

**INTERAGENCY AGREEMENT**

**BETWEEN**

**COUNTY OF ORANGE**

**AND**

**ORANGE COUNTY IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY**

**FOR THE PROVISION AND ADMINISTRATION OF IN-HOME SUPPORTIVE SERVICES**

The County of Orange, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the Orange County In-Home Supportive Services Public Authority, a public authority established pursuant to California Welfare and Institutions Code (WIC) Section 12301.6 and Title 1, Division 7, Section 1-7-1 et seq. of the Codified Ordinances of the County of Orange (hereinafter referred to as "AUTHORITY") hereby mutually promise and agree as follows:

**I. PURPOSE**

The purpose of this Agreement is to establish the procedure for program content and purpose along with specific guidelines for the provision and administration of In-Home Supportive Services (IHSS).

**II. TERM**

The term of this Agreement shall commence on July 1, 2013 and shall terminate June 30, 2014, unless earlier terminated pursuant to the provisions of Section XXI. of this Agreement.

**III. ALTERATION OF TERMS**

This Interagency Agreement, including ~~any~~ Exhibit(s) **A and B**, attached hereto and incorporated by reference, fully expresses all understandings of the parties and is the total Agreement between the parties as to the subject matter of this Agreement. No addition to, or alteration of, the terms of this Agreement, whether written or verbal, by the parties, their officers, agents, or employees, shall be valid unless made in the form of a written amendment to this Agreement which is formally approved and executed by both parties.

**IV. SEPARATE ENTITIES**

AUTHORITY is a public entity separate from COUNTY, and is a corporate public body exercising public and essential governmental functions, and has all powers necessary and convenient to carry out its function as employer of record for IHSS providers. **The Board of Supervisors is the Governing Body of AUTHORITY.**

~~AUTHORITY shall file the Statements of Economic Interests (Form 700) required by Government Code Section 53051.~~

Any and all contracts, leases, or other agreements of any nature, including collective bargaining agreements, between AUTHORITY and third parties, other than COUNTY, shall contain an express provision advising the third party that AUTHORITY is a separate governmental entity and that such agreement does not bind COUNTY.

**V. CORRESPONDENCE**

All correspondence concerning this Agreement should be sent to:

COUNTY: County of Orange Social Services Agency  
Attn: Contract Services  
888 N. Main St.  
Santa Ana, CA 92701

AUTHORITY: Orange County IHSS Public Authority  
Attn: Executive Director  
1505 E. Warner Ave.  
Santa Ana, CA 92705

**VI. COUNTY RESPONSIBILITIES**

COUNTY shall have the following responsibilities:

- A. Reserve the exclusive right to authorize services for an IHSS recipient as specified in WIC Section 12300 et seq.
- B. Maintain the sole authority for the determination of need for IHSS, the level and quality of services required, and the eligibility of individuals to be served.
- C. Provide initial assessment and reassessment of continuing need for services by the recipient.
- D. Maintain the exclusive right to terminate the recipient's participation in the IHSS program at any time based on regulatory requirements.
- E. Provide orientation to all appropriate COUNTY staff regarding AUTHORITY's role, responsibilities, and contract agreements.
- F. Provide oversight to the implementation of the IHSS Program Provider Enrollment requirements as directed by California Department of Social Services (CDSS).
- G. Refer all appropriate IHSS recipients and providers to AUTHORITY for AUTHORITY services.
- H. Provide a liaison to AUTHORITY from the County of Orange Social Services Agency (SSA).
- I. Evaluate the effectiveness, quantity, and quality of provider enrollment services provided by AUTHORITY.

- J.** ~~The Board of Supervisors is the Governing Body of AUTHORITY.~~ Authorize the SSA Director, acting as the designee of the Governing Body, ~~shall have the authority~~ to hire and supervise AUTHORITY's Executive Director and act on behalf of the Governing Body.
- K.** Designate the SSA Director ~~shall to~~ provide for the general oversight and supervision of AUTHORITY and its Executive Director. The SSA Director will also have the authority to adjust line item budgets within AUTHORITY'S annual budget provided the total budget amount is not increased as a result thereof.
- L.** Provide certain services to AUTHORITY. These services shall include, but are not limited to, the following:
1. SSA will provide direction or services to AUTHORITY staff for the following:
    - a. Developing the AUTHORITY's budget, including materials required by the State and Interagency Agreements;
    - b. Providing fiscal services to AUTHORITY, including purchasing services;
    - c. Assisting in developing Request for Proposals (RFPs) and drafting contracts on behalf of AUTHORITY;
    - d. Assisting AUTHORITY regarding educational and informational activities and proposed contracts;
    - e. Assisting AUTHORITY regarding development and operations of a Registry, provider screening, referral system, recipient and provider training and support services, and other Board of Supervisors approved functions;
    - f. Assisting AUTHORITY regarding the implementation of the Interagency Agreement and the provision of services agreed to in the Interagency Agreement, subject to all conditions;
    - g. Monitoring the AUTHORITY's budget;
    - h. Submitting required materials to the State, including budget information and documentation of fiscal claims;
    - i. Providing an administrative liaison ~~with the Board of Supervisors and to Governing Body of AUTHORITY's governing body;~~
    - j. Providing real estate services, including locating office space and negotiating lease terms and conditions consistent with COUNTYCounty standards;
    - k. ~~SSA/Human Resources a~~Assisting with employee recruitment, at the request of AUTHORITY's Executive Director, with employee recruitment, classification, salary structure, employee benefits, and employment and labor relations issues; and
    - l. ~~SSA/Technology Services a~~Assisting with development of

computer specifications and costs comparisons, at the request of AUTHORITY's Executive Director, and installation of computers and computer equipment, at AUTHORITY's facilities.

2. The CEO/Office of Human Resources-Services (HRS) shall provide:
  - a. Representation for collective bargaining with IHSS providers' employee organization;
  - b. Oversight of employee recruitment, classification, salary structure, employee benefits, and employment and labor relations issues; and
  - c. Review and maintenance of AUTHORITY's Personnel Rules.
3. County Counsel, at his/her discretion, may provide:
  - a. Lead consultation services related to AUTHORITY's contracts, board memos, and resolutions;
  - b. Lead legal representation in proceedings; and
  - c. On-going legal advice regarding the operation of AUTHORITY; and
4. The CEO/Office of Risk Management shall provide:
  - a. Risk analysis, upon request in writing from the AUTHORITY and with the AUTHORITY's assistance, of exposure to loss and consultation on AUTHORITY's insurance coverage; and
  - b. Arrangement for, and approval of, necessary AUTHORITY insurance coverage- as follows:

(1) COMMERCIAL INSURANCE

Policy Purchase and Maintenance:

CEO/Office of Risk Management will purchase and maintain commercial insurance policies, and shall process and handle all claims thereunder, as mutually agreed to by the AUTHORITY and the COUNTY. Such commercial insurance coverage may include the following:

COVERAGE

VI.L.4.b.1.1. Liability (including Public Officials);

VI.L.4.b.1.1.1. Automobile Liability including coverage for owned, non-owned and hired vehicles.

VI.L.4.b.1.2 Crime Bond Coverage;

VI.L.4.b.1.3 Personal Property (e.g. equipment, furniture);

VI.L.4.b.1.4 Rental Interruption; and

VI.L.4.b.1.5 Other coverage as agreed upon.

Changes in Coverage as Requested by the AUTHORITY:

The addition or deletion of policies or increases or decreases in existing policy coverage may be requested by the AUTHORITY in writing, addressed to the COUNTY's Risk Manager, no fewer than thirty (30) calendar days in advance of the desired policy effective date. Requests for additions and increases to policies must be approved by the Risk Manager, subject to the availability of such additions and/or increases under the current insurance program (e.g., CSAC EIA) used by Risk Management to obtain insurance on behalf of the AUTHORITY.

#### Changes in Coverage – COUNTY Initiated

The COUNTY will provide at least thirty (30) days notice of its intent to modify any coverage that is purchased on behalf of the AUTHORITY. Such changes will not be made without the approval of the AUTHORITY unless the change is required under law or ordinance. Should changes be recommended by COUNTY, the COUNTY will provide as much advance notice to the AUTHORITY as is practical and will notify the AUTHORITY in writing of the need, the reason, and the anticipated cost difference that the change may cause. If the changes are recommended by the COUNTY, they will be made on the approval of the AUTHORITY.

#### Changes in Coverage – Market-Driven

The COUNTY will make every effort to notify the AUTHORITY of premium changes, changes in coverage or policy cancellation by the insurer within ten (10) working days following the receipt of notification of said change.

#### Changes in Coverage or Schedules

Changes in the names or the number of AUTHORITY's employees, personal property inventories or inventory valuations and/or the number and type of motor vehicles that are covered by these policies will be communicated by the AUTHORITY in advance to the County's Risk Manager as soon as practical, but no later than fifteen (15) days preceding the change.

## (2) WORKERS' COMPENSATION INSURANCE

#### Persons Covered:

The COUNTY agrees to provide workers' compensation insurance coverage on behalf of the AUTHORITY to all regular limited term, and extra-help employees of the AUTHORITY. CEO/Office of Risk Management shall process and handle all claims thereunder, as mutually agreed to by the AUTHORITY and the COUNTY.

Volunteers, independent contractors, temporary help are not covered by this insurance.

#### Insurance Coverage

Workers' compensation insurance will be provided in the manner selected by the COUNTY consistent with state law. Currently it is provided through a combination of self-insurance and excess coverage through the purchase of a commercial policy and it is administered by a third party administrator (TPA). Coverage will be provided to the AUTHORITY's employees in the same manner as it is provided to the COUNTY's employees, as authorized by the Orange County Board of Supervisors.

#### Benefit Coordination

The CEO/Office of Risk Management will provide coordination of worker's compensation benefits with other benefits as provided to COUNTY agencies and departments, including payroll information (e.g., applicable salary supplemental and/or leave balances).

#### Safety and Loss Prevention Program

A Safety and Loss Prevention Program is required of all entities that are self-insured for workers' compensation. The COUNTY will provide all services to the AUTHORITY that are provided to COUNTY agencies and departments. These services may include but are not limited to: building and workplace safety inspections; workstation ergonomic evaluations; update and distribution of policies and procedures that relate to safety; Material Safety Data Sheets lists; safety training classes; periodic reports on safety statistics of the AUTHORITY staff; and the liaison with Cal/OSHA.

The AUTHORITY shall designate a safety representative who will carry out all of the duties and responsibilities that are assigned to COUNTY safety representatives.

### **(3) COST CALCULATION AND BILLING**

The County's Property, Casualty and Risk Internal Service Fund and the Workers' Compensation Insurance Fund are self-balancing funds. All costs are allocated among all the funds' participants according to State Controller guidelines.

The AUTHORITY will be billed the actual cost of all commercial insurance policies secured in its behalf, a prorated share of workers' compensation charges, and allocated administrative costs, self-insurance charges and a prorated share of other commercial insurance policies not secured on its behalf. Administrative costs include charged

overhead and costs of salaries, employee benefits, and supplies of the Risk Management staff.

The AUTHORITY is responsible for the payment of all deductibles associated with insurance coverage provided on the AUTHORITY's behalf by the COUNTY. In no event will the COUNTY be financially responsible for the payment of any insurance coverage (including premiums and deductibles), liabilities of the AUTHORITY, whether or not covered by insurance or County services provided herein.

Billing Schedule:

Billing will be submitted to the AUTHORITY as follows:

VI.L.4.b.4.1 Commercial insurance policies purchased in behalf of the AUTHORITY – upon receipt of the premium invoice from the insurance authority, broker, or carrier.

VI.L.4.b.4.2 Share of workers' compensation charges and allocated administrative costs – annually, semi-annually, or quarterly, as determined by the CEO/Office of Risk Management each fiscal year.

AUTHORITY shall pay all invoices within thirty (30) days of receipt from the COUNTY.

(4) SERVICE CANCELLATION

Any or all of the services provided by the CEO/Office of Risk Management can be cancelled by either Party with one-hundred eighty (180) days' notice or, if earlier, the expiration or termination of this Interagency Agreement.

The COUNTY and the AUTHORITY may determine separately or mutually to transfer or replace commercial insurance policies.

In the event the AUTHORITY no longer participates in the COUNTY's self-insurance program or excess Workers' Compensation program, both Parties agree to an orderly transfer of claims and funding. The COUNTY will elect, at its sole and exclusive option, a mechanism for the transfer of workers' compensation claims that provides continuous benefits for covered employees and full cost recovery for the COUNTY. Alternatives may include, but are not limited to:

Option 1: The AUTHORITY will transfer funds sufficient to cover all reserves that are projected by the TPA to be necessary to make future payments

on all existing claims that have been accepted from covered AUTHORITY employees. This transfer will be made concurrent with the discontinuation of the COUNTY provided workers' compensation insurance coverage.

At the sole expense of the AUTHORITY, the COUNTY may agree to continue its administration of ongoing, but not new claims. This will include the services of the TPA.

All new claims filed on or after the effective date of cancellation will be administered by the AUTHORITY's designated claims administrator, regardless of the nature of the disability or injury of the date on which the disability or injury occurred.

Option 2: The responsibility for administering all existing and future claims in their entirety will be transferred to the AUTHORITY's designated workers' compensation insurer. The AUTHORITY agrees that it will assume complete financial and administrative responsibility for all open claims.

5. Auditor-Controller shall:

- a. Initiate electronic payment into AUTHORITY's bank account, as requested by AUTHORITY's Executive Director, and as authorized by the Auditor-Controller, and in accordance with AUTHORITY's annual budget;
- b. Assist with payroll services for AUTHORITY's employees, upon request of AUTHORITY;
- c. Assist with the claiming of costs to the State or any other entity as may be required;
- d. Audit and pay claims and invoices payable by AUTHORITY;
- e. Provide general accounting services;
- f. Provide revenue and budget services;
- g. Provide financial reporting services; and
- h. Provide accounting systems administration.

A detailed description of the services to be provided by Auditor-Controller to AUTHORITY and the charges for those services are contained in Exhibit "A" to this Agreement, attached hereto and incorporated herein by reference.

6. Treasurer/Tax-Collector shall:
  - a. Provide investment services for all monies on deposit with the Treasurer-Tax Collector in accordance with the Orange County Treasurer Investment Policy Statement and post interest earnings on a monthly basis;
  - b. Provide fund accounting services; and
  - c. Provide banking services, as mutually agreed upon by AUTHORITY'S Executive Director and Treasurer-Tax Collector.

A method of computing charges for the services to be provided by Treasurer/Tax-Collector to AUTHORITY are contained in Exhibit "B" to this Agreement, attached hereto and incorporated herein by reference.
7. AUTHORITY may request additional services from other COUNTY departments/units, and/or additional services from COUNTY departments/units listed above, subject to approval of COUNTY. AUTHORITY shall reimburse COUNTY for such additional services in accordance with Section VIII.B., below.

## **VII. AUTHORITY RESPONSIBILITIES**

**AUTHORITY shall have the following responsibilities:**

- A.** Comply with WIC Section 12300 et seq. and Title 1, Division 7, Section 1-7-1 et seq. of the Codified Ordinances of the County of Orange;
- B.** Act as the "employer of record" for IHSS individual providers (IPs) serving the IHSS recipients, for the purposes of collective bargaining only;
- C.** Provide assistance to IHSS recipients in finding IPs through the establishment of a Registry;
- D.** Investigate qualifications and background of potential IHSS Registry providers as permitted by law;
- E.** Maintain Department of Justice (DOJ) records in accordance with DOJ policies and procedures;
- F.** Contract for IHSS service delivery and other services, as needed. AUTHORITY shall be authorized to enter into contracts for services essential to carry out the mandated functions of AUTHORITY and shall comply with the policies and procedures contained in COUNTY'S Contract Policy Manual. Where Board of Supervisors approval is required for contracts, AUTHORITY shall submit such contracts for Board approval, since the Board of Supervisors is the governing body of AUTHORITY;

- G.** Maintain all necessary and required records;
- H.** Assure compliance with all applicable Federal, State and local laws, regulations and codes;
- I.** Conduct IHSS Program Provider Enrollment on behalf of the Orange County IHSS Program in accordance with instructions received from the CDSS and SSA. This includes, but may not be limited to:
  - 1. Distribute Provider Enrollment forms to providers to complete;
  - 2. Review Provider Enrollment forms submitted by providers for completeness and correctness;
  - 3. Review and copy provider identification;
  - 4. Conduct required Provider Orientation;
  - 5. Obtain signed Provider Enrollment Agreement from providers who attend orientation;
  - 6. Distribute instructions and forms required for IHSS providers to be fingerprinted and undergo criminal background check by the California Department of Justice (DOJ);
  - 7. Enter data into Case Management, Information, and Payrolling System (CMIPS) as required;
  - 8. Provide adequate administrative, supervisory, and support personnel to carry out the provisions of this Agreement;
  - 9. Provide COUNTY with information needed in preparing the COUNTY's billing to the CDSS for State and Federal share of AUTHORITY costs. This information will be provided within five (5) business days of the request;
  - 10. Submit monthly reports regarding implementation of provider enrollment activities on a form approved by COUNTY by the fifteenth (15<sup>th</sup>) business day following the month of service delivery;
  - 11. Assist COUNTY in developing and submitting to the CDSS and the California Department of Health Services (CDHS) materials required for CDSS and CDHS approval of AUTHORITY budget;
  - 12. Perform all services required under this Agreement within the standards of the Performance Measures developed by the IHSS Advisory Committee and approved by COUNTY;
  - 13. Consult with, and provide staff support to, the IHSS Advisory Committee;
  - 14. Provide IHSS recipient input for consideration into AUTHORITY program and policy development through the IHSS Advisory Committee; and

15. Hire staff as approved in the AUTHORITY's budget following AUTHORITY's Personnel Rules developed and maintained by COUNTY's County Executive Office/~~Human Resources~~HRS. AUTHORITY's Executive Director shall have the authority to employ and terminate AUTHORITY staff.

## **VIII. FISCAL PROVISIONS**

### **A. Funding**

It is anticipated that AUTHORITY will be funded by State, Federal, and County monies based on the established IHSS cost sharing ratios. This Agreement contemplates that all payments to IHSS providers for hourly IHSS services will be issued by the State of California directly to the providers, or as otherwise permitted by law, and all workers' compensation coverage for IPs shall be provided through the State of California. COUNTY will be billed by the State of California for COUNTY share of the IHSS services according to the cost sharing ratios.

1. COUNTY's total financial obligation under this Agreement shall be determined annually during COUNTY's annual budget process.
2. The County Executive Officer, or his/her designee, acting in concert with SSA, shall provide a recommendation as to the sufficiency and level of IHSS funding, including, but not limited to, the level of State and County funds available to fund IHSS, including the amount and estimated duration of County General Funds to be available for allocation to IHSS.
3. AUTHORITY agrees that any funds appropriated by the State for wage increases for IHSS providers shall be used exclusively for that purpose.

### **B. Billing and Compensation for County Services**

1. AUTHORITY shall compensate COUNTY (through preliminary estimate and final actual billing for full cost recovery) for all services provided to AUTHORITY by COUNTY departments or units as set forth in this Agreement, and at the rates or in the amounts as charged by COUNTY departments or units to each other unless otherwise established in this Agreement, or the Exhibits attached hereto and incorporated herein by reference. Computation of charges and billing rates will be in the same manner as those charges and billing rates are computed for the same or similar services to COUNTY Departments and other COUNTY funds and special districts. The method for computation shall be governed by all applicable State and Federal laws and regulations, and in accordance with standard COUNTY policies and procedures for service charges and billings, as they currently exist or may be hereafter amended.
2. AUTHORITY shall compensate COUNTY for all services provided by COUNTY to AUTHORITY within fifteen (15) calendar days of receipt of COUNTY journal voucher or other billing. Billing may be through invoice, manual or automated journal voucher or any other fund transfer

method mutually agreed upon and used in the normal course of business by COUNTY department providing the service to AUTHORITY.

3. All COUNTY departments providing services, space, supplies and equipment to AUTHORITY under this Agreement shall submit payment demands or journal vouchers for such services to AUTHORITY on at least a quarterly basis, with the exception of the fourth quarter. Estimated costs for the fourth quarter shall be submitted by June 15, 2014 and followed-up with actual cost information by July 15, 2014. All payment demands or journal vouchers for services shall be limited to the maximum budgeted amount set forth for the applicable department in the annual budget adopted for AUTHORITY by its governing body.
4. AUTHORITY's Executive Director shall review and approve all requests and journal vouchers for payment for services or goods provided, within fifteen (15) calendar days of receipt of the payment demands or journal vouchers. Until such time as AUTHORITY retains independent accounting services, approved payment demands shall be submitted to SSA/Financial Services for processing the payment from AUTHORITY's account.
5. AUTHORITY shall pay any insurance premiums within fifteen (15) calendar days of receipt of an invoice, regardless of whether the insurance was procured through COUNTY's CEO/Office of Risk Management or independently by AUTHORITY.

**C. Availability of Funds**

1. Payment for all services provided under this Agreement is contingent upon the availability of County, State, and Federal funds for the purpose of providing IHSS.
2. AUTHORITY shall receive funding for administrative expenses through SSA and, until such time as AUTHORITY retains independent accounting services, such funding will be processed by SSA/Financial Services through a separate account on behalf of AUTHORITY.
3. Operating funds for AUTHORITY shall be advanced in a manner mutually agreed upon between AUTHORITY's Executive Director and COUNTY's SSA Director, or his/her designee, and in accordance with COUNTY policy.
4. AUTHORITY shall establish and maintain a petty cash fund in a manner consistent with COUNTY's existing procedures.

**IX. NON-DISCRIMINATION**

In the performance of this Agreement, AUTHORITY agrees that it shall not engage nor employ any unlawful discriminatory practices in the admission of clients, provision of services or benefits, assignment of accommodations, treatment, evaluation, employment of personnel or in any other respect on the basis of sex, race, color, ethnicity, national origin, ancestry, religion, age, marital status, medical condition, sexual orientation, sexual

preference, physical or mental disability or any other protected group in accordance with the requirements of all applicable Federal or State laws.

AUTHORITY shall develop an Affirmative Action Program Plan which meets the lawful and applicable requirements of the U.S. Department of Health and Human Services.

AUTHORITY shall furnish any and all information requested by COUNTY and shall permit COUNTY access, during business hours, to books, records and accounts in order to ascertain AUTHORITY's compliance with Paragraph IX. et seq.

AUTHORITY shall comply with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (Title 41 CFR Part 60).

**A. Non-Discrimination in Employment**

1. All solicitations or advertisements for employees placed by or on behalf of AUTHORITY shall state that all qualified applicants will receive consideration for employment without regard to sex, race, color, ethnicity, national origin, ancestry, religion, age, marital status, medical condition, sexual orientation, sexual preference, physical or mental disability or any other protected group in accordance with the requirements of all applicable Federal or State laws. Notices describing the provisions of the equal opportunity clause shall be posted in a conspicuous place for employees and job applicants.
  
2. AUTHORITY shall refer any and all employees desirous of filing a formal discrimination complaint to:  
California Department of Social Services  
Public Inquiry and Response Bureau  
P.O. Box 944243, M.S. 8-3-23  
Sacramento, California 94244-2430  
Telephone: 1-(800)-952-5253  
1-(800)-952-8349 (For the hard of hearing)

**B. Non-Discrimination in Service Delivery**

1. AUTHORITY shall comply with Title VI and 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; the Food Stamp Act of 1977, as amended, and in particular Section 272.6; Title II of the Americans with Disabilities Act of 1990; California Civil Code Section 51 et seq., as amended; California Government Code (CGC) Sections 11135-11139.5, as amended; CGC Section 12940 (c), (h) (1), (i), and (j); CGC Section 4450; Title 22, California Code of Regulations (CCR) Sections 98000-98413; Title 24, CCR Section 3105A(e); the Dymally-Allatorre Bilingual Services Act (CGC Section 7290-7299.8); Section 1808 of the Removal of Barriers to Interethnic Adoption Act of

1996; and other applicable Federal and State laws, as well as their implementing regulations (including Title 45 Code of Federal Regulations (CFR) Parts 80, 84, and 91, Title 7 CFR Part 15, and Title 28 CFR Part 42), and any other law pertaining to Equal Employment Opportunity, Affirmative Action and Nondiscrimination as each may now exist or be hereafter amended. AUTHORITY shall not implement any administrative methods or procedures which would have a discriminatory effect or which would violate the CDSS Manual of Policies and Procedures (MPP) Division 21, Chapter 21-100. If there are any violations of this paragraph, CDSS shall have the right to invoke fiscal sanctions or other legal remedies in accordance with WIC Section 10605, or Government Code Sections 11135-11139.5, or any other laws, or the issue may be referred to the appropriate Federal agency for further compliance action and enforcement of Paragraph IX. et seq.

2. AUTHORITY shall provide any and all clients desirous of filing a formal complaint any and all information as appropriate:

- a) Pamphlet: "Your Rights Under California Welfare Programs" (PUB13)
- b) Discrimination Complaint Form
- c) Civil Rights Contacts:

County Civil Rights Contact:

Orange County Social Services Agency  
Program Integrity  
Attn: Civil Rights Coordinator  
P.O. Box 22001  
Santa Ana, CA 92702-2001  
Telephone: (714) 438-8877

State Civil Rights Contact:

California Department of Social Services  
Civil Rights Bureau  
P.O. Box 944243, M.S. 15-70  
Sacramento, CA 94244-2430

Federal Civil Rights Contact:

U.S. Department of Health and Human Services  
Office of Civil Rights  
50 U.N. Plaza, Room 322  
San Francisco, CA 94102

**X. NOTICE OF DELAYS**

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

**XI. CONFLICT OF INTEREST**

AUTHORITY shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of COUNTY. This obligation shall apply to AUTHORITY's employees, agents, relatives, subcontractors, and third parties associated with accomplishing the work hereunder.

AUTHORITY's efforts shall include, but not be limited to, establishing precautions to prevent its employees or agents from making, receiving, providing, or offering gifts, entertainment, payments, loans, or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of COUNTY.

**XII. CONFIDENTIALITY**

AUTHORITY agrees to maintain the confidentiality of its records pursuant to WIC Sections 10850-10853, the CDSS MPP, Division 19-000, and all other provisions of law, and regulations promulgated thereunder relating to privacy and confidentiality, as each may now exist or be hereafter amended.

All records and information concerning any and all persons referred to AUTHORITY by COUNTY or COUNTY's designee shall be considered and kept confidential by AUTHORITY, AUTHORITY's staff, agents, employees and volunteers. AUTHORITY shall require all of its employees, agents, subcontractors and volunteer staff who may provide services for AUTHORITY under this Agreement to sign an agreement with AUTHORITY before commencing the provision of any such services, to maintain the confidentiality of any and all materials and information with which they may come into contact, or the identities or any identifying characteristics or information with respect to any and all participants referred to AUTHORITY by COUNTY, except as may be required to provide services under this Agreement or to those specified in this Agreement as having the capacity to audit AUTHORITY, and as to the latter, only during such audit. AUTHORITY shall comply with any audits specified in Paragraph XIX.D., provide reports and any other information required by COUNTY in the administration of this Agreement, and as otherwise permitted by law.

AUTHORITY shall inform all of its employees, agents, subcontractors, volunteers and partners of this provision and that any person knowingly and intentionally violating the provisions of said State law may be guilty of a crime.

AUTHORITY agrees that any and all subcontracts entered into shall be subject to the confidentiality requirements of this Agreement.

**XIII. EMPLOYMENT ELIGIBILITY VERIFICATION**

As applicable, AUTHORITY warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others, and that all its employees performing work under this Agreement meet the citizenship or alien status requirement set forth in Federal statutes and regulations. AUTHORITY 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



## **XVII. EQUIPMENT**

- A. All items purchased with funds provided under this Agreement or which are furnished to AUTHORITY by COUNTY which have a single unit cost of at least five thousand dollars (\$5,000.00), including sales tax, shall be considered Capital Equipment. Title to all items of Capital Equipment purchased vests and will remain in COUNTY as such shall be designated by COUNTY. The use of such items of Capital Equipment is limited to the performance of this Agreement. Upon the termination of this Agreement, AUTHORITY shall immediately return any items of Capital Equipment to COUNTY or its representatives, or dispose of them in accordance with the directions of COUNTY.

AUTHORITY further agrees to the following:

1. To maintain all items of Capital Equipment in good working order and condition, normal wear and tear excepted.
2. To label all items of Capital Equipment, do periodic inventories as required by COUNTY and to maintain an inventory list showing where and how the Capital Equipment is being used, in accordance with procedures developed by COUNTY. All such lists shall be submitted to COUNTY within ten (10) business days of any request therefor.
3. To report in writing to COUNTY immediately after discovery, the loss or theft of any items of Capital Equipment. For stolen items, the local law enforcement agency must be contacted and a copy of the police report submitted to COUNTY.
4. To purchase a policy or policies of insurance covering loss or damage to any and all Capital Equipment purchased under this Agreement, in the amount of the full replacement value thereof, providing protection against the classification of fire, extended coverage, vandalism, malicious mischief and special extended perils (all risks) covering the parties' interests as they appear.

- B. The purchase of any Capital Equipment by AUTHORITY shall be requested in writing, shall require the prior written approval of COUNTY, and shall fulfill the provisions of this Agreement which are appropriate and directly related to AUTHORITY's service or activity under the terms of the Agreement. COUNTY may refuse reimbursement for any costs resulting from Capital Equipment purchased, which are incurred by AUTHORITY, if prior written approval has not been obtained from COUNTY.
- C. No personal computers or any component thereof may be purchased with funds provided under this Agreement, regardless of purchase price, without prior written approval of COUNTY. Any personal computers or any component thereof purchased shall be in accordance with computer specifications provided by COUNTY, be subject to the same inventory control conditions specified in Subparagraphs XVII.A.1. to XVII.A.4. and, at the sole discretion of COUNTY, become the property of COUNTY upon termination of this Agreement.

#### **XVIII. USE OF COUNTY PROPERTY**

- A. ~~COUNTY intends to permit AUTHORITY the rent free use of office space, office furniture, and office equipment located in any and all offices and COUNTY facilities at which AUTHORITY shall be co located with COUNTY staff pursuant to this Agreement, as is more particularly set forth in that certain real estate agreement described in Subparagraph XVIII.B., below. As stated in the lease or license agreement, said office space, office furniture, and equipment shall be used solely by employees of AUTHORITY while performing their assigned duties pursuant to this Agreement.~~
- B. ~~AUTHORITY shall enter into a rent free lease or license agreement with COUNTY for facilities provided by COUNTY, and will execute all terms and conditions of said agreement upon COUNTY's presentation of said document to AUTHORITY. Failure to execute the lease or license agreement will result in a breach of this Agreement.~~

#### **XIX. RECORDS, INSPECTIONS AND AUDITS**

##### **A. Financial Records:**

1. AUTHORITY shall prepare and maintain accurate and complete financial records. Financial records shall be retained, by AUTHORITY, for a minimum of five (5) years from the date of final payment under this Agreement or until all pending COUNTY, State and Federal audits are completed, whichever is later.
2. AUTHORITY shall establish and maintain reasonable accounting, internal control and financial reporting standards in conformity with generally accepted accounting principles established by the American Institute of Certified Public Accountants and to the satisfaction of COUNTY.

**B. Client Records:**

1. AUTHORITY shall prepare and maintain accurate and complete records of clients served and dates and type of services provided under the terms of this Agreement in a form acceptable to COUNTY.
2. All client records related to services provided under the terms of this Agreement shall be retained by AUTHORITY for a minimum of five (5) years from the date of final payment under this Agreement or until all pending COUNTY, State and Federal audits are completed, whichever is later. Notwithstanding anything to the contrary, upon termination of this Agreement, AUTHORITY shall relinquish control with respect to client records to COUNTY in accordance with Paragraph XXI.
3. COUNTY may refuse payment for a claim if client records are determined by COUNTY to be incomplete or inaccurate. In the event client records are determined to be incomplete or inaccurate after payment has been made, COUNTY may treat such payment as an overpayment within the provisions of this Agreement.

**C. Public Records:**

With the exception of client records or other records referenced in Paragraph XII., entitled Confidentiality, all records, including but not limited to, reports, audits, notices, claims, statements and correspondence, required by this Agreement may be subject to public disclosure. COUNTY will not be liable for any such disclosure.

**D. Inspections and Audits:**

1. Authorized representatives of the County, State, and Federal governments shall have the right to inspect and audit all aspects of operations under this Agreement.
2. AUTHORITY shall cooperate fully in any inspections or auditing conducted by COUNTY or other governmental agency.
3. Inspections by COUNTY may be accomplished by, but not limited to, the following means: field reviews, audit of claims, and review of records.
4. COUNTY shall notify AUTHORITY in writing within thirty (30) calendar days upon identifying any potential audit exceptions encountered during any inspection or auditing review.
5. The U.S. Department of Health and Human Services, Comptroller General of the United States, Director of CDSS, State Auditor-General, COUNTY, COUNTY's Auditor-Controller and Internal Audit Department, or any of their authorized representatives, shall have access to any books, documents, papers and records, including medical records, of AUTHORITY which any of them may determine to be pertinent to this Agreement for the purpose of financial monitoring. Further, all the above mentioned persons have the right at all reasonable times to inspect or

otherwise evaluate the work performed or being performed under this Agreement and the premises in which it is being performed.

6. AUTHORITY shall make available its books and financial records within the borders of Orange County within ten (10) business days after receipt of written demand by COUNTY.
- ~~7. In the event AUTHORITY does not make available its books and financial records within the borders of Orange County, AUTHORITY agrees to pay all necessary and reasonable expenses incurred by COUNTY, or COUNTY's designee, necessary to obtain AUTHORITY's books and financial records.~~

**E. Evaluation Studies:**

AUTHORITY shall participate as requested by COUNTY in research and/or evaluative studies designed to show the effectiveness and/or efficiency of AUTHORITY's services or provide information about AUTHORITY's project.

**XX. GENERAL PROVISIONS**

**A. Entire Agreement:**

This Agreement contains all the terms and conditions agreed upon by the COUNTY and AUTHORITY and no other understanding, oral or otherwise, regarding this Agreement shall be deemed to exist or to bind any of the parties of this Agreement.

**B. Agreement to Transition Process:**

- ~~1. Upon execution of this Agreement, COUNTY shall provide all necessary HSS information to AUTHORITY to allow it to implement the program components contained herein.~~
2. AUTHORITY agrees to provide all information deemed necessary by the COUNTY for use in transitioning or discontinuing this Agreement.
3. Upon termination, or notice thereof, AUTHORITY agrees to cooperate with COUNTY in the orderly transfer of service responsibilities, active case records, and pertinent documents.
4. Upon the termination of this Agreement, AUTHORITY shall assist COUNTY in the orderly transfer of AUTHORITY's Capital Equipment and fixed assets to COUNTY or other entity. Capital Equipment shall be defined as any equipment with a single unit cost of at least five thousand dollars (\$5,000), including sales tax.

**C. Insurance:**

~~Prior to the provision of services under this Agreement, AUTHORITY agrees to purchase all required insurance at AUTHORITY's expense and to deposit with COUNTY Certificates of Insurance, including all endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this Agreement~~

~~have been complied with, and to keep such insurance coverage and the certificates therefore on deposit with COUNTY during the entire term of this Agreement.~~

~~AUTHORITY shall ensure that all subcontractors' performing work on behalf of AUTHORITY pursuant to this Agreement shall obtain insurance subject to the same terms and conditions as set forth herein for AUTHORITY.~~

~~All self-insured retentions (SIRs) and deductibles shall be clearly stated on the Certificate of Insurance. If no SIRs or deductibles apply, indicate this on the Certificate of Insurance with a "0" by the appropriate line of coverage. Any self-insured retention (SIR) or deductible in an amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the County Executive Office (CEO)/Office of Risk Management.~~

~~If AUTHORITY fails to maintain insurance acceptable to COUNTY for the full term of this Agreement, COUNTY may terminate this Agreement.~~

Qualified Insurer

~~Minimum insurance company ratings as determined by the most current edition of the Best's Key Rating Guide/Property Casualty/United States or ambest.com shall be A (Secure A.M. Best's Rating) and VIII (Financial Size Category).~~

~~The policy or policies of insurance required herein must be issued by an insurer licensed to do business in the State of California (California Admitted Carrier). If the insurer is a non-admitted carrier in the State of California and does not meet or exceed an A.M. Best rating of A /VIII, CEO/Office of Risk Management retains the right to approve or reject carrier after a review of the company's performance and financial ratings. If the non-admitted carrier meets or exceeds the minimum A.M. Best rating of A /VIII, COUNTY can accept the insurance.~~

~~All subcontractors of AUTHORITY are bound by the same insurance requirements of AUTHORITY. AUTHORITY shall provide notice of the insurance requirements to every subcontractor and receive and maintain proof of insurance that the subcontractors have the required insurance coverage prior to allowing the subcontractors to begin performing under the subcontract.~~

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~~

~~Employer's Liability Insurance~~

~~\$1,000,000 per occurrence~~

~~Insurance Types and Minimum Limits:~~

- ~~1. Statutory Workers' Compensation insurance covering AUTHORITY's administrative staff (the IPs' workers' compensation coverage shall be provided through the State of California).~~
- ~~2. Commercial General Liability insurance with minimum limits of at least one million dollars (\$1,000,000) per occurrence, and with a two million dollar (\$2,000,000) aggregate. The General Liability insurance shall include coverage for claims for or arising out of bodily injury, property damage including broad form property damage, and contractual liability. The policy shall also contain a severability of interests clause.~~
- ~~3. Automobile Liability coverage for all owned, non-owned and hired vehicles with a minimum limit of one million dollars (\$1,000,000) per occurrence to cover bodily injury and property damage claims.~~
- ~~4. Employers' Liability with minimum limits of one million dollars (\$1,000,000) per occurrence.~~
- ~~5. Employee Dishonesty Coverage with minimum limits of one million dollars (\$1,000,000) per occurrence.~~
- ~~6. Public Official's Liability with minimum limits of one million dollars (\$1,000,000) per occurrence. (Why do we have this?)~~
- ~~7. Property Insurance to cover AUTHORITY's personal contents.~~
- ~~8. AUTHORITY shall provide COUNTY, in accordance with Section V. of the Agreement, with evidence of the insurance referenced in subsections C.1., C.2., C.3., C.4., C.5., C.6., and C.7., above, in the form of Certificates of Insurance and required endorsements as specified below:~~

~~Required Coverage Forms~~

~~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.~~

~~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

~~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 2010 or CG 2033 or a form at least as broad naming the County of Orange, its elected and appointed officials, officers, employees, agents as Additional Insureds.~~
- ~~2. A primary non-contributing endorsement evidencing that AUTHORITY's insurance is primary and any insurance or self insurance maintained by the County of Orange shall be excess and non-contributing.~~

~~The County of Orange shall be the loss payee on the Employee Dishonesty coverage. A Loss Payee endorsement evidencing that the County of Orange is a Loss Payee shall accompany the Certificate of Insurance.~~

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

~~The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the County of Orange, and members of the Board of Supervisors, its elected and appointed officials, officers, agents and employees.~~

~~All insurance policies required by this Agreement shall give the County of Orange thirty (30) days notice in the event of cancellation and ten (10) days for non-payment of premium. This shall be evidenced by policy provisions or an endorsement separate from the Certificate of Insurance.~~

~~If AUTHORITY's Professional Liability policy is a "claims made" policy, AUTHORITY shall agree to maintain professional liability coverage for two (2) years following completion of this Agreement.~~

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

~~COUNTY expressly retains the right to require AUTHORITY to increase or decrease insurance of any of the above insurance types throughout the term of this Agreement. 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 AUTHORITY in writing of changes in the insurance requirements. If AUTHORITY does not deposit copies of acceptable certificates of insurance and endorsements with COUNTY incorporating such changes within thirty (30) days of receipt of such notice, this Agreement may be in breach without further notice to AUTHORITY, 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 AUTHORITY's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement, nor act in any way to reduce the policy coverage and limits available from the insurer.~~

**D. Hold Harmless and Indemnification**

1. AUTHORITY shall indemnify 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 and all claims, suits, or actions of every name, kind and description, (a) brought for, or on account of injuries to or death of any person, including AUTHORITY and the employees, agents, and/or representatives of AUTHORITY under this Agreement, or damage to any property of any kind whatsoever and to whomsoever belonging, arising out of or related to AUTHORITY's activities or the activities of the employees, agents, and/or representatives of AUTHORITY under this Agreement, (b) incurred by COUNTY as a result of AUTHORITY's violation of any duty under this Agreement, including, but not limited to, the acts of employees, agents and/or representatives of AUTHORITY resulting in any actual or proposed disallowance by the State of California to COUNTY's claim for reimbursement, (c) incurred by COUNTY as a result of AUTHORITY's failure to pay and discharge any obligation incurred by AUTHORITY, including, but not limited to, the acts of employees, agents and/or representatives of AUTHORITY with third parties in the performance of its duties under this Agreement, or (d) incurred by COUNTY from any State hearing cash grant award or lawsuit award not limited to the acts of employees, agents and/or representatives of AUTHORITY, (e) by reason of any failure to withhold and/or pay to the government income and/or employment taxes from earnings under this Agreement as made necessary by Section 530 of the Revenue Act of 1978, (f) and for any other loss or cost, including, but not limited to, the concurrent active or passive negligence of AUTHORITY, its officers, agents, employees, or servants, resulting from the performance of any work required of AUTHORITY or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which COUNTY has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

2. The duty of AUTHORITY to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

**E. Severability**

If any term, covenant, condition, or provision of this Agreement 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.

**F. Independence of AUTHORITY**

AUTHORITY is, for all purposes arising out of this Agreement, an independent entity. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between COUNTY and AUTHORITY's agents, employees, subcontractors, or volunteers.

**XXI. TERMINATION**

COUNTY may terminate this Agreement without penalty immediately with cause, or after thirty (30) calendar days written notice without cause, unless otherwise specified. Notice shall be deemed served on the date of mailing. Cause shall be defined as any breach of contract, any misrepresentation or fraud on the part of AUTHORITY. Exercise by COUNTY of the right to terminate this Agreement shall relieve COUNTY of all further obligations under this Agreement.

Upon termination, or notice thereof, AUTHORITY agrees to cooperate with COUNTY in the orderly transfer of service responsibilities, active case records, and pertinent documents.

The obligations of COUNTY under this Agreement are contingent upon the availability of Federal and/or State funds, as applicable, and inclusion of sufficient funds for the services hereunder in the budget approved by the Orange County Board of Supervisors each fiscal year this Agreement remains in effect or operation. In the event that such funding is terminated or reduced, COUNTY may immediately terminate this Agreement, reduce COUNTY's obligations hereunder, or modify this Agreement, without penalty. The decision of COUNTY will be binding on AUTHORITY. COUNTY will provide AUTHORITY with written notification of such determination. AUTHORITY shall immediately comply with COUNTY's decision.

If any provision of this Interagency Agreement or the application thereof is held invalid, the remainder of this Interagency Agreement shall not be affected thereby.

**COUNTY OF ORANGE**

**ORANGE COUNTY IN-HOME SUPPORTIVE  
SERVICES PUBLIC AUTHORITY**

By: \_\_\_\_\_  
Chair, Board of Supervisors  
"COUNTY"

By: \_\_\_\_\_  
Chair, Governing Body  
"AUTHORITY"

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

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

SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE CHAIR  
OF THE BOARD AND AUTHORITY  
PER G.C. SEC. 25103, RESO 79-1535  
ATTEST:

\_\_\_\_\_  
SUSAN NOVAK  
Clerk of the Board of Supervisors  
Orange County, California

APPROVED AS TO FORM  
COUNTY COUNSEL  
COUNTY OF ORANGE, CALIFORNIA

By: \_\_\_\_\_  
DEPUTY

Dated: \_\_\_\_\_

**EXHIBIT A**

**TO**

**INTERAGENCY AGREEMENT**

**BETWEEN**

**COUNTY OF ORANGE**

**AND**

**ORANGE COUNTY IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY**

**FOR THE PROVISION AND ADMINISTRATION OF IN-HOME SUPPORTIVE SERVICES**

**SCOPE OF WORK FOR  
AUDITOR-CONTROLLER SERVICES**

**I. SCOPE OF SERVICES**

The services described below to be provided to the In-Home Supportive Services Public Authority (AUTHORITY) by the County Auditor-Controller are intended to be the same type of services as provided to County departments and agencies as of July 1, 2013. Additional services are not included and will be charged to AUTHORITY in accordance with Section IV. of this Exhibit A.

**A. Claims and Disbursing Services**

The Auditor-Controller of Orange County shall serve as the Auditor-Controller for AUTHORITY with respect to auditing and payment of claims. Normal vendor claims and trust payments will be paid for AUTHORITY by the Claims and Disbursing Section of the Auditor-Controller in accordance with their normal procedures for auditing and allowing claims for County departments and agencies. AUTHORITY shall use the Extended Purchasing System to process and authorize purchase order contracts in a manner consistent with the County's decentralized purchasing program. For other contracts, AUTHORITY shall generally comply with the County's Contract Policy Manual. Where Board of Supervisors approval is required for contracts, AUTHORITY shall submit such contracts for Board approval, since the Board of Supervisors is the governing body of AUTHORITY. Items that would normally require County department head approval will be approved by the Executive Director of AUTHORITY. AUTHORITY shall continue to process petty cash and employee reimbursement claims in a manner consistent with the County's existing procedures.

**B. Check Writing Services**

The Check Writing Unit will process payments and release/mail checks for payment of accounts payable and trust payments for AUTHORITY, including follow-up and processing of checks returned due to bad addresses or other reasons.

**C. General Accounting Services**

The General Accounting Section services will include services provided by the General Ledger Unit, including maintenance of accounting records for AUTHORITY's expenditures, encumbrances, revenues, and balance sheet accounts through the accounting system, input of transactions affecting AUTHORITY's financial records to the accounting system, and provision of standard reports and on-line reports as normally provided to other County departments and agencies through the County Accounting and Personnel System (CAPS). Any additional reports or system modifications required by AUTHORITY will be charged at incremental cost, including system and labor costs in accordance with Section IV. of this Exhibit A.

**D. Revenue and Budget Services**

The Revenue and Budget Unit of the Auditor-Controller will include AUTHORITY's annual budget in the County's Recommended and Adopted Budget; review revenue and expenditure projections and estimates made by AUTHORITY; and insure that AUTHORITY's budget is balanced, in the same manner as services provided to County departments and agencies.

**E. Financial Reporting**

The Financial Reporting Unit of the Auditor-Controller prepares the County's Comprehensive Annual Financial Report (CAFR) and Single Audit Report. Since AUTHORITY is governed by the County of Orange Board of Supervisors and the Board of Supervisors also appoints the management and determines the budget of AUTHORITY, it will be included in the County's CAFR and Single Audit Reports in accordance with standards issued by the Governmental Accounting Standards Board, and will be charged a share of the cost of preparing and auditing those reports, which includes the cost of Financial Reporting staff and the cost of the contract outside audit firm.

**F. CAPS Administration**

The CAPS Administration Section maintains CAPS+ in support of services identified in the preceding sections A. through E. This includes all of the CAPS+ Financial System and Budget Reporting and Analysis Support System (BRASS), but excludes the Advantage Human Resources System (AHRS) since AUTHORITY employees are not County employees and are not utilizing County payroll and personnel systems.

**II. COST OF SERVICES**

The estimated annual cost of each service to be provided to AUTHORITY by the County Auditor-Controller as detailed in Section I. above is as follows:

<u>Service Description</u>	<u>Estimated Annual Cost</u>
Claims and Disbursing	\$1,2056.00
Check Writing	8175.00
General Accounting	2627.00
Revenue and Budget	325271.00
Financial Reporting	250489.00
CAPS Administration and Systems	<u>2,481,995.00</u>
TOTAL	\$4,608303.00

These amounts are estimates only. A year-end accounting of actual costs will be done when the cost plan, which includes those costs, is completed, after which charges will be adjusted to reflect actual costs.

**III. PAYMENT PROCESS**

Payment for Auditor-Controller services shall be made via monthly journal vouchers charging the IHSS Public Authority Fund for one-twelfth (1/12<sup>th</sup>) of the total amount specified in Section II. of this Exhibit A.

**IV. ADDITIONAL ACCOUNTING ASSISTANCE**

If AUTHORITY requests additional professional accounting assistance from the Auditor-Controller over and above the standard accounting systems and procedures training and accounting systems orientation support provided to County departments and agencies, AUTHORITY shall pay for the total additional time at the rate of \$99.18 101.28 per hour, to be billed at the completion of such additional services. If AUTHORITY requests additional accounting or budgetary reports from the Auditor-Controller in addition to the standard reports provided to all County departments and agencies, the costs of such additional reports will be charged to AUTHORITY at the actual cost of designing, programming, preparing, producing, and distributing such additional reports, including all related systems costs.

**EXHIBIT B**  
**TO**  
**INTERAGENCY AGREEMENT**  
**BETWEEN**  
**COUNTY OF ORANGE**  
**AND**  
**ORANGE COUNTY IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY**  
**FOR THE PROVISION AND ADMINISTRATION OF IN-HOME SUPPORTIVE SERVICES**  
  
**CHARGES FOR**  
**TREASURER/TAX-COLLECTOR SERVICES**

The Treasurer/Tax-Collector shall charge AUTHORITY for all labor costs, administrative costs, overhead costs, and soft dollar banking costs, as authorized by California Government Code Section 27013, via a basis point calculation on the average monthly cash balance of IHSS funds on deposit with the Treasurer/Tax Collector. The basis point fee may be changed to reflect current costs and total investment pool balances.

These costs will be charged to AUTHORITY on a monthly basis using the basis point charge then in effect. An accounting of the actual cost of services based on a June 30 fiscal year-end will be completed by the Treasurer/Tax-Collector on an annual basis. At that time, charges will be adjusted to reflect actual costs. The expected basis point rate for fiscal year 2013-14 is 98.02 basis points.