERAL PROVISIONS AND RECITALS

1. The Parties agree that the terms used, but not otherwise defined below in Paragraph B, shall have the same meaning given to such terms under the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 ("the HITECH Act"), and regulations promulgated thereunder by the U.S. Department of Health and Human Services (DHHS) ("the HIPAA regulations") (45 CFR Parts 160, 162 and 164) as they may exist now or be hereafter amended.

2. The Parties agree that a business associate relationship under HIPAA, the HITECH Act, and the HIPAA regulations between the Contractor and County arises to the extent that Contractor performs, or delegates to subcontractors to perform, functions or activities on behalf of County pursuant to, and as set forth in, the Contract that are described in the definition of "Business Associate" in 45 CFR § 160.103.

3. The County wishes to disclose to Contractor certain information pursuant to the terms of the Contract, some of which may constitute Protected Health Information ("PHI"), as defined below in Subparagraph B.10, to be used or disclosed in the course of providing services and activities pursuant to, and as set forth, in the Contract.

4. The Parties intend to protect the privacy and provide for the security of PHI that may be created, received, maintained, transmitted, used, or disclosed pursuant to the Contract in compliance with the applicable standards, implementation specifications, and requirements of HIPAA, the HITECH Act, and the HIPAA regulations as they may exist now or be hereafter amended.

5. The Parties understand and acknowledge that HIPAA, the HITECH Act, and the HIPAA regulations do not pre-empt any state statutes, rules, or regulations that are not otherwise pre-empted by other Federal law(s) and impose more stringent requirements with respect to privacy of PHI.

6. The Parties understand that the HIPAA Privacy and Security rules, as defined below in Subparagraphs B.9 and B.14, apply to the Contractor in the same manner as they apply to a covered entity (County). Contractor agrees therefore to be in compliance at all times with the terms of this Business Associate Contract and the applicable standards, implementation specifications, and requirements of the Privacy and the Security rules, as they may exist now or be hereafter amended, with respect to PHI and electronic PHI created, received, maintained, transmitted, used, or disclosed pursuant to the Contract.

B. DEFINITIONS

1. "Administrative Safeguards" are administrative actions, and policies and procedures, to manage the selection, development, implementation, and maintenance of security measures to protect electronic PHI and to manage the conduct of Contractor's workforce in relation to the protection of that

information.

2. "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule which compromises the security or privacy of the PHI.

a. Breach excludes:

i. Any unintentional acquisition, access, or use of PHI by a workforce member or person acting under the authority of Contractor or County, if such acquisition, access, or use was made in good faith and within the scope of authority and does not result in further use or disclosure in a manner not permitted under the Privacy Rule.

ii. Any inadvertent disclosure by a person who is authorized to access PHI at Contractor to another person authorized to access PHI at the Contractor, or organized health care arrangement in which County participates, and the information received as a result of such disclosure is not further used or disclosed in a manner not permitted under the HIPAA Privacy Rule.

iii. A disclosure of PHI where Contractor or County has a good faith belief that an unauthorized person to whom the disclosure was made would not reasonably have been able to retain such information.

b. Except as provided in paragraph (a) of this definition, an acquisition, access, use, or disclosure of PHI in a manner not permitted under the HIPAA Privacy Rule is presumed to be a breach unless Contractor demonstrates that there is a low probability that the PHI has been compromised based on a risk assessment of at least the following factors:

i. The nature and extent of the PHI involved, including the types of identifiers and the likelihood of re-identification;

ii. The unauthorized person who used the PHI or to whom the disclosure was made;

iii. Whether the PHI was actually acquired or viewed; and

iv. The extent to which the risk to the PHI has been mitigated.

3. "Data Aggregation" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 164.501.

4. "Designated Record Set" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 164.501.

5. "Disclosure" shall have the meaning given to such term under the HIPAA regulations in 45 CFR § 160.103.

6. "Health Care Operations" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 164.501.

7. "Individual" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

8. "Physical Safeguards" are physical measures, policies, and procedures to protect CONTRACTOR's electronic information systems and related buildings and equipment, from natural and environmental hazards, and unauthorized intrusion.

9. "The HIPAA Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, Subparts A and E.

10. "Protected Health Information" or "PHI" shall have the meaning given to such term under the HIPAA regulations in 45 CFR § 160.103.

11. "Required by Law" shall have the meaning given to such term under the HIPAA Privacy Rule in 45 CFR § 164.103.

12. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his or her designee.

13. "Security Incident" means attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system. "Security incident" does not include trivial incidents that occur on a daily basis, such as scans, "pings", or unsuccessful attempts to penetrate computer networks or servers maintained by Contractor.

14. "The HIPAA Security Rule" shall mean the Security Standards for the Protection of electronic PHI at 45 CFR Part 160, Part 162, and Part 164, Subparts A and C.

15. "Subcontractor" shall have the meaning given to such term under the HIPAA regulations in 45 CFR § 160.103.

16. "Technical safeguards" means the technology and the policy and procedures for its use that protect electronic PHI and control access to it.

17. "Unsecured PHI" or "PHI that is unsecured" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary of Health and Human Services in the guidance issued on the HHS Web site –

<http://www.hhs.gov/hipaa/for-professionals/breach-notification/guidance/index.html> .

18. "Use" shall have the meaning given to such term under the HIPAA regulations in 45 CFR § 160.103.

#### C. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR AS BUSINESS ASSOCIATE:

1. Contractor agrees not to use or further disclose PHI County discloses to Contractor other than as permitted or required by this Business Associate Contract or as required by law.

2. Contractor agrees to use appropriate safeguards, as provided for in this Business Associate Contract and the Contract, to prevent use or disclosure of PHI County discloses to Contractor or Contractor creates, receives, maintains, or transmits on behalf of County other than as provided for by this Business Associate Contract.

3. Contractor agrees to comply with the HIPAA Security Rule at Subpart C of 45 CFR Part 164 with respect to electronic PHI County discloses to Contractor or Contractor creates, receives, maintains, or transmits on behalf of County.

4. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a Use or Disclosure of PHI by Contractor in violation of the requirements of this Business

Associate Contract.

5. Contractor agrees to report to County immediately any Use or Disclosure of PHI not provided for by this Business Associate Contract of which Contractor becomes aware. Contractor must report Breaches of Unsecured PHI in accordance with Paragraph E below and as required by 45 CFR § 164.410.

6. Contractor agrees to ensure that any Subcontractors that create, receive, maintain, or transmit PHI on behalf of Contractor agree to the same restrictions and conditions that apply through this Business Associate Contract to Contractor with respect to such information.

7. Contractor agrees to provide access, within fifteen (15) calendar days of receipt of a written request by County, to PHI in a Designated Record Set, to County or, as directed by County, to an Individual in order to meet the requirements under 45 CFR § 164.524.

8. Contractor agrees to make any amendment(s) to PHI in a Designated Record Set that County directs or agrees to pursuant to 45 CFR § 164.526 at the request of County or an Individual, within thirty (30) calendar days of receipt of said request by County. Contractor agrees to notify County in writing no later than ten (10) calendar days after said amendment is completed.

9. Contractor agrees to make internal practices, books, and records, including policies and procedures, relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of, County available to County and the Secretary in a time and manner as determined by County or as designated by the Secretary for purposes of the Secretary determining County's compliance with the HIPAA Privacy Rule.

10. Contractor agrees to document any Disclosures of PHI County discloses to Contractor or Contractor creates, receives, maintains, or transmits on behalf of County, and to make information related to such Disclosures available as would be required for County to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR § 164.528.

11. Contractor agrees to provide County or an Individual, as directed by County, in a time and manner to be determined by County, that information collected in accordance with the Contract in order to permit County to respond to a request by an Individual for an accounting of Disclosures of PHI in accordance with 45 CFR § 164.528.

12. Contractor agrees that to the extent Contractor carries out County's obligation under the HIPAA Privacy and/or Security rules Contractor will comply with the requirements of 45 CFR Part 164 that apply to County in the performance of such obligation.

13. Contractor shall work with County upon notification by Contractor to County of a Breach to properly determine if any Breach exclusions exist as defined in Subparagraph B.2.a above.

#### D. SECURITY RULE

1. Contractor shall comply with the requirements of 45 CFR § 164.306 and establish and maintain appropriate Administrative, Physical and Technical Safeguards in accordance with 45 CFR § 164.308, § 164.310, § 164.312, and § 164.316 with respect to electronic PHI County discloses to Contractor

or Contractor creates, receives, maintains, or transmits on behalf of County. Contractor shall follow generally accepted system security principles and the requirements of the HIPAA Security Rule pertaining to the security of electronic PHI.

2. Contractor shall ensure that any subcontractors that create, receive, maintain, or transmit electronic PHI on behalf of Contractor agree through a contract with Contractor to the same restrictions and requirements contained in this Paragraph D of this Business Associate Contract.

3. Contractor shall report to County immediately any Security Incident of which it becomes aware. Contractor shall report Breaches of Unsecured PHI in accordance with Paragraph E below and as required by 45 CFR § 164.410.

E. BREACH DISCOVERY AND NOTIFICATION

1. Following the discovery of a Breach of Unsecured PHI , Contractor shall notify County of such Breach, however both Parties agree to a delay in the notification if so advised by a law enforcement official pursuant to 45 CFR § 164.412.

a. A Breach shall be treated as discovered by Contractor as of the first day on which such Breach is known to Contractor or, by exercising reasonable diligence, would have been known to Contractor.

b. Contractor shall be deemed to have knowledge of a Breach, if the Breach is known, or by exercising reasonable diligence would have known, to any person who is an employee, officer, or other agent of Contractor, as determined by federal common law of agency.

2. Contractor shall provide the notification of the Breach immediately to the County Privacy Officer at:

<p>Rafael Linares  Chief Information Security Officer  1055 N. Main St, 6th Floor  Santa Ana, CA 92701  Office: (714) 567-7611  E-mail: <a href="mailto:Rafael.linares@ocit.ocgov.com">Rafael.linares@ocit.ocgov.com</a></p>	<p>Linda Le, County Privacy Officer, CHPC, CHC, CHP  OCIT – Enterprise Privacy &amp; Cybersecurity  1055 N. Main Street, 6<sup>th</sup> Floor  Santa Ana, CA 92701  (714) 834-4082  <a href="mailto:Linda.le@ceoit.ocgov.com">Linda.le@ceoit.ocgov.com</a>  <a href="mailto:privacyofficer@ocgov.com">privacyofficer@ocgov.com</a></p>
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a. Contractor’s notification may be oral, but shall be followed by written notification within 24 hours of the oral notification.

3. Contractor’s notification shall include, to the extent possible:

a. The identification of each Individual whose Unsecured PHI has been, or is reasonably believed by Contractor to have been, accessed, acquired, used, or disclosed during the Breach;

b. Any other information that County is required to include in the notification to



Individual under 45 CFR §164.404 (c) at the time Contractor is required to notify County or promptly thereafter as this information becomes available, even after the regulatory sixty (60) day period set forth in 45 CFR § 164.410 (b) has elapsed, including:

(1) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;

(2) A description of the types of Unsecured PHI that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

(3) Any steps Individuals should take to protect themselves from potential harm resulting from the Breach;

(4) A brief description of what Contractor is doing to investigate the Breach, to mitigate harm to Individuals, and to protect against any future Breaches; and

(5) Contact procedures for Individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

4. County may require Contractor to provide notice to the Individual as required in 45 CFR § 164.404, if it is reasonable to do so under the circumstances, at the sole discretion of the County.

5. In the event that Contractor is responsible for a Breach of Unsecured PHI in violation of the HIPAA Privacy Rule, Contractor shall have the burden of demonstrating that Contractor made all notifications to County consistent with this Paragraph E and as required by the Breach notification regulations, or, in the alternative, that the acquisition, access, use, or disclosure of PHI did not constitute a Breach.

6. Contractor shall maintain documentation of all required notifications of a Breach or its risk assessment under 45 CFR § 164.402 to demonstrate that a Breach did not occur.

7. Contractor shall provide to County all specific and pertinent information about the Breach, including the information listed in Section E.3.b.(1)-(5) above, if not yet provided, to permit County to meet its notification obligations under Subpart D of 45 CFR Part 164 as soon as practicable, but in no event later than fifteen (15) calendar days after Contractor's initial report of the Breach to County pursuant to Subparagraph E.2 above.

8. Contractor shall continue to provide all additional pertinent information about the Breach to County as it may become available, in reporting increments of five (5) business days after the last report to County. Contractor shall also respond in good faith to any reasonable requests for further information, or follow-up information after report to County, when such request is made by County.

9. Contractor shall bear all expense or other costs associated with the Breach and shall reimburse County for all expenses County incurs in addressing the Breach and consequences thereof, including costs of investigation, notification, remediation, documentation or other costs associated with addressing the Breach.

## F. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

1. Contractor may use or further disclose PHI County discloses to Contractor as necessary to perform functions, activities, or services for, or on behalf of, County as specified in the Contract, provided that such use or Disclosure would not violate the HIPAA Privacy Rule if done by COUNTY except for the specific Uses and Disclosures set forth below.

a. Contractor may use PHI County discloses to Contractor, if necessary, for the proper management and administration of Contractor.

b. Contractor may disclose PHI County discloses to Contractor for the proper management and administration of Contractor or to carry out the legal responsibilities of Contractor, if:

i. The Disclosure is required by law; or

ii. Contractor obtains reasonable assurances from the person to whom the PHI is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person and the person immediately notifies Contractor of any instance of which it is aware in which the confidentiality of the information has been breached.

c. Contractor may use or further disclose PHI County discloses to Contractor to provide Data Aggregation services relating to the Health Care Operations of Contractor.

2. Contractor may use PHI County discloses to Contractor, if necessary, to carry out legal responsibilities of Contractor.

3. Contractor may use and disclose PHI County discloses to Contractor consistent with the minimum necessary policies and procedures of County.

4. Contractor may use or disclose PHI County discloses to Contractor as required by law.

## G. OBLIGATIONS OF COUNTY

1. County shall notify Contractor of any limitation(s) in County's notice of privacy practices in accordance with 45 CFR § 164.520, to the extent that such limitation may affect Contractor's Use or Disclosure of PHI.

2. County shall notify Contractor of any changes in, or revocation of, the permission by an Individual to use or disclose his or her PHI, to the extent that such changes may affect Contractor's Use or Disclosure of PHI.

3. County shall notify Contractor of any restriction to the Use or Disclosure of PHI that County has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Contractor's Use or Disclosure of PHI.

4. County shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the HIPAA Privacy Rule if done by County.

## H. BUSINESS ASSOCIATE TERMINATION

1. Upon County's knowledge of a material breach or violation by Contractor of the

requirements of this Business Associate Contract, County shall:

a. Provide an opportunity for Contractor to cure the material breach or end the violation within thirty (30) business days; or

b. Immediately terminate the Contract, if Contractor is unwilling or unable to cure the material breach or end the violation within (30) days, provided termination of the Contract is feasible.

2. Upon termination of the Contract, Contractor shall either destroy or return to County all PHI Contractor received from County or Contractor created, maintained, or received on behalf of County in conformity with the HIPAA Privacy Rule.

a. This provision shall apply to all PHI that is in the possession of Subcontractors or agents of Contractor.

b. Contractor shall retain no copies of the PHI.

c. In the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide to County notification of the conditions that make return or destruction infeasible. Upon determination by County that return or destruction of PHI is infeasible, Contractor shall extend the protections of this Business Associate Contract to such PHI and limit further Uses and Disclosures of such PHI to those purposes that make the return or destruction infeasible, for as long as Contractor maintains such PHI.

3. The obligations of this Business Associate Contract shall survive the termination of the Contract.

**ATTACHMENT D**  
**CERTIFICATION FOR DATA REMOVAL**

**Contractor certifies that:**

1. Contractor has permanently removed all stored data from the hard drives and Cache memory from equipment prior to:
  - a. Transfer or sale of equipment,
  - b. Trade-in on replacement equipment,
  - c. Scrapping,
  - d. Donation, and/or
  - e. Destruction
  
2. The procedures associated with permanently removing all stored data from the hard drives and Cache memory that resides within equipment is in compliance with *NIST Special Publication 800-88 Revision 1* and *Department of Defense (DoD) 5220.22 – Guidelines for Media Sanitization*.

Equipment Model Number: \_\_\_\_\_

Equipment Serial Number: \_\_\_\_\_

Name (please print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Department: \_\_\_\_\_

Phone No: \_\_\_\_\_

**ATTACHMENT E  
CONTRACTOR EQUIPMENT LIST**

TYPE OF EQUIPMENT/MATERIALS/TOOLS	PURPOSE
Kodak i5850 paper scanner	Scanning up to 11"x17" size documents
Canon DR-G2140 paper scanner	Scanning up to 11"x17" and 8' in length
Rowe SG44E	Scanning large format, maps, plans,
Mekel Mach VII	Scans microfiche and aperture cards
Mekel Mach V	Scans roll film
Omnibook Pro	Scans bound material
Quantum	Film enhancement software
Digitech Capture	Capture software, OCR, Image Enhancement, Redaction
Kofax Capture	Capture software, OCR, Image Enhancement
Abbyy	Enhanced OCR Software
Kofax VRS	Image Enhancement Software