

1 AGREEMENT FOR PROVISION OF  
2 PAROLEE SERVICES NETWORK RESIDENTIAL SERVICES  
3 BETWEEN  
4 COUNTY OF ORANGE  
5 AND  
6 PHOENIX HOUSE ORANGE COUNTY, INC.  
7 JULY 1, 2013 THROUGH JUNE 30, 2014  
8

9 THIS AGREEMENT entered into 1st day of July 2013, which date is enumerated for purposes of  
10 reference only, is by and between the COUNTY OF ORANGE (COUNTY) and PHOENIX HOUSE  
11 ORANGE COUNTY, INC., a California nonprofit corporation (CONTRACTOR). This Agreement  
12 shall be administered by the County of Orange Health Care Agency (ADMINISTRATOR).  
13

14 **W I T N E S S E T H:**  
15

16 WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of Parolee  
17 Services Network Residential Services described herein to the residents of Orange County; and

18 WHEREAS, CONTRACTOR is agreeable to the rendering of such services on the terms and  
19 conditions hereinafter set forth:

20 NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

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**REFERENCED CONTRACT PROVISIONS**

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2  
3 **Term:** July 1, 2013 through June 30, 2014  
4

5 **Maximum Obligation:** \$132,000  
6

7 **Basis for Reimbursement:** Actual Cost  
8

9 **Payment Method:** Actual Cost  
10

11  
12 **Notices to COUNTY and CONTRACTOR:**  
13

14 **COUNTY:** County of Orange  
15 Health Care Agency  
16 Contract Development and Management  
17 405 West 5th Street, Suite 600  
18 Santa Ana, CA 92701-4637  
19

20 **CONTRACTOR:** Phoenix House Orange County, Inc.  
21 11600 Eldridge Avenue  
22 Lake View Terrace, CA 91342  
23 Pouria Abbassi, Senior Vice President/Regional Director  
24 pabbassi@phoenixhouse.org  
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**I. ACRONYMS**

The following standard definitions are for reference purposes only and may or may not apply in their entirety throughout this Agreement:

1		
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3		
4	A. ADAS	Alcohol and Drug Abuse Services
5	B. ADP	Alcohol and Drug Program
6	C. ARRA	American Recovery and Reinvestment Act
7	D. ASRS	Alcohol and Drug Programs Reporting System
8	E. CAF	Client Admissions Form
9	F. CalOMS	California Outcomes Measurement System
10	G. CAP	Correction Action Plan
11	H. CCC	California Civil Code
12	I. CCR	California Code of Regulations
13	J. CEO	County Executive Office
14	K. CESI	Client Evaluation of Self at Intake
15	L. CEST	Client Evaluation of Self and Treatment
16	M. CFR	Code of Federal Regulations
17	N. CHPP	COUNTY HIPAA Policies and Procedures
18	O. CHS	Correctional Health Services
19	P. COI	Certificate of Insurance
20	Q. D/MC	Drug/Medi-Cal
21	R. DHCS	Department of Health Care Services
22	S. DPFS	Drug Program Fiscal Systems
23	T. DRS	Designated Record Set
24	U. ePHI	Electronic Protected Health Information
25	V. GAAP	Generally Accepted Accounting Principles
26	W. HCA	Health Care Agency
27	X. HHS	Health and Human Services
28	Y. HIPAA	Health Insurance Portability and Accountability Act of 1996, Public Law 104-191
29		
30	Z. HIV	Human Immunodeficiency Virus
31	AA. HSC	California Health and Safety Code
32	AB. IRIS	Integrated Records and Information System
33	AC. ISO	Insurance Services Office
34	AD. MHP	Mental Health Plan
35	AE. NIATx	Network for Improvement of Addiction Treatment model
36	AF. OCJS	Orange County Jail System
37	AG. OCPD	Orange County Probation Department

1	AH. OCR	Office for Civil Rights
2	AI. OCSD	Orange County Sheriff's Department
3	AJ. OIG	Office of Inspector General
4	AK. OMB	Office of Management and Budget
5	AL. OPM	Federal Office of Personnel Management
6	AM. PA DSS	Payment Application Data Security Standard
7	AN. PC	State of California Penal Code
8	AO. PCI DSS	Payment Card Industry Data Security Standard
9	AP. PHI	Protected Health Information
10	AQ. PII	Personally Identifiable Information
11	AR. PRA	Public Record Act
12	AS. PSN	Parolee Service Network
13	AT. SIR	Self-Insured Retention
14	AU. TB	Tuberculosis
15	AV. The HITECH Act	The Health Information Technology for Economic and Clinical Health Act, Public Law 111-005
16		
17	AW. USC	United States Code
18	AX. WIC	State of California Welfare and Institutions Code

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**II. ALTERATION OF TERMS**

A. This Agreement, together with Exhibit A attached hereto and incorporated herein, fully expresses the complete understanding of COUNTY and CONTRACTOR with respect to the subject matter of this Agreement.

B. Unless otherwise expressly stated in this Agreement, no addition to, or alteration of the terms of this Agreement or any Exhibits, whether written or verbal, shall be valid unless made in the form of a written amendment to this Agreement, which has been formally approved and executed by both parties.

**III. ASSIGNMENT OF DEBTS**

Unless this Agreement is followed without interruption by another Agreement between the parties hereto for the same services and substantially the same scope, at the termination of this Agreement, CONTRACTOR shall assign to COUNTY any debts owing to CONTRACTOR by or on behalf of persons receiving services pursuant to this Agreement. CONTRACTOR shall immediately notify by mail each of these persons, specifying the date of assignment, the County of Orange as assignee, and the address to which payments are to be sent. Payments received by CONTRACTOR from or on behalf of said persons, shall be immediately given to COUNTY.

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**IV. COMPLIANCE**

1  
2 A. ADMINISTRATOR has established a Compliance Program for the purpose of ensuring  
3 adherence to all rules and regulations related to federal and state health care programs.

4 1. ADMINISTRATOR shall provide CONTRACTOR with a copy of the relevant HCA  
5 policies and procedures relating to HCA's Compliance Program, HCA's Code of Conduct and General  
6 Compliance Trainings.

7 2. CONTRACTOR has the option to adhere to HCA's Compliance Program and Code of  
8 Conduct or establish its own, provided CONTRACTOR's Compliance Program and Code of Conduct  
9 have been verified to include all required elements by ADMINISTRATOR's Compliance Officer as  
10 described in subparagraphs below.

11 3. If CONTRACTOR elects to adhere to HCA's Compliance Program and Code of Conduct;  
12 the CONTRACTOR shall submit to the ADMINISTRATOR within thirty (30) calendar days of award  
13 of this Agreement a signed acknowledgement that CONTRACTOR shall comply with HCA's  
14 Compliance Program and Code of Conduct.

15 4. If CONTRACTOR elects to have its own Compliance Program and Code of Conduct then it  
16 shall submit a copy of its Compliance Program, Code of Conduct and relevant policies and procedures to  
17 ADMINISTRATOR within thirty (30) calendar days of award of this Agreement. ADMINISTRATOR's  
18 Compliance Officer shall determine if CONTRACTOR Compliance Program and Code of Conduct  
19 contains all required elements. CONTRACTOR shall take necessary action to meet said standards or  
20 shall be asked to acknowledge and agree to the HCA's Compliance Program and Code of Conduct if the  
21 CONTRACTOR's Compliance Program and Code of Conduct does not contain all required elements.

22 5. Upon written confirmation from ADMINISTRATOR's Compliance Officer that the  
23 CONTRACTOR Compliance Program and Code of Conduct contains all required elements,  
24 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
25 CONTRACTOR's Compliance Program, Code of Conduct and related policies and procedures.

26 6. Failure of CONTRACTOR to submit its Compliance Program, Code of Conduct and  
27 relevant policies and procedures shall constitute a material breach of this Agreement. Failure to cure  
28 such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall constitute  
29 grounds for termination of this Agreement as to the non-complying party.

30 B. SANCTION SCREENING – CONTRACTOR shall adhere to all screening policies and  
31 procedures and screen all Covered Individuals employed or retained to provide services related to this  
32 Agreement to ensure that they are not designated as Ineligible Persons, as pursuant to this Agreement.  
33 Screening shall be conducted against the General Services Administration's Excluded Parties List  
34 System or System for Award Management, the Health and Human Services/Office of Inspector General  
35 List of Excluded Individuals/Entities, and the California Medi-Cal Suspended and Ineligible Provider  
36 List and/or any other as identified by the ADMINISTRATOR.

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1 1. Covered Individuals includes all contractors, subcontractors, agents, and other persons who  
2 provide health care items or services or who perform billing or coding functions on behalf of HCA.  
3 Notwithstanding the above, this term does not include part-time or per-diem employees, contractors,  
4 subcontractors, agents, and other persons who are not reasonably expected to work more than one  
5 hundred sixty (160) hours per year; except that any such individuals shall become Covered Individuals at  
6 the point when they work more than one hundred sixty (160) hours during the calendar year.  
7 CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of  
8 ADMINISTRATOR's Compliance Program, Code of Conduct and related policies and procedures.

9 2. An Ineligible Person shall be any individual or entity who:

10 a. is currently excluded, suspended, debarred or otherwise ineligible to participate in  
11 federal and state health care programs; or

12 b. has been convicted of a criminal offense related to the provision of health care items or  
13 services and has not been reinstated in the federal and state health care programs after a period of  
14 exclusion, suspension, debarment, or ineligibility.

15 3. CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement.  
16 CONTRACTOR shall not hire or engage any Ineligible Person to provide services relative to this  
17 Agreement.

18 4. CONTRACTOR shall screen all current Covered Individuals and subcontractors semi-  
19 annually to ensure that they have not become Ineligible Persons. CONTRACTOR shall also request that  
20 its subcontractors use their best efforts to verify that they are eligible to participate in all federal and  
21 State of California health programs and have not been excluded or debarred from participation in any  
22 federal or state health care programs, and to further represent to CONTRACTOR that they do not have  
23 any Ineligible Person in their employ or under contract.

24 5. Covered Individuals shall be required to disclose to CONTRACTOR immediately any  
25 debarment, exclusion or other event that makes the Covered Individual an Ineligible Person.  
26 CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual providing  
27 services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an  
28 Ineligible Person.

29 6. CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal  
30 and state funded health care services by contract with COUNTY in the event that they are currently  
31 sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If  
32 CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person,  
33 CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY  
34 business operations related to this Agreement.

35 7. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or  
36 entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.  
37 Such individual or entity shall be immediately removed from participating in any activity associated



1 with this Agreement. ADMINISTRATOR will determine appropriate repayment from, or sanction(s) to  
2 CONTRACTOR for services provided by ineligible person or individual. CONTRACTOR shall  
3 promptly return any overpayments within forty-five (45) business days after the overpayment is verified  
4 by the ADMINISTRATOR.

5 C. COMPLIANCE TRAINING – ADMINISTRATOR shall make General Compliance Training  
6 and Provider Compliance Training, where appropriate, available to Covered Individuals.

7 1. CONTRACTOR shall use its best efforts to encourage completion by Covered Individuals;  
8 provided, however, that at a minimum CONTRACTOR shall assign at least one (1) designated  
9 representative to complete all Compliance Trainings when offered.

10 2. Such training will be made available to Covered Individuals within thirty (30) calendar days  
11 of employment or engagement.

12 3. Such training will be made available to each Covered Individual annually.

13 4. Each Covered Individual attending training shall certify, in writing, attendance at  
14 compliance training. CONTRACTOR shall retain the certifications. Upon written request by  
15 ADMINISTRATOR, CONTRACTOR shall provide copies of the certifications.

16 D. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

17 1. CONTRACTOR shall take reasonable precaution to ensure that the coding of health care  
18 claims, billings and/or invoices for same are prepared and submitted in an accurate and timely manner  
19 and are consistent with federal, state and county laws and regulations.

20 2. CONTRACTOR shall not submit any false, fraudulent, inaccurate and/or fictitious claims  
21 for payment or reimbursement of any kind.

22 3. CONTRACTOR shall bill only for those eligible services actually rendered which are also  
23 fully documented. When such services are coded, CONTRACTOR shall use accurate billing codes  
24 which accurately describes the services provided and must ensure compliance with all billing and  
25 documentation requirements.

26 4. CONTRACTOR shall act promptly to investigate and correct any problems or errors in  
27 coding of claims and billing, if and when, any such problems or errors are identified.

28 5. CONTRACTOR shall promptly return any overpayments within forty-five (45) business  
29 days after the overpayment is verified by the ADMINISTRATOR.

30  
31 **V. CONFIDENTIALITY**

32 A. CONTRACTOR shall maintain the confidentiality of all records, including billings and any  
33 audio and/or video recordings, in accordance with all applicable federal, state and county codes and  
34 regulations, including 42 USC 290dd-2 (Confidentiality of Records), as they now exist or may hereafter  
35 be amended or changed.

36 B. Prior to providing any services pursuant to this Agreement, all members of the Board of  
37 Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and

1 interns of the CONTRACTOR shall agree, in writing, with CONTRACTOR to maintain the  
2 confidentiality of any and all information and records which may be obtained in the course of providing  
3 such services. This Agreement shall specify that it is effective irrespective of all subsequent resignations  
4 or terminations of CONTRACTOR members of the Board of Directors or its designee or authorized  
5 agent, employees, consultants, subcontractors, volunteers and interns.

6  
7 **VI. COST REPORT**

8 A. CONTRACTOR shall submit a Cost Report to COUNTY no later than forty-five (45) calendar  
9 days following termination of this Agreement. CONTRACTOR shall prepare the Cost Report in  
10 accordance with all applicable federal, state and COUNTY requirements, GAAP and the Special  
11 Provisions Paragraph of this Agreement. CONTRACTOR shall allocate direct and indirect costs to and  
12 between programs, cost centers, services, and funding sources in accordance with such requirements and  
13 consistent with prudent business practice, which costs and allocations shall be supported by source  
14 documentation maintained by CONTRACTOR, and available at any time to ADMINISTRATOR upon  
15 reasonable notice.

16 1. If CONTRACTOR fails to submit an accurate and complete Cost Report within the time  
17 period specified above, ADMINISTRATOR shall have sole discretion to impose one or both of the  
18 following:

19 a. CONTRACTOR may be assessed a late penalty of five hundred dollars (\$500) for each  
20 business day after the above specified due date that the accurate and complete Cost Report is not  
21 submitted. Imposition of the late penalty shall be at the sole discretion of the ADMINISTRATOR. The  
22 late penalty shall be assessed separately on each outstanding Cost Report due COUNTY by  
23 CONTRACTOR.

24 b. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR  
25 pursuant to any or all agreements between COUNTY and CONTRACTOR until such time that the Cost  
26 Report is delivered to ADMINISTRATOR.

27 2. CONTRACTOR may request, in advance and in writing, an extension of the due date of the  
28 Cost Report setting forth good cause for justification of the request. Approval of such requests shall be  
29 at the sole discretion of ADMINISTRATOR and shall not be unreasonably denied.

30 3. In the event that CONTRACTOR does not submit an accurate and complete Cost Report  
31 within one hundred and eighty (180) calendar days following the termination of this Agreement, and  
32 CONTRACTOR has not entered into a subsequent or new agreement for any other services with  
33 COUNTY, then all amounts paid to CONTRACTOR by COUNTY during the term of the Agreement  
34 shall be immediately reimbursed to COUNTY.

35 B. The Cost Report shall be the final financial and statistical report submitted by CONTRACTOR  
36 to COUNTY, and shall serve as the basis for final settlement to CONTRACTOR. CONTRACTOR

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1 shall document that costs are reasonable and allowable and directly or indirectly related to the services to  
2 be provided hereunder. The Cost Report shall be the final financial record for subsequent audits, if any.

3 C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder,  
4 less applicable revenues and late penalty, not to exceed COUNTY's Maximum Obligation as set forth in  
5 the Referenced Contract Provisions of this Agreement. CONTRACTOR shall not claim expenditures to  
6 COUNTY which are not reimbursable pursuant to applicable federal, state and COUNTY laws,  
7 regulations and requirements. Any payment made by COUNTY to CONTRACTOR, which is  
8 subsequently determined to have been for an unreimbursable expenditure or service, shall be repaid by  
9 CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30) calendar  
10 days of submission of the Cost Report or COUNTY may elect to reduce any amount owed  
11 CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

12 D. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to  
13 this Agreement, less applicable revenues and late penalty, are lower than the aggregate of interim  
14 monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference to COUNTY. Such  
15 reimbursement shall be made, in cash, or other authorized form of payment, with the submission of the  
16 Cost Report. If such reimbursement is not made by CONTRACTOR within thirty (30) calendar days  
17 after submission of the Cost Report, COUNTY may, in addition to any other remedies, reduce any  
18 amount owed CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

19 E. If the Cost Report indicates the actual and reimbursable costs of services provided pursuant to  
20 this Agreement, less applicable revenues and late penalty, are higher than the aggregate of interim  
21 monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the difference, provided  
22 such payment does not exceed the Maximum Obligation of COUNTY.

23 F. All Cost Reports shall contain the following attestation, which may be typed directly on or  
24 attached to the Cost Report:

25 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and  
26 supporting documentation prepared by \_\_\_\_\_ for the cost report period  
27 beginning \_\_\_\_\_ and ending \_\_\_\_\_ and that, to the best of my  
28 knowledge and belief, costs reimbursed through this Agreement are reasonable and  
29 allowable and directly or indirectly related to the services provided and that this Cost  
30 Report is a true, correct, and complete statement from the books and records of  
31 (provider name) in accordance with applicable instructions, except as noted. I also  
32 hereby certify that I have the authority to execute the accompanying Cost Report.

33  
34 Signed \_\_\_\_\_  
35 Name \_\_\_\_\_  
36 Title \_\_\_\_\_  
37 Date \_\_\_\_\_"

**VII. DELEGATION, ASSIGNMENT, AND SUBCONTRACTS**

1  
2 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without  
3 prior written consent of COUNTY. CONTRACTOR shall provide written notification of  
4 CONTRACTOR's intent to delegate the obligations hereunder, either in whole or part, to  
5 ADMINISTRATOR not less than sixty (60) calendar days prior to the effective date of the delegation.  
6 Any attempted assignment or delegation in derogation of this paragraph shall be void.

7 B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the  
8 prior written consent of COUNTY.

9 1. If CONTRACTOR is a nonprofit organization, any change from a nonprofit corporation to  
10 any other corporate structure of CONTRACTOR, including a change in more than fifty percent (50%) of  
11 the composition of the Board of Directors within a two (2) month period of time, shall be deemed an  
12 assignment for purposes of this paragraph, unless CONTRACTOR is transitioning from a community  
13 clinic/health center to a Federally Qualified Health Center and has been so designated by the Federal  
14 Government. Any attempted assignment or delegation in derogation of this subparagraph shall be void.

15 2. If CONTRACTOR is a for-profit organization, any change in the business structure,  
16 including but not limited to, the sale or transfer of more than ten percent (10%) of the assets or stocks of  
17 CONTRACTOR, change to another corporate structure, including a change to a sole proprietorship, or a  
18 change in fifty percent (50%) or more of Board of Directors of CONTRACTOR at one time shall be  
19 deemed an assignment pursuant to this paragraph. Any attempted assignment or delegation in  
20 derogation of this subparagraph shall be void.

21 3. If CONTRACTOR is a governmental organization, any change to another structure,  
22 including a change in more than fifty percent (50%) of the composition of its governing body (i.e. Board  
23 of Supervisors, City Council, School Board) within a two (2) month period of time, shall be deemed an  
24 assignment for purposes of this paragraph. Any attempted assignment or delegation in derogation of this  
25 subparagraph shall be void.

26 4. Whether CONTRACTOR is a nonprofit, for-profit, or a governmental organization,  
27 CONTRACTOR shall provide written notification of CONTRACTOR's intent to assign the obligations  
28 hereunder, either in whole or part, to ADMINISTRATOR not less than sixty (60) calendar days prior to  
29 the effective date of the assignment.

30 C. CONTRACTOR's obligations undertaken pursuant to this Agreement may be carried out by  
31 means of subcontracts, provided such subcontracts are approved in advance, in writing by  
32 ADMINISTRATOR, meet the requirements of this Agreement as they relate to the service or activity  
33 under subcontract, and include any provisions that ADMINISTRATOR may require.

34 1. After approval of a subcontract, ADMINISTRATOR may revoke the approval of a  
35 subcontract upon five (5) calendar days written notice to CONTRACTOR if the subcontract  
36 subsequently fails to meet the requirements of this Agreement or any provisions that  
37 ADMINISTRATOR has required.

1 2. No subcontract shall terminate or alter the responsibilities of CONTRACTOR to COUNTY  
2 pursuant to this Agreement.

3 3. ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR,  
4 amounts claimed for subcontracts not approved in accordance with this paragraph.

5 4. This provision shall not be applicable to service agreements usually and customarily entered  
6 into by CONTRACTOR to obtain or arrange for supplies, technical support, and professional services  
7 provided by consultants.

8  
9 **VIII. EMPLOYEE ELIGIBILITY VERIFICATION**

10 CONTRACTOR warrants that it shall fully comply with all federal and state statutes and regulations  
11 regarding the employment of aliens and others and to ensure that employees, subcontractors, and  
12 consultants performing work under this Agreement meet the citizenship or alien status requirement set  
13 forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees,  
14 subcontractors, and consultants performing work hereunder, all verification and other documentation of  
15 employment eligibility status required by federal or state statutes and regulations including, but not  
16 limited to, the Immigration Reform and Control Act of 1986, 8 USC §1324 et seq., as they currently  
17 exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all  
18 covered employees, subcontractors, and consultants for the period prescribed by the law.

19  
20 **IX. EQUIPMENT**

21 A. Unless otherwise specified in writing by ADMINISTRATOR, Equipment is defined as all  
22 property of a Relatively Permanent nature with significant value, purchased in whole or in part by  
23 Administrator to assist in performing the services described in this Agreement. "Relatively Permanent"  
24 is defined as having a useful life of one year or longer. Equipment which costs \$5,000 or over, including  
25 freight charges, sales taxes, and other taxes, and installation costs are defined as Capital Assets.  
26 Equipment which costs between \$600 and \$5,000, including freight charges, sales taxes and other taxes,  
27 and installation costs are defined as Controlled Equipment. Controlled Equipment includes, but is not  
28 limited to audio/visual equipment, computer equipment, and lab equipment. The cost of Equipment  
29 purchased, in whole or in part, with funds paid pursuant to this Agreement shall be depreciated  
30 according to GAAP.

31 B. CONTRACTOR shall obtain ADMINISTRATOR's prior written approval to purchase any  
32 Equipment with funds paid pursuant to this Agreement. Upon delivery of Equipment, CONTRACTOR  
33 shall forward to ADMINISTRATOR, copies of the purchase order, receipt, and other supporting  
34 documentation, which includes delivery date, unit price, tax, shipping and serial numbers.  
35 CONTRACTOR shall request an applicable asset tag for said Equipment and shall include each  
36 purchased asset in an Equipment inventory.

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1 C. Upon ADMINISTRATOR's prior written approval, CONTRACTOR may expense to COUNTY  
2 the cost of the approved Equipment purchased by CONTRACTOR. To "expense," in relation to  
3 Equipment, means to charge the proportionate cost of Equipment in the fiscal year in which it is  
4 purchased. Title of expensed Equipment shall be vested with COUNTY.

5 D. CONTRACTOR shall maintain an inventory of all Equipment purchased in whole or in part  
6 with funds paid through this Agreement, including date of purchase, purchase price, serial number,  
7 model and type of Equipment. Such inventory shall be available for review by ADMINISTRATOR, and  
8 shall include the original purchase date and price, useful life, and balance of depreciated Equipment  
9 cost, if any.

10 E. CONTRACTOR shall cooperate with ADMINISTRATOR in conducting periodic physical  
11 inventories of all Equipment. Upon demand by ADMINISTRATOR, CONTRACTOR shall return any  
12 or all Equipment to COUNTY.

13 F. CONTRACTOR must report any loss or theft of Equipment in accordance with the procedure  
14 approved by ADMINISTRATOR and the Notices Paragraph of this Agreement. In addition,  
15 CONTRACTOR must complete and submit to ADMINISTRATOR a notification form when items of  
16 Equipment are moved from one location to another or returned to COUNTY as surplus.

17 G. Unless this Agreement is followed without interruption by another agreement between the  
18 parties for substantially the same type and scope of services, at the termination of this Agreement for any  
19 cause, CONTRACTOR shall return to COUNTY all Equipment purchased with funds paid through this  
20 Agreement.

21 H. CONTRACTOR shall maintain and administer a sound business program for ensuring the  
22 proper use, maintenance, repair, protection, insurance, and preservation of COUNTY Equipment.

23  
24 **X. FACILITIES, PAYMENTS AND SERVICES**

25 A. CONTRACTOR agrees to provide the services, staffing, facilities, and supplies in accordance  
26 with Exhibit A to this Agreement. COUNTY shall compensate, and authorize, when applicable, said  
27 services. CONTRACTOR shall operate continuously throughout the term of this Agreement with at  
28 least the minimum number and type of staff which meet applicable federal and state requirements, and  
29 which are necessary for the provision of the services hereunder.

30 B. In the event that CONTRACTOR is unable to provide services, staffing, facilities, or supplies,  
31 ADMINISTRATOR may, at its sole discretion, reduce the Total Maximum Obligation. The reduction to  
32 the Total Maximum Obligation shall be in an amount proportionate to the number of days in which  
33 CONTRACTOR was determined to be unable to provide services, staffing, facilities or supplies.

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**XI. INDEMNIFICATION AND INSURANCE**

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2 A. CONTRACTOR agrees to indemnify, defend with counsel approved in writing by COUNTY,  
3 and hold COUNTY, its elected and appointed officials, officers, employees, agents and those special  
4 districts and agencies for which COUNTY's Board of Supervisors acts as the governing Board  
5 (COUNTY INDEMNITEES) harmless from any claims, demands or liability of any kind or nature,  
6 including but not limited to personal injury or property damage, arising from or related to the services,  
7 products or other performance provided by CONTRACTOR pursuant to this Agreement. If judgment is  
8 entered against CONTRACTOR and COUNTY by a court of competent jurisdiction because of the  
9 concurrent active negligence of COUNTY or COUNTY INDEMNITEES, CONTRACTOR and  
10 COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request  
11 a jury apportionment.

12 B. Prior to the provision of services under this Agreement, CONTRACTOR agrees to purchase all  
13 required insurance at CONTRACTOR's expense and to submit to COUNTY the COI, including all  
14 endorsements required herein, necessary to satisfy COUNTY that the insurance provisions of this  
15 Agreement have been complied with and to maintain such insurance coverage with COUNTY during the  
16 entire term of this Agreement. In addition, all subcontractors performing work on behalf of  
17 CONTRACTOR pursuant to this Agreement shall obtain insurance subject to the same terms and  
18 conditions as set forth herein for CONTRACTOR.

19 C. All SIRs and deductibles shall be clearly stated on the COI. If no SIRs or deductibles apply,  
20 indicate this on the COI with a 0 by the appropriate line of coverage. Any SIR or deductible in an  
21 amount in excess of \$25,000 (\$5,000 for automobile liability), shall specifically be approved by the  
22 CEO/Office of Risk Management.

23 D. If CONTRATOR fails to maintain insurance acceptable to COUNTY for the full term of this  
24 Agreement, COUNTY may terminate this Agreement.

25 E. QUALIFIED INSURER

26 1. The policy or policies of insurance must be issued by an insurer licensed to do business in  
27 the state of California (California Admitted Carrier) or have a minimum rating of A- (Secure A.M.  
28 Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the Best's  
29 Key Rating Guide/Property-Casualty/United States or ambest.com).

30 2. If the insurance carrier is not an admitted carrier in the state of California and does not have  
31 an A.M. Best rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or  
32 reject a carrier after a review of the company's performance and financial ratings.

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1 F. The policy or policies of insurance maintained by CONTRACTOR shall provide the minimum  
2 limits and coverage as set forth below:

<u>Coverage</u>	<u>Minimum Limits</u>
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
Professional Liability Insurance	\$1,000,000 per claims made or per occurrence
Sexual Misconduct Liability	\$1,000,000 per occurrence

21 G. REQUIRED COVERAGE FORMS

22 1. The Commercial General Liability coverage shall be written on ISO form CG 00 01, or a  
23 substitute form providing liability coverage at least as broad.

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

26 H. REQUIRED ENDORSEMENTS – The Commercial General Liability policy shall contain the  
27 following endorsements, which shall accompany the COI:

28 1. An Additional Insured endorsement using ISO form CG 2010 or CG 2033 or a form at least  
29 as broad naming the County of Orange, its elected and appointed officials, officers, employees, agents as  
30 Additional Insureds.

31 2. A primary non-contributing endorsement evidencing that the CONTRACTOR's insurance  
32 is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and  
33 non-contributing.

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

37 //



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

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

7 L. If CONTRACTOR's Professional Liability policy is a "claims made" policy, CONTRACTOR  
8 shall agree to maintain professional liability coverage for two years following completion of Agreement.

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

11 N. COUNTY expressly retains the right to require CONTRACTOR to increase or decrease  
12 insurance of any of the above insurance types throughout the term of this Agreement. Any increase or  
13 decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately  
14 protect COUNTY.

15 O. COUNTY shall notify CONTRACTOR in writing of changes in the insurance requirements. If  
16 CONTRACTOR does not deposit copies of acceptable COI's and endorsements with COUNTY  
17 incorporating such changes within thirty (30) calendar days of receipt of such notice, this Agreement may be  
18 in breach without further notice to CONTRACTOR, and COUNTY shall be entitled to all legal remedies.

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

22 Q. SUBMISSION OF INSURANCE DOCUMENTS

23 1. The COI and endorsements shall be provided to COUNTY as follows:

24 a. Prior to the start date of this Agreement.

25 b. No later than the expiration date for each policy.

26 c. Within thirty (30) calendar days upon receipt of written notice by COUNTY regarding  
27 changes to any of the insurance types as set forth in Subparagraph F. of this Agreement.

28 2. The COI and endorsements shall be provided to the COUNTY at the address as referenced  
29 in the Referenced Contract Provisions of this Agreement.

30 3. If CONTRACTOR fails to submit the COI and endorsements that meet the insurance  
31 provisions stipulated in this Agreement by the above specified due dates, ADMINISTRATOR shall have  
32 sole discretion to impose one or both of the following:

33 a. ADMINISTRATOR may withhold or delay any or all payments due CONTRACTOR  
34 pursuant to any and all Agreements between COUNTY and CONTRACTOR until such time that the  
35 required COI and endorsements that meet the insurance provisions stipulated in this Agreement are  
36 submitted to ADMINISTRATOR.

37 //

1 b. CONTRACTOR may be assessed a penalty of one hundred dollars (\$100) for each late  
2 COI or endorsement for each business day, pursuant to any and all Agreements between COUNTY and  
3 CONTRACTOR, until such time that the required COI and endorsements that meet the insurance  
4 provisions stipulated in this Agreement are submitted to ADMINISTRATOR.

5 c. If CONTRACTOR is assessed a late penalty, the amount shall be deducted from  
6 CONTRACTOR's monthly invoice.

7 4. In no cases shall assurances by CONTRACTOR, its employees, agents, including any  
8 insurance agent, be construed as adequate evidence of insurance. COUNTY will only accept valid  
9 COI's and endorsements, or in the interim, an insurance binder as adequate evidence of insurance.

10  
11 **XII. INSPECTIONS AND AUDITS**

12 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative  
13 of the State of California, the Secretary of the United States Department of Health and Human Services,  
14 the Comptroller General of the United States, or any other of their authorized representatives, shall have  
15 access to any books, documents, and records, including but not limited to, financial statements, general  
16 ledgers, relevant accounting systems, medical and Participant records, of CONTRACTOR that are  
17 directly pertinent to this Agreement, for the purpose of responding to a beneficiary complaint or  
18 conducting an audit, review, evaluation, or examination, or making transcripts during the periods of  
19 retention set forth in the Records Management and Maintenance Paragraph of this Agreement. Such  
20 persons may at all reasonable times inspect or otherwise evaluate the services provided pursuant to this  
21 Agreement, and the premises in which they are provided.

22 B. CONTRACTOR shall actively participate and cooperate with any person specified in  
23 Subparagraph A. above in any evaluation or monitoring of the services provided pursuant to this  
24 Agreement, and shall provide the above-mentioned persons adequate office space to conduct such  
25 evaluation or monitoring.

26 **C. AUDIT RESPONSE**

27 1. Following an audit report, in the event of non-compliance with applicable laws and  
28 regulations governing funds provided through this Agreement, COUNTY may terminate this Agreement  
29 as provided for in the Termination Paragraph or direct CONTRACTOR to immediately implement  
30 appropriate corrective action. A plan of corrective action shall be submitted to ADMINISTRATOR in  
31 writing within thirty (30) calendar days after receiving notice from ADMINISTRATOR.

32 2. If the audit reveals that money is payable from one party to the other, that is, reimbursement  
33 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said  
34 funds shall be due and payable from one party to the other within sixty (60) calendar days of receipt of  
35 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement  
36 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies

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1 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the  
2 reimbursement due COUNTY.

3 D. CONTRACTOR shall employ a licensed certified public accountant, who will prepare and file  
4 with ADMINISTRATOR, an annual, independent, organization-wide audit of related expenditures  
5 during the term of this Agreement.

6 E. CONTRACTOR shall forward to ADMINISTRATOR a copy of any audit report within  
7 fourteen (14) calendar days of receipt. Such audit shall include, but not be limited to, management,  
8 financial, programmatic or any other type of audit of CONTRACTOR's operations, whether or not the  
9 cost of such operation or audit is reimbursed in whole or in part through this Agreement.

10  
11 **XIII. LICENSES AND LAWS**

12 A. CONTRACTOR, its officers, agents, employees, affiliates, and subcontractors shall, throughout  
13 the term of this Agreement, maintain all necessary licenses, permits, approvals, certificates,  
14 accreditations, waivers, and exemptions necessary for the provision of the services hereunder and  
15 required by the laws, regulations and requirements of the United States, the State of California,  
16 COUNTY, and all other applicable governmental agencies. CONTRACTOR shall notify  
17 ADMINISTRATOR immediately and in writing of its inability to obtain or maintain, irrespective of the  
18 pendency of any hearings or appeals, permits, licenses, approvals, certificates, accreditations, waivers  
19 and exemptions. Said inability shall be cause for termination of this Agreement.

20 **B. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS**

21 1. CONTRACTOR agrees to furnish to ADMINISTRATOR within thirty (30) calendar days  
22 of the award of this Agreement:

23 a. In the case of an individual contractor, his/her name, date of birth, social security  
24 number, and residence address;

25 b. In the case of a contractor doing business in a form other than as an individual, the  
26 name, date of birth, social security number, and residence address of each individual who owns an  
27 interest of ten percent (10%) or more in the contracting entity;

28 c. A certification that CONTRACTOR has fully complied with all applicable federal and  
29 state reporting requirements regarding its employees;

30 d. A certification that CONTRACTOR has fully complied with all lawfully served Wage  
31 and Earnings Assignment Orders and Notices of Assignment, and will continue to so comply.

32 2. Failure of CONTRACTOR to timely submit the data and/or certifications required by  
33 Subparagraphs 1.a., 1.b., 1.c., or 1.d. above, or to comply with all federal and state employee reporting  
34 requirements for child support enforcement, or to comply with all lawfully served Wage and Earnings  
35 Assignment Orders and Notices of Assignment, shall constitute a material breach of this Agreement; and  
36 failure to cure such breach within sixty (60) calendar days of notice from COUNTY shall constitute  
37 grounds for termination of this Agreement.

1 3. It is expressly understood that this data will be transmitted to governmental agencies  
2 charged with the establishment and enforcement of child support orders, or as permitted by federal  
3 and/or state statute.

4 C. CONTRACTOR shall comply with all applicable governmental laws, regulations, and  
5 requirements as they exist now or may be hereafter amended or changed. These laws, regulations, and  
6 requirements shall include, but not be limited to, the following:

7 1. ARRA of 2009.

8 2. State of California, Department of Social Services, Community Care Licensing Division  
9 requirements for Group Homes.

10 3. 42 USC §§ 3601-3619, the Fair Housing Act.

11 4. U.S. Department of Housing and Urban Development.

12  
13 **XIV. LITERATURE, ADVERTISEMENTS, AND SOCIAL MEDIA**

14 A. Any written information or literature, including educational or promotional materials,  
15 distributed by CONTRACTOR to any person or organization for purposes directly or indirectly related  
16 to this Agreement must be approved at least thirty (30) days in advance and in writing by  
17 ADMINISTRATOR before distribution. For the purposes of this Agreement, distribution of written  
18 materials shall include, but not be limited to, pamphlets, brochures, flyers, newspaper or magazine ads,  
19 and electronic media such as the Internet.

20 B. Any advertisement through radio, television broadcast, or the Internet, for educational or  
21 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this  
22 Agreement must be approved in advance at least thirty (30) days and in writing by ADMINISTRATOR.

23 C. If CONTRACTOR uses social media (such as Facebook, Twitter, YouTube or other publicly  
24 available social media sites) in support of the services described within this Agreement,  
25 CONTRACTOR shall develop social media policies and procedures and have them available to  
26 ADMINISTRATOR upon reasonable notice. CONTRACTOR shall inform ADMINISTRATOR of all  
27 forms of social media used to either directly or indirectly support the services described within this  
28 Agreement. CONTRACTOR shall comply with COUNTY Social Media Use Policy and Procedures as  
29 they pertain to any social media developed in support of the services described within this Agreement.  
30 CONTRACTOR shall also include any required funding statement information on social media when  
31 required by ADMINISTRATOR.

32 D. Any information as described in Subparagraphs A. and B. above shall not imply endorsement by  
33 COUNTY, unless ADMINISTRATOR consents thereto in writing.

34 E. CONTRACTOR shall also clearly explain through these materials that there shall be no  
35 unlawful use of drugs or alcohol associated with the services provided pursuant to this Agreement, as  
36 specified in HSC, §11999.

37 //

1 **XV. MAXIMUM OBLIGATION**

2 A. The Maximum Obligation of COUNTY for services provided in accordance with this  
3 Agreement as specified in the Referenced Contract Provisions of this Agreement.

4 B. ADMINISTRATOR may amend the Maximum Obligation by an amount not to exceed ten  
5 percent (10%) for Period One of funding for this Agreement.

6  
7 **XVI. NONDISCRIMINATION**

8 A. EMPLOYMENT

9 1. During the term of this Agreement, CONTRACTOR and its Covered Individuals shall not  
10 unlawfully discriminate against any employee or applicant for employment because of his/her ethnic  
11 group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and  
12 over), sexual orientation, medical condition, or physical or mental disability. Additionally, during the  
13 term of this Agreement, CONTRACTOR and its Covered Individuals shall require in its subcontracts  
14 that subcontractors shall not unlawfully discriminate against any employee or applicant for employment  
15 because of his/her ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,  
16 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.

17 2. CONTRACTOR and its Covered Individuals shall not discriminate against employees or  
18 applicants for employment in the areas of employment, promotion, demotion or transfer; recruitment or  
19 recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection  
20 for training, including apprenticeship.

21 3. CONTRACTOR shall not discriminate between employees with spouses and employees  
22 with domestic partners, or discriminate between domestic partners and spouses of those employees, in  
23 the provision of benefits.

24 4. CONTRACTOR shall post in conspicuous places, available to employees and applicants for  
25 employment, notices from ADMINISTRATOR and/or the United States Equal Employment Opportunity  
26 Commission setting forth the provisions of the Equal Opportunity clause.

27 5. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR  
28 and/or subcontractor shall state that all qualified applicants will receive consideration for employment  
29 without regard to ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,  
30 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability.  
31 Such requirements shall be deemed fulfilled by use of the term EOE.

32 6. Each labor union or representative of workers with which CONTRACTOR and/or  
33 subcontractor has a collective bargaining agreement or other contract or understanding must post a  
34 notice advising the labor union or workers' representative of the commitments under this  
35 Nondiscrimination Paragraph and shall post copies of the notice in conspicuous places available to  
36 employees and applicants for employment.

37 //

1 B. SERVICES, BENEFITS AND FACILITIES – CONTRACTOR and/or subcontractor shall not  
2 discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities  
3 on the basis of ethnic group identification, race, religion, ancestry, color, creed, sex, marital status,  
4 national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability  
5 in accordance with Title IX of the Education Amendments of 1972 as they relate to 20 USC §1681 -  
6 §1688; Title VI of the Civil Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975  
7 (42 USC §6101); and Title 9, Division 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of  
8 Regulations,) as applicable, and all other pertinent rules and regulations promulgated pursuant thereto,  
9 and as otherwise provided by state law and regulations, as all may now exist or be hereafter amended or  
10 changed. For the purpose of this Nondiscrimination paragraph, Discrimination includes, but is not  
11 limited to the following based on one or more of the factors identified above:

- 12 1. Denying a Participant or potential Participant any service, benefit, or accommodation.
- 13 2. Providing any service or benefit to a Participant which is different or is provided in a  
14 different manner or at a different time from that provided to other Participants.
- 15 3. Restricting a Participant in any way in the enjoyment of any advantage or privilege enjoyed  
16 by others receiving any service or benefit.
- 17 4. Treating a Participant differently from others in satisfying any admission requirement or  
18 condition, or eligibility requirement or condition, which individuals must meet in order to be provided  
19 any service or benefit.
- 20 5. Assignment of times or places for the provision of services.

21 C. COMPLAINT PROCESS – CONTRACTOR shall establish procedures for advising all  
22 Participants through a written statement that CONTRACTOR and/or subcontractor’s Participants may  
23 file all complaints alleging discrimination in the delivery of services with CONTRACTOR,  
24 subcontractor, and ADMINISTRATOR or the U.S. Department of Health and Human Services' OCR.

25 1. Whenever possible, problems shall be resolved informally and at the point of service.  
26 CONTRACTOR shall establish an internal informal problem resolution process for Participants not able  
27 to resolve such problems at the point of service. Participants may initiate a grievance or complaint  
28 directly with CONTRACTOR either orally or in writing.

29 2. Within the time limits procedurally imposed, the complainant shall be notified in writing as  
30 to the findings regarding the alleged complaint and, if not satisfied with the decision, may file an appeal.

31 D. PERSONS WITH DISABILITIES – CONTRACTOR and/or subcontractor agree to comply  
32 with the provisions of §504 of the Rehabilitation Act of 1973, as amended, (29 USC 794 et seq., as  
33 implemented in 45 CFR 84.1 et seq.), and the Americans with Disabilities Act of 1990 (42 USC 12101  
34 et seq.), as applicable, pertaining to the prohibition of discrimination against qualified persons with  
35 disabilities in all programs or activities; and if applicable, as implemented in Title 45, CFR, §84.1 et  
36 seq., as they exist now or may be hereafter amended together with succeeding legislation.

37 //

1 E. RETALIATION – Neither CONTRACTOR nor subcontractor, nor its employees or agents shall  
2 intimidate, coerce or take adverse action against any person for the purpose of interfering with rights  
3 secured by federal or state laws, or because such person has filed a complaint, certified, assisted or  
4 otherwise participated in an investigation, proceeding, hearing or any other activity undertaken to  
5 enforce rights secured by federal or state law.

6 F. In the event of non-compliance with this paragraph or as otherwise provided by federal and state  
7 law, this Agreement may be canceled, terminated or suspended in whole or in part and CONTRACTOR  
8 or subcontractor may be declared ineligible for further contracts involving federal, state or county funds.

9  
10 **XVII NOTICES**

11 A. Unless otherwise specified, all notices, claims, correspondence, reports and/or statements  
12 authorized or required by this Agreement shall be effective:

13 1. When written and deposited in the United States mail, first class postage prepaid and  
14 addressed as specified in the Referenced Contract Provisions of this Agreement or as otherwise directed  
15 by ADMINISTRATOR;

16 2. When faxed, transmission confirmed;

17 3. When sent by Email; or

18 4. When accepted by U.S. Postal Service Express Mail, Federal Express, United Parcel  
19 Service, or other expedited delivery service.

20 B. Termination Notices shall be addressed as specified in the Referenced Contract Provisions of  
21 this Agreement or as otherwise directed by ADMINISTRATOR and shall be effective when faxed,  
22 transmission confirmed, or when accepted by U.S. Postal Service Express Mail, Federal Express, United  
23 Parcel Service, or other expedited delivery service.

24 C. CONTRACTOR shall notify ADMINISTRATOR, in writing, within twenty-four (24) hours of  
25 becoming aware of any occurrence of a serious nature, which may expose COUNTY to liability. Such  
26 occurrences shall include, but not be limited to, accidents, injuries, or acts of negligence, or loss or  
27 damage to any COUNTY property in possession of CONTRACTOR.

28 D. For purposes of this Agreement, any notice to be provided by COUNTY may be given by  
29 ADMINISTRATOR.

30  
31 **XVIII NOTIFICATION OF DEATH**

32 A. Upon becoming aware of the death of any person served pursuant to this Agreement,  
33 CONTRACTOR shall immediately notify ADMINISTRATOR.

34 B. All Notifications of Death provided to ADMINISTRATOR by CONTRACTOR shall contain  
35 the name of the deceased, the date and time of death, the nature and circumstances of the death, and the  
36 name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

37 //

1 1. TELEPHONE NOTIFICATION – CONTRACTOR shall notify ADMINISTRATOR by  
2 telephone immediately upon becoming aware of the death due to non-terminal illness of any person  
3 served pursuant to this Agreement; provided, however, weekends and holidays shall not be included for  
4 purposes of computing the time within which to give telephone notice and, notwithstanding the time  
5 limit herein specified, notice need only be given during normal business hours.

6 2. WRITTEN NOTIFICATION

7 a. NON-TERMINAL ILLNESS – CONTRACTOR shall hand deliver, fax, and/or send  
8 via encrypted email to ADMINISTRATOR a written report within sixteen (16) hours after becoming  
9 aware of the death due to non-terminal illness of any person served pursuant to this Agreement.

10 b. TERMINAL ILLNESS – CONTRACTOR shall notify ADMINISTRATOR by written  
11 report hand delivered, faxed, sent via encrypted email, and/or postmarked and sent via U.S. Mail within  
12 forty-eight (48) hours of becoming aware of the death due to terminal illness of any person served  
13 pursuant to this Agreement.

14 C. If there are any questions regarding the cause of death of any person served pursuant to this  
15 Agreement who was diagnosed with a terminal illness, or if there are any unusual circumstances related  
16 to the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with this  
17 Notification of Death Paragraph.

18  
19 **XIX NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

20 A. CONTRACTOR shall notify ADMINISTRATOR of any public event or meeting funded in  
21 whole or part by the COUNTY, except for those events or meetings that are intended solely to serve  
22 Participants or occur in the normal course of business.

23 B. CONTRACTOR shall notify ADMINISTRATOR at least thirty (30) business days in advance  
24 of any applicable public event or meeting. The notification must include the date, time, duration,  
25 location and purpose of public event or meeting. Any promotional materials or event related flyers must  
26 be approved by ADMINISTRATOR prior to distribution.

27  
28 **XX RECORDS MANAGEMENT AND MAINTENANCE**

29 A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term  
30 of this Agreement, prepare, maintain and manage records appropriate to the services provided and in  
31 accordance with this Agreement and all applicable requirements.

32 B. CONTRACTOR shall ensure appropriate financial records related to cost reporting,  
33 expenditure, revenue, billings, etc., are prepared and maintained accurately and appropriately.

34 C. CONTRACTOR shall ensure all appropriate state and federal standards of documentation,  
35 preparation, and confidentiality of records related to Participant, Participant and/or patient records are  
36 met at all times.

37 //



1 D. CONTRACTOR shall retain all financial records for a minimum of seven (7) years from the  
2 commencement of the contract, unless a longer period is required due to legal proceedings such as  
3 litigations and/or settlement of claims.

4 E. CONTRACTOR shall make records pertaining to the costs of services, Participant fees, charges,  
5 billings, and revenues available at one (1) location within the limits of the County of Orange.

6 F. If CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR  
7 may provide written approval to CONTRACTOR to maintain records in a single location, identified by  
8 CONTRACTOR.

9 G. CONTRACTOR may be required to retain all records involving litigation proceedings and  
10 settlement of claims for a longer term which will be directed by the ADMINISTRATOR.

11 H. CONTRACTOR shall notify ADMINISTRATOR of any PRA requests related to, or arising out  
12 of, this Agreement, within forty-eight (48) hours. CONTRACTOR shall provide ADMINISTRATOR  
13 all information that is requested by the PRA request.

14  
15 **XXI RESEARCH AND PUBLICATION**

16 CONTRACTOR shall not utilize information and data received from COUNTY or developed as a  
17 result of this Agreement for the purpose of personal publication.

18  
19 **XXII REVENUE**

20 A. PARTICIPANT FEES – CONTRACTOR shall charge a fee to Participants to whom services  
21 are provided pursuant to this Agreement, their estates and responsible relatives, in accordance with the  
22 fee system designated by ADMINISTRATOR. This fee shall be based upon the person's ability to pay  
23 for services, but it shall not exceed the actual cost of services provided. No person shall be denied  
24 services because of an inability to pay.

25 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all  
26 available third-party reimbursement for which persons served pursuant to this Agreement may be  
27 eligible. Charges to insurance carriers shall be on the basis of CONTRACTOR's usual and customary  
28 charges.

29 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately  
30 ensure proper billing and collection procedures. CONTRACTOR's procedures shall specifically provide  
31 for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR  
32 shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which  
33 are billed, collected, transferred to a collection agency, or deemed by CONTRACTOR to be  
34 uncollectible.

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1 **XXIII RIGHT TO WORK AND MINIMUM WAGE LAWS**

2 A. In accordance with the United States Immigration Reform and Control Act of 1986,  
3 CONTRACTOR shall require its employees directly or indirectly providing service pursuant to this  
4 Agreement, in any manner whatsoever, to verify their identity and eligibility for employment in the  
5 United States. CONTRACTOR shall also require and verify that its contractors, subcontractors, or any  
6 other persons providing services pursuant to this Agreement, in any manner whatsoever, verify the  
7 identity of their employees and their eligibility for employment in the United States.

8 B. Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and  
9 State of California Labor Code, §1178.5, CONTRACTOR shall pay no less than the greater of the  
10 federal or California Minimum Wage to all its employees that directly or indirectly provide services  
11 pursuant to this Agreement, in any manner whatsoever. CONTRACTOR shall require and verify that all  
12 its contractors or other persons providing services pursuant to this Agreement on behalf of  
13 CONTRACTOR also pay their employees no less than the greater of the federal or California Minimum  
14 Wage.

15 C. CONTRACTOR shall comply and verify that its contractors comply with all other federal and  
16 State of California laws for minimum wage, overtime pay, record keeping, and child labor standards  
17 pursuant to providing services pursuant to this Agreement.

18 D. Notwithstanding the minimum wage requirements provided for in this clause, CONTRACTOR,  
19 where applicable, shall comply with the prevailing wage and related requirements, as provided for in  
20 accordance with the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the  
21 State of California (§§1770, et seq.), as it exists or may hereafter be amended.

22  
23 **XXIV SEVERABILITY**

24 If a court of competent jurisdiction declares any provision of this Agreement or application thereof  
25 to any person or circumstances to be invalid or if any provision of this Agreement contravenes any  
26 federal, state or county statute, ordinance, or regulation, the remaining provisions of this Agreement or  
27 the application thereof shall remain valid, and the remaining provisions of this Agreement shall remain  
28 in full force and effect, and to that extent the provisions of this Agreement are severable.

29  
30 **XXV SPECIAL PROVISIONS**

31 A. CONTRACTOR shall not use the funds provided by means of this Agreement for the following  
32 purposes:

- 33 1. Making cash payments to intended recipients of services through this Agreement.
- 34 2. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications  
35 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use  
36 of appropriated funds to influence certain federal contracting and financial transactions).
- 37 3. Fundraising.

1 4. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
2 CONTRACTOR's staff, volunteers, or members of the Board of Directors.

3 5. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or  
4 services.

5 6. Making personal loans to CONTRACTOR's staff, volunteers, interns, consultants,  
6 subcontractors, and members of the Board of Directors or its designee or authorized agent, or making  
7 salary advances or giving bonuses to CONTRACTOR's staff.

8 7. Paying an individual salary or compensation for services at a rate in excess of the current  
9 Level I of the Executive Salary Schedule as published by the OPM. The OPM Executive Salary  
10 Schedule may be found at [www.opm.gov](http://www.opm.gov).

11 8. Severance pay for separating employees.

12 9. Paying rent and/or lease costs for a facility prior to the facility meeting all required building  
13 codes and obtaining all necessary building permits for any associated construction.

14 10. Purchasing or improving land, including constructing or permanently improving any  
15 building or facility, except for tenant improvements.

16 11. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal  
17 funds (matching).

18 12. Contracting or subcontracting with any entity other than an individual or nonprofit entity.

19 13. Producing any information that promotes responsible use, if the use is unlawful, of drugs or  
20 alcohol.

21 14. Promoting the legalization of any drug or other substance included in Schedule 1 of §202 of  
22 the Controlled Substance Act (21 USC 812).

23 15. Distributing or aiding in the distributing of sterile needles or syringes for the hypodermic  
24 injection of any illegal drug.

25 16. Assisting, promoting, or deterring union organizing.

26 17. Providing inpatient hospital services or purchasing major medical equipment.

27 B. Unless otherwise specified in advance and in writing by ADMINISTRATOR, CONTRACTOR  
28 shall not use the funds provided by means of this Agreement for the following purposes:

29 1. Funding travel or training (excluding mileage or parking).

30 2. Making phone calls outside of the local area unless documented to be directly for the  
31 purpose of Participant care.

32 3. Payment for grant writing, consultants, certified public accounting, or legal services.

33 4. Purchase of artwork or other items that are for decorative purposes and do not directly  
34 contribute to the quality of services to be provided pursuant to this Agreement.

35 5. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
36 CONTRACTOR's Participants.

37 //

1 C. Neither party shall be responsible for delays or failures in performance resulting from acts  
2 beyond control of the offending party. Such acts shall include, but not be limited to, acts of God, fire,  
3 flood, earthquake, other natural disaster, nuclear accident, strike, lockout, riot, freight, embargo, public  
4 related utility, or governmental statutes or regulations super-imposed after the fact.

5  
6 **XXVI STATUS OF CONTRACTOR**

7 CONTRACTOR is, and shall at all times be deemed to be, an independent contractor and shall be  
8 wholly responsible for the manner in which it performs the services required of it by the terms of this  
9 Agreement. CONTRACTOR is entirely responsible for compensating staff, subcontractors, and  
10 consultants employed by CONTRACTOR. This Agreement shall not be construed as creating the  
11 relationship of employer and employee, or principal and agent, between COUNTY and CONTRACTOR  
12 or any of CONTRACTOR's employees, agents, consultants, or subcontractors. CONTRACTOR  
13 assumes exclusively the responsibility for the acts of its employees, agents, consultants, or  
14 subcontractors as they relate to the services to be provided during the course and scope of their  
15 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be  
16 entitled to any rights or privileges of COUNTY's employees and shall not be considered in any manner  
17 to be COUNTY's employees.

18  
19 **XXVII TERM**

20 A. The term of this Agreement shall commence and terminate as specified in the Referenced  
21 Contract Provisions of this Agreement, unless otherwise sooner terminated as provided in this  
22 Agreement; provided, however, CONTRACTOR shall be obligated to perform such duties as would  
23 normally extend beyond this term, including but not limited to, obligations with respect to  
24 confidentiality, indemnification, audits, reporting and accounting.

25 B. Any administrative duty or obligation to be performed pursuant to this Agreement on a weekend  
26 or holiday may be performed on the next regular business day.

27  
28 **XXVIII TERMINATION**

29 A. Either party may terminate this Agreement, without cause, upon thirty (30), calendar days  
30 written notice given the other party.

31 B. Unless otherwise specified in this Agreement, COUNTY may terminate this Agreement upon  
32 five (5) calendar days written notice if CONTRACTOR fails to perform any of the terms of this  
33 Agreement. At ADMINISTRATOR's sole discretion, CONTRACTOR may be allowed up to thirty (30)  
34 calendar days for corrective action.

35 C. COUNTY may terminate this Agreement immediately, upon written notice, on the occurrence  
36 of any of the following events:

37 //

1 1. The loss by CONTRACTOR of legal capacity.

2 2. Cessation of services.

3 3. The delegation or assignment of CONTRACTOR's services, operation or administration to  
4 another entity without the prior written consent of COUNTY.

5 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty  
6 required pursuant to this Agreement.

7 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this  
8 Agreement.

9 6. The continued incapacity of any physician or licensed person to perform duties required  
10 pursuant to this Agreement.

11 7. Unethical conduct or malpractice by any physician or licensed person providing services  
12 pursuant to this Agreement; provided, however, COUNTY may waive this option if CONTRACTOR  
13 removes such physician or licensed person from serving persons treated or assisted pursuant to this  
14 Agreement.

15 D. CONTINGENT FUNDING

16 1. Any obligation of COUNTY under this Agreement is contingent upon the following:

17 a. The continued availability of federal, state and county funds for reimbursement of  
18 COUNTY's expenditures, and

19 b. Inclusion of sufficient funding for the services hereunder in the applicable budget  
20 approved by the Board of Supervisors.

21 2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,  
22 terminate or renegotiate this Agreement upon thirty (30) calendar days written notice given  
23 CONTRACTOR. If COUNTY elects to renegotiate this Agreement due to reduced or terminated  
24 funding, CONTRACTOR shall not be obligated to accept the renegotiated terms.

25 E. In the event this Agreement is suspended or terminated prior to the completion of the term as  
26 specified in the Referenced Contract Provisions of this Agreement, ADMINISTRATOR may, at its sole  
27 discretion, reduce the Maximum Obligation of this Agreement in an amount consistent with the reduced  
28 term of the Agreement.

29 F. In the event this Agreement is terminated by either party pursuant to Subparagraphs B., C. or D.  
30 above, CONTRACTOR shall do the following:

31 1. Comply with termination instructions provided by ADMINISTRATOR in a manner which  
32 is consistent with recognized standards of quality care and prudent business practice.

33 2. Obtain immediate clarification from ADMINISTRATOR of any unsettled issues of contract  
34 performance during the remaining contract term.

35 3. Until the date of termination, continue to provide the same level of service required by this  
36 Agreement.

37 //

1 4. If Participants are to be transferred to another facility for services, furnish  
2 ADMINISTRATOR, upon request, all Participant information and records deemed necessary by  
3 ADMINISTRATOR to affect an orderly transfer.

4 5. Assist ADMINISTRATOR in effecting the transfer of Participants in a manner consistent  
5 with Participant's best interests.

6 6. If records are to be transferred to COUNTY, pack and label such records in accordance with  
7 directions provided by ADMINISTRATOR.

8 7. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and  
9 supplies purchased with funds provided by COUNTY.

10 8. To the extent services are terminated, cancel outstanding commitments covering the  
11 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding  
12 commitments which relate to personal services. With respect to these canceled commitments,  
13 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims  
14 arising out of such cancellation of commitment which shall be subject to written approval of  
15 ADMINISTRATOR.

16 G. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be  
17 exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.

18  
19 **XXIX THIRD PARTY BENEFICIARY**

20 Neither party hereto intends that this Agreement shall create rights hereunder in third parties  
21 including, but not limited to, any subcontractors or any Participants provided services pursuant to this  
22 Agreement.

23  
24 **XXX WAIVER OF DEFAULT OR BREACH**

25 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any  
26 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this  
27 Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any  
28 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this  
29 Agreement.

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1 IN WITNESS WHEREOF, the parties have executed this Agreement, in the County of Orange,  
2 State of California.

3  
4 PHOENIX HOUSE ORANGE COUNTY, INC.  
5

6  
7 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
8

9 TITLE: \_\_\_\_\_  
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12 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
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14 TITLE: \_\_\_\_\_  
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18 COUNTY OF ORANGE  
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20  
21 BY: \_\_\_\_\_ DATED: \_\_\_\_\_  
22

23 HEALTH CARE AGENCY  
24  
25

26 APPROVED AS TO FORM  
27 OFFICE OF THE COUNTY COUNSEL  
28 ORANGE COUNTY, CALIFORNIA  
29

30  
31 BY:  \_\_\_\_\_ DATED: 4/11/13  
32 DEPUTY  
33  
34

35 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice  
36 President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Treasurer. If the contract is signed  
37 by one (1) authorized individual only, a copy of the corporate resolution or by-laws whereby the board of directors has empowered said authorized  
individual to act on its behalf by his or her signature alone is required by ADMINISTRATOR.

1 EXHIBIT A  
2 TO AGREEMENT FOR PROVISION OF  
3 PAROLEE SERVICES NETWORK RESIDENTIAL SERVICES  
4 WITH  
5 PHOENIX HOUSE ORANGE COUNTY, INC.  
6 JULY 1, 2013 THROUGH JUNE 30, 2014  
7

8 **I. DEFINITIONS**

9 The parties agree to the following terms and definitions, and to those terms and definitions which,  
10 for convenience, are set forth elsewhere in the Agreement.

11 A. CalOMS means a statewide client-based data collection and outcomes measurement system as  
12 required by the State Department of Alcohol and Drug Programs to effectively manage and improve the  
13 provision of alcohol and other drug services at the state, COUNTY, and provider levels.

14 B. CESI/CEST means self-administered survey instruments designed to access Participants'  
15 motivation for change, engagement in treatment, social and peer support, and other psychosocial  
16 indicators of progress in recovery.

17 C. Graduation/Participant Completion means the completion of the residential treatment (recovery)  
18 program whereby the Participant has successfully completed all goals and objectives for all phases and  
19 length of treatment authorized by ADMINISTRATOR and documented in the Participant's treatment  
20 plan.

21 D. Graduation Date means the date the Participant officially exits from residential treatment  
22 (recovery) in accordance with the definition of graduation.

23 E. Intake means the initial face-to-face meeting between a Participant and CONTRACTOR staff  
24 in which specific information about the Participant is gathered including the ability to pay and standard  
25 admission forms pursuant to the Agreement.

26 F. IRIS means a collection of applications and data bases that serve the needs of programs within  
27 HCA and includes functionality such as registration and scheduling, laboratory information system,  
28 billing and reporting capabilities, compliance with regulatory requirements, electronic medical records  
29 and other relevant information.

30 G. Linkage to Services means connecting Participants to ancillary services such as outpatient  
31 treatment and supportive services which may include self-help groups, social services, rehabilitation  
32 services, vocational services, job training services or other appropriate services.

33 H. Non-Therapeutic Activity means work, school, and volunteer hours outside the facility, chores,  
34 and recreation and socialization activities.

35 I. Participant means a parolee who has a substance use disorder, for whom a COUNTY approved  
36 intake and admission for residential services as appropriate, have been completed pursuant to the  
37 Agreement.



1 J. Program Protocol means the written program description goals, objectives and policies  
2 established by CONTRACTOR for the residential treatment programs provided pursuant to the  
3 Agreement.

4 K. Residential Treatment means substance use disorder treatment services that are provided to  
5 Participants at a twenty-four (24)-hour residential program. Services are provided in an alcohol and  
6 drug free environment and support recovery from substance use disorder related problems. These  
7 services are provided in a non-medical, residential setting that has been licensed and certified by the  
8 State of California, Department of Alcohol and Drug Programs.

9 L. Self-Help Meetings means a non-professional, peer participatory meeting formed by people with  
10 a common problem or situation offering mutual support to each other towards a goal of healing or  
11 recovery.

12 M. Structured Activities means any activity including Therapeutic and Non-therapeutic activities  
13 designed to meet treatment goals.

14 N. Therapeutic Activity means activities such as individual counseling, groups, and self-help  
15 groups, but excludes chores and recreational activities. These activities shall incorporate best practices  
16 and evidence-based approaches.

17 O. Token means the security device which allows an individual user to access the IRIS.

18 P. Unit of Service means one (1) calendar day during which services are provided to a Participant  
19 pursuant to the Agreement. The day of admission shall be included; the day of exit shall be excluded. If  
20 both admission and exit occur on the same day, the day shall be considered a day of admission and  
21 counts as a full day.

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**II. BUDGET**

A. The following budget is set forth for informational purposes only.

ADMINISTRATIVE COST		
Indirect		\$ <u>23,715</u>
SUBTOTAL ADMINISTRATIVE COST		\$ 23,715
PROGRAM COST		
Salaries		\$52,593
Benefits		16,304
Services and Supplies		38,588
Subcontracts		<u>800</u>
SUBTOTAL PROGRAM COST		\$108,285
GROSS COST		\$132,000
NET COST		\$132,000

B. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Budget Paragraph of this Exhibit A to the Agreement.

**III. PAYMENTS**

A. BASIS FOR REIMBURSEMENT – COUNTY shall pay CONTRACTOR for the actual costs of providing the services described hereunder, less revenues which are actually received by CONTRACTOR; provided, however, that CONTRACTOR’s costs are allowable pursuant to COUNTY, state, and federal regulations. Non-compliance will require the completion of CAP(s) by CONTRACTOR. If CAPs are not completed within timeframes approved by ADMINISTRATOR, payments may be reduced accordingly. Furthermore, if CONTRACTOR is ineligible to provide services due to non-compliance with licensure and/or certification standards of the state, COUNTY, or OCPD. ADMINISTRATOR may elect to reduce COUNTY’s maximum obligation proportionate to the length of time that CONTRACTOR is ineligible to provide services.

B. PAYMENT METHOD – COUNTY shall pay CONTRACTOR monthly in arrears the actual cost of the services, less revenues that are actually received by CONTRACTOR provided, however, that the total of such payments shall not exceed the COUNTY’s Maximum Obligation of the Agreement. CONTRACTOR’s invoice shall be on a form approved or supplied by COUNTY and provide such information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) day of the month. Invoices received after the due date may not be paid within the same month. Payments to

1 CONTRACTOR should be released by COUNTY no later than twenty-one (21) calendar days after  
2 receipt of the correctly completed invoice.

3 C. Monthly payments are interim payments only, and subject to Final Settlement in accordance  
4 with the Cost Report Paragraph of the Agreement.

5 D. All billings to COUNTY shall be supported, at CONTRACTOR's facility, by source  
6 documentation including, but not limited to, ledgers, books, vouchers, journals, time sheets, payrolls,  
7 appointment schedules, schedules for allocating costs, invoices, bank statements, canceled checks,  
8 receipts, receiving records, and records of services provided.

9 E. In support of the monthly billing, CONTRACTOR shall submit an Expenditure and Revenue  
10 Report as specified in the Reports Paragraph of this Exhibit A to the Agreement. ADMINISTRATOR  
11 may use the Expenditure and Revenue Report to determine payment to CONTRACTOR.

12 F. ADMINISTRATOR may withhold or delay any payment if CONTRACTOR fails to comply  
13 with any provision of the Agreement.

14 G. COUNTY shall not reimburse CONTRACTOR for services provided beyond the expiration  
15 and/or termination of the Agreement.

16 H. In conjunction with the Subparagraph A. above, Units of Service shall not be entered in the IRIS  
17 system for services not rendered. If information has been entered, corrections will be made within ten  
18 (10) business days from notification of ADMINISTRATOR.

19 I. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
20 Payments Paragraph of this Exhibit A to the Agreement.

21  
22 **IV. RECORDS**

23 A. PARTICIPANT RECORDS – CONTRACTOR shall maintain adequate records in accordance  
24 with the ADMINISTRATOR Guidelines on each individual Participant in sufficient detail to permit an  
25 evaluation of services, which shall include, but need not be limited to:

26 1. PSN CAF.

27 2. Treatment/Recovery plans, which shall be documented on the Participant's record within  
28 fourteen (14) calendar days from the date of admission.

29 3. An admission record shall include documentation that residential services are appropriate  
30 for the Participant. Such documentation, made within fourteen (14) calendar days of admission, shall  
31 include a comprehensive psychosocial assessment.

32 B. FINANCIAL RECORDS - CONTRACTOR shall prepare and maintain accurate and complete  
33 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the  
34 type of service for which payment is claimed in accordance with GAAP, the ASRS Manual, and the  
35 DPFS Manual.

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1 1. Any apportionment of or distribution of costs, including indirect costs, to or between  
2 programs or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with  
3 GAAP, the ASRS Manual, and the DPFS Manual.

4 2. CONTRACTOR shall account for funds provided through the Agreement separately from  
5 other funds and maintain a clear audit trail for the expenditure of funds.

6 3. The Participant eligibility determination and fee charged to and collected from Participants,  
7 together with a record of all billings rendered and revenues received from any source on behalf of  
8 Participants treated pursuant to the Agreement, must be reflected in CONTRACTOR's financial records.

9 C. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
10 Records Paragraph of this Exhibit A to the Agreement.

## 11 V. REPORTS

### 12 A. MONTHLY PROGRAMMATIC

13 1. CONTRACTOR shall submit a monthly programmatic report to ADMINISTRATOR,  
14 including information required and on a form approved or provided by ADMINISTRATOR, in  
15 conjunction with the billing described in the Payments Paragraph of this Exhibit A to the Agreement.  
16 These monthly programmatic reports should be received by ADMINISTRATOR no later than the tenth  
17 (10th) business day of the month following the report month.

18 2. CONTRACTOR shall be responsible to include in the monthly programmatic report any  
19 problems in implementing the provisions of the Agreement, pertinent facts or interim findings, staff  
20 changes, status of license(s) and/or certification(s), changes in population served, and reasons for any  
21 changes. Additionally, a statement that the CONTRACTOR is or is not progressing satisfactorily in  
22 achieving all the terms of the Agreement shall be included.

### 23 B. FISCAL

24 1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to  
25 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by  
26 ADMINISTRATOR and shall report actual costs and revenues for each of the CONTRACTOR's  
27 program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to the Agreement.  
28 The reports shall be received by ADMINISTRATOR no later than twenty (20) days following the end of  
29 the month reported.

30 2. CONTRACTOR shall submit quarterly Year-End Projection Reports to  
31 ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by,  
32 ADMINISTRATOR and shall report anticipated year-end actual costs and revenues for  
33 CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to  
34 the Agreement. Such reports shall include actual monthly costs and revenue to date and anticipated  
35 monthly costs and revenue to the end of the fiscal year. Year-End Projection Reports shall be submitted  
36 at the same time as the monthly Expenditure and Revenue Reports.  
37

1 C. MONTHLY IRIS – CONTRACTOR shall participate in COUNTY’s IRIS and input all IRIS  
2 and CalOMS data for the preceding month no later than the fifth (5th) calendar day of the month  
3 following the report month. CONTRACTOR shall correct and submit all errors from the CalOMS  
4 Feedback and Error Report via IRIS within seven (7) calendar days of receipt of the report. CalOMS  
5 discharges shall be entered no later than seven (7) calendar days after the Participant’s discharge.

6 D. MONTHLY DATAR – CONTRACTOR shall provide reports under the DATAR, and/or any  
7 other State Department of Alcohol and Drug Programs Reporting System in a manner prescribed by  
8 ADMINISTRATOR, no later than the fifth (5th) business day of the month following the report month.

9 E. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports, as required by  
10 ADMINISTRATOR, concerning CONTRACTOR’s activities as they affect the services hereunder.  
11 ADMINISTRATOR will be specific as to the nature of information requested and the timeframe in  
12 which the information is needed.

13 F. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
14 Reports Paragraph of this Exhibit A to the Agreement.

15  
16 **VI. SERVICES**

17 **A. FACILITY**

18 1. CONTRACTOR shall operate a licensed and certified substance use disorder residential  
19 treatment program for the provision of residential treatment services in accordance with the standards  
20 established by COUNTY and the State of California, Department of Alcohol and Drug Programs  
21 Standards, and Title 9 of the California Code of Regulations within the specifications stated below,  
22 unless authorized by the ADMINISTRATOR.

23 2. Unless otherwise authorized in advance and in writing by ADMINISTRATOR,  
24 CONTRACTOR shall maintain regularly scheduled service hours, seven (7) days a week, twenty-four  
25 (24) hours per day throughout the year at the following location or at any other facility approved in  
26 advance and in writing by ADMINISTRATOR.

27  
28 1207 E. Fruit Street  
29 Santa Ana, CA 92701

30  
31 **B. PERSONS TO BE SERVED**

32 1. CONTRACTOR shall serve adult men and women parolees who have abstained from  
33 substance use for at least twenty-four (24) hours and demonstrate a need for a substance use disorder  
34 residential treatment.

35 2. CONTRACTOR shall only provide services, under the Agreement, to those Participants  
36 referred by ADMINISTRATOR. At its sole discretion, ADMINISTRATOR shall make referrals as

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1 needed to meet the requirements of the PSN Program. All referrals shall be initiated by  
2 ADMINISTRATOR designated staff. CONTRACTOR shall accept all said referrals.

3 C. ADMISSIONS FOR SERVICES

4 1. CONTRACTOR shall accept any person who is physically and mentally able to comply  
5 with the program's rules and regulations. Said persons shall include persons living with HIV disease, as  
6 well as persons with a concurrent diagnosis of mental illness, i.e. those identified as having a dual  
7 diagnosis. Persons with a co-occurring disorder and others who require prescribed medication shall not  
8 be precluded from acceptance or admission solely based on their licit use of prescribed medications.

9 2. CONTRACTOR shall have a policy that requires Participant who shows signs of any  
10 communicable disease, or through medical disclosure during the intake process, admit to a health related  
11 problem that would put others at risk, to be cleared medically before services are provided by the  
12 programs.

13 a. ADMINISTRATOR will conduct an assessment utilizing the CAF and fax this referral  
14 to CONTRACTOR. CONTRACTOR shall enter admission data on the CAF and fax it back to  
15 ADMINISTRATOR upon admission of the parolee into program. CONTRACTOR shall only admit a  
16 parolee referred by ADMINISTRATOR upon receiving a referral from ADMINISTRATOR designated  
17 staff.

18 b. CONTRACTOR shall have the right to refuse admission of a person only in accordance  
19 with its written admission policy; provided, however, CONTRACTOR shall comply with the  
20 Nondiscrimination Paragraph of the Agreement.

21 c. CONTRACTOR shall discharge Participants who are away from the facility for more  
22 than seven (7) days, unless authorized by ADMINISTRATOR.

23 D. UNITS OF SERVICE – CONTRACTOR shall provide a minimum of two thousand two  
24 hundred (2,200) Units of Service.

25 E. SERVICES TO BE PERFORMED – CONTRACTOR shall provide a residential recovery  
26 services program in a safe supportive environment. CONTRACTOR shall provide residential treatment  
27 services for a maximum of ninety (90) days unless approved in writing by ADMINISTRATOR. Length  
28 of program for each Participant shall be determined by ADMINISTRATOR.

29 1. Assessment – Within seven (7) days of admission, CONTRACTOR shall provide a  
30 standardized, comprehensive risk and needs assessment on each Participant which assesses alcohol/drug  
31 abuse history, family history, mental and emotional status, legal status, educational and vocational  
32 background as well as daily living skills, stress management, literacy, employment, education, and  
33 money management. CalOMS may also be used as an assessment tool. Other assessment tools may  
34 include Addiction Severity Index, or other assessment tools that are completed and signed by staff and  
35 Participant. Assessment tools will require approval by ADMINISTRATOR in advance.

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1           2. Program Orientation – During the first seventy-two (72) hours of a Participant’s admission  
2 into the program, CONTRACTOR shall provide an overview of the program. The program orientation  
3 shall include, but not be limited to:

- 4           a. Overview of program structure and schedule
- 5           b. Program rules and regulations
- 6           c. Policies regarding Participant fees
- 7           d. Participant rights
- 8           e. Assignment of a counselor
- 9           f. Staff code of conduct
- 10          g. Continuing care services

11           3. Treatment/Recovery Plan – CONTRACTOR shall develop a treatment plan with each  
12 Participant within fourteen (14) days of admission into the program which shall be based upon the  
13 Participant’s needs identified in the assessment process. Each treatment plan shall include identification  
14 of a minimum of three (3) problem areas, individualized long and short term goals for addressing the  
15 identified needs, with action steps, target dates and dates of resolution for each. Every fourteen (14)  
16 days, CONTRACTOR shall review and document, with the Participant, the Participant’s progress on the  
17 treatment/recovery plan. CONTRACTOR shall review and update the treatment plan when a change in  
18 problem identification, focus of recovery treatment occurs during treatment.

19           4. Structured Therapeutic Activities – Residential recovery services shall consist of a  
20 minimum of twenty (20) hours of structured activity per week of which Participants must engage in a  
21 minimum of fourteen (14) hours of Therapeutic Activity per week, and shall include, at a minimum the  
22 following:

23           a. Individual Counseling – CONTRACTOR shall provide individual counseling to  
24 Participants.

25           b. Group Counseling – CONTRACTOR shall provide counseling within a group to  
26 Participant. Groups intervention and activities may include, but are not limited to, Process Groups,  
27 Seminars and Educational Groups, House and Community Group Meetings, and practical life and social  
28 skills. Topics for discussion shall include anger management, criminal thinking and thinking errors,  
29 sexual abuse, domestic violence, death and grief, and relapse prevention. For group activities, the ratio  
30 of Participants to substance abuse program counselors shall not be greater than eighteen to one (18:1) as  
31 evidenced on group activity rosters.

32           5. Structured Non-Therapeutic Activities – CONTRACTOR shall provide a minimum of six  
33 (6) hours of non-structured therapeutic activity that includes work, school, and volunteer hours outside  
34 the facility, chores, and recreation, and socialization activities may include activities that:

- 35           a. Teach the concepts of rules, teamwork and sportsmanship
- 36           b. Provide guidance on use of recreational or leisure time

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1           6. Case Management – CONTRACTOR shall provide case management services by  
2 contacting outside agencies and making referrals for services outside the scope of comprehensive  
3 substance abuse services as identified in the Participant’s treatment plan as necessary to the Participant’s  
4 recovery. Such concomitant services include academic education, vocational training, medical and  
5 dental treatment, pre-and post-counseling and testing for infectious diseases, legal assistance, job search  
6 assistance, financial assistance, childcare, and self-help programs such as twelve (12) step programs.  
7 Said referrals shall be documented in the progress notes.

8           7. Treatment Phases – CONTRACTOR’s program shall consist of progressive treatment  
9 phases which shall be defined in CONTRACTOR’s Program Protocol, approved by the  
10 ADMINISTRATOR, and include measurement of Participant’s progress in order to advance to  
11 subsequent phases. The Program Protocol shall be CONTRACTOR’s written program description,  
12 goals and objectives, and policies established by CONTRACTOR for the Residential Treatment program  
13 as provided for under the Agreement. Each Participant shall be restricted to the premises of the facilities  
14 listed within the Agreement for the first thirty (30) days of the program. Exceptions shall be allowed for  
15 medical and psychiatric services, described in Subparagraph VI.E.4. of this Exhibit A to the Agreement,  
16 or other staff approved activities under CONTRACTOR supervision. Suggestions for treatment phases  
17 are:

18           a. Orientation and Engagement consisting of activities designed to interrupt negative  
19 alcohol or other drug abuse lifestyle factors, address denial, and assist the Participant’s adjustment to a  
20 sober environment. The Participant shall not be expected to seek employment or educational  
21 opportunities during this phase.

22           b. Primary treatment, internalization and socialization consist of activities designed to  
23 assist Participants in working on personal issues, cultivate support systems, and seek  
24 educational/vocational opportunities. CONTRACTOR shall obtain documentation from adult  
25 Participants regarding efforts to obtain employment.

26           c. Re-Entry and externalization shall consists of activities designed to assist the  
27 Participant with separation issues, develop appropriate community support systems, gain employment  
28 and/or enroll in educational/vocational programs, and finalize exit plans.

29           d. CONTRACTOR shall consider all Participants to be graduated upon completion of  
30 their residential treatment program in accordance with the treatment plan.

31           8. Transition/Exit Planning – CONTRACTOR shall begin discharge planning immediately  
32 after enrollment. CONTRACTOR shall develop a formal exit plan no later than fourteen (14) calendar  
33 days prior to the Participant’s successful completion of the residential recovery program. The transition/  
34 exit plan shall be completed and signed by staff and Participant. The transition/exit plan shall include:

35           a. Identifying the Participant’s achievements while in the Residential Treatment program  
36 such as meeting or progressing towards educational or vocational goals.

37 //



1           b. A strategy or strategies to assist the Participant in maintaining an alcohol and drug free  
2 lifestyle.

3           c. A continuing treatment exit plan that includes referral and linkage of the Participant to  
4 appropriate services such as outpatient treatment, other support services such as self-help groups,  
5 referrals to non-substance abuse resources such as continuing education and vocational rehabilitation,  
6 job training, and other social services, if needed, and document this in the Participant's chart. The  
7 continuing treatment plan shall also include the goals identified in the Participant's treatment plan.

8           9. Discharge Summary – CONTRACTOR shall develop written procedures regarding  
9 Participant discharge. Written criteria for the discharge summary shall include:

- 10           a. Reason for discharge
- 11           b. Description of treatment episodes or recovery services
- 12           c. Current alcohol and/or drug usage at discharge
- 13           d. Vocational and educational achievements
- 14           e. Legal status
- 15           f. Linkages and referrals made
- 16           g. Participants comments

17           10. Food and Other Services – CONTRACTOR shall provide a clean, safe environment,  
18 toiletries, clean linen, food service, storage, and supervision of medication.

19           11. Support Services – CONTRACTOR shall provide housekeeping; laundry; maintenance and  
20 arrangements for emergency and non-emergency medical services.

21           12. Collateral Services – CONTRACTOR shall provide, as appropriate and documented in the  
22 Participant file, individual and group sessions for family members of the Participant. These services  
23 shall address family dynamics, which could contribute to the Participant's relapse and potential or actual  
24 abuse in the family system. Collateral services shall include the Participant unless determined  
25 inappropriate by the counselor.

26           13. Habilitative and Rehabilitative Services – CONTRACTOR shall provide structured and  
27 planned habilitative and rehabilitative activities involving program staff and Participants in traditional  
28 classroom or experiential learning of practical life and social skills. Subjects shall include, but are not  
29 limited to, the following: job preparation, application, interview and retention skills; managing finances;  
30 maintaining health and personal hygiene and appearance; obtaining educational and vocational training;  
31 building and maintaining socially supportive relationships; security housing; obtaining social services;  
32 recognizing and preventing substance abuse relapse; avoiding violence and criminal activities;  
33 recognizing and changing self-defeating thinking and behavior patterns; nutrition, meal planning and  
34 food preparation; parenting skills, and obtaining child care.

35           14. Drug Screening – CONTRACTOR shall have a written policy and procedure statement  
36 regarding screening that includes random drug and or alcohol testing at a minimum of one (1) time per  
37 month for the first thirty (30) days and two (2) times per month for the remaining term of the Agreement

1 for all Participants. All urine specimen collections shall be observed by same sex staff. This policy shall  
2 be approved by ADMINISTRATOR. CONTRACTOR shall:

3 a. Establish procedures that protect against falsification and/or contamination of anybody  
4 specimen sample collected for drug screening;

5 b. Document results of the drug screening in the Participant's files; and note that,

6 c. Drug screening shall not be reimbursed by PSN funds.

7 F. CO-OCCURRING DISORDERS – CONTRACTOR shall provide rehabilitative and recovery  
8 services to Participants with co-occurring disorders and ensure that such services address the  
9 relationship between the two diagnoses throughout treatment.

10 G. HEALTH, MEDICAL, PSYCHIATRIC AND EMERGENCY SERVICES – CONTRACTOR  
11 shall ensure that all persons admitted for residential treatment services have a health questionnaire  
12 completed using form ADP 100226, or may develop their own form provided it contains, at a minimum,  
13 the information requested in the ADP 100226 Form.

14 1. The health questionnaire is a Participant's self-assessment of his/her current health status  
15 and shall be completed by Participant.

16 a. CONTRACTOR shall review and approve the health questionnaire form prior to  
17 Participant's admission to the program.

18 b. The completed questionnaire shall be signed and dated by CONTRACTOR and  
19 Participant. A copy of the questionnaire shall be filed in the Participant's file.

20 2. CONTRACTORS shall, based on information provided by Participant on the health  
21 questionnaire form, refer Participant to licensed medical professionals for physical and laboratory  
22 examinations.

23 a. CONTRACTOR shall obtain a copy of Participant's medical clearance or release prior  
24 to Participant's admission to the program.

25 b. A copy of the referral and clearance shall be filed in the Participant's file.

26 3. CONTRACTOR shall provide directly or by referral: HIV education, voluntary,  
27 confidential HIV antibody testing and risk assessment and disclosure counseling.

28 4. The programs shall have and post written procedures for obtaining medical or psychiatric  
29 evaluation and emergency services.

30 5. The programs shall have readily available the name, address, and telephone number for the  
31 fire department, a crisis center, local law enforcement, and a paramedical unit or ambulance service.

32 6. CONTRACTOR shall provide TB services for programs directly or by referral to the  
33 ADMINISTRATOR or another appropriate provider. TB services shall be provided within seven (7)  
34 days of admission. These TB services shall consist of the following:

35 a. Counseling with respect to TB;

36 b. Testing to determine whether the individual has been infected and to determine the  
37 appropriate form of treatment; and

1 c. Provision for, or referral of, infected Participant for medical evaluation and treatment  
2 and clearance. CONTRACTOR shall ensure that a TB-infected Participant is medically cleared prior to  
3 commencing treatment.

4 H. TRANSPORTATION SERVICES

5 1. COUNTY shall only pay for medical ambulance or medical van transportation to and from  
6 designated residential alcohol and drug abuse treatment programs or health facilities through the  
7 COUNTY's Medical Transportation Agreement under the following conditions:

8 a. Ambulance transportation shall be used for services requiring immediate attention for a  
9 Participant due to any sudden or serious illness or injury requiring immediate medical attention, where  
10 delay in providing such services may aggravate the medical condition or cause the loss of life.

11 b. When any Participant needs non-emergency transportation as identified in  
12 Subparagraph H. 2. below, and CONTRACTOR cannot transport Participant due to unforeseen  
13 circumstances including, but not limited to, staffing constraints, CONTRACTOR vehicle access within a  
14 timely manner or Participant's physical condition and/or limitations.

15 c. CONTRACTOR shall utilize the COUNTY's Ambulance Monthly Rotation Call Log  
16 to request transportation services from ambulance providers designated for transportation within the city  
17 of the CONTRACTOR's facility for each said month as identified on the log.

18 d. CONTRACTOR shall use its best efforts to contact ambulance providers identified on  
19 the Monthly Rotation Call Log as those providers who offer van transportation services if and when an  
20 ambulance is not required.

21 e. CONTRACTOR shall be held liable and may be billed by the ambulance provider for  
22 services requested by CONTRACTOR that are deemed inappropriate for use and not a covered service  
23 under this section by the COUNTY.

24 2. Non-Emergency Transportation – CONTRACTOR shall transport Participant, either in  
25 CONTRACTOR's own, or COUNTY loaned, vehicle to locations that are considered necessary and/or  
26 important to the Participant's recovery plan including, but not limited to, Social Security Administration  
27 offices for Supplemental Security Income benefits and for non-emergency medical or mental health  
28 services, that require treatment at a physician office, urgent care, or emergency room when an  
29 ambulance provider is not necessary or required for transportation based on the level of severity and/or  
30 services required by the Participant.

31 I. PERFORMANCE OUTCOMES

32 1. CONTRACTOR shall be required to achieve performance objectives, tracking and  
33 reporting performance outcome objective statistics in monthly programmatic reports, as appropriate.  
34 ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the  
35 objective, and, therefore, revisions may be implemented by mutual agreement between CONTRACTOR  
36 and ADMINISTRATOR.

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2. Performance outcome objectives:

a. Objective 1: CONTRACTOR shall provide effective residential substance abuse assessment, treatment, and counseling to adults with identified alcohol and/or drug problems as measured by retention and completion rates.

1) Retention rates shall be calculated by number of Participants currently enrolled in or successfully completing in the treatment program divided by the total number of Participants served during the evaluation period.

2) Completion rates shall be calculated by the number of Participants successfully completing the treatment program divided by the total number of Participants discharged during the evaluation period.

b. Objective 2: CONTRACTOR shall have the Participant complete the CESI for eighty percent (80%) of Participants completed CESI at the time of intake. The CEST shall be completed at mid-point and at completion for those Participants receiving, at a minimum, forty-five (45) calendar days of treatment.

1) CONTRACTOR shall ensure that surveys are completed timely and accurately by designated Participants. This would include, but not limited to, ensuring surveys contain provider number, Participant ID number, responses to all psychosocial questions, responses for other important Participant and CONTRACTOR information, and fields are filled and/or marked appropriately.

2) CONTRACTOR shall photocopy the CESI and CEST surveys and submit the originals to ADMINISTRATOR, once a month, by the tenth (10th) business day of each month.

3) CONTRACTOR shall maintain the photocopies of the CESI and CEST documents in Participant files.

4) CONTRACTOR shall adhere to all COUNTY CESI and CEST transmission, reporting, sorting, and any other guidelines, as stipulated by ADMINISTRATOR, as they may now exist or as they may be revised and/or amended in the future, for the review, use and analysis of the CESI and CEST.

c. Objective 3: Contractor shall implement a process improvement project as outlined in the NIATx model, targeting at least one of the following four (4) NIATx aims:

- 1) Reduced waiting times
- 2) Reduced no-shows
- 3) Increased admissions
- 4) Increased continuation in treatment

J. MEETINGS – CONTRACTOR’s Executive Director or designee shall participate, when requested, in meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to the Agreement.

K. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any person served under the terms of the Agreement. Further, CONTRACTOR agrees

1 that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion,  
2 religious creed or cult, denomination or sectarian institution, or religious belief.

3 L. OCPD GUIDELINES – CONTRACTOR shall apply for and receive approval of the OCPD to  
4 provide residential treatment services. CONTRACTOR shall recognize the authority of OCPD as  
5 officers of the court, and shall extend cooperation to OCPD within the constraints of CONTRACTOR’s  
6 program of Alcohol and Drug Abuse Residential Treatment Services.

7 M. CONTACTOR shall recognize the authority of the California Department of Corrections  
8 (Parole Officer), and shall extend cooperation to Parole Officer within the constraints of  
9 CONTACTOR’S program of Alcohol and Drug Abuse Treatment Services.

10 N. NON-SMOKING POLICY – CONTRACTOR shall establish a written non-smoking policy,  
11 which shall be reviewed and approved by ADMINISTRATOR. At a minimum, the non-smoking policy  
12 shall specify the facility is "smoke free" with designated smoking areas outside the facility.

13 O. VISITATION POLICY – CONTRACTOR shall establish a written visitation policy, which  
14 shall be reviewed and approved by ADMINISTRATOR, which shall include, but not be limited to, the  
15 following:

- 16 1. Sign in logs;
- 17 2. Visitation hours; and
- 18 3. Designated visiting areas at the facility.

19 P. PARTICIPANT SIGN IN/OUT LOG AND SCHEDULE – CONTRACTOR shall maintain a  
20 Participant sign in/out log for all Participants, which shall include, but not be limited to, the following:

- 21 1. Participant’s schedule for treatment, work, education or other activities;
- 22 2. Location and telephone number where the Participant may be reached; and
- 23 3. Requirement for all Participants to notify the program of any change in his/her schedule.

24 Q. GOOD NEIGHBOR POLICY – CONTRACTOR shall establish a good neighbor policy, which  
25 shall be reviewed and approved by ADMINISTRATOR. The policy shall include, but not be limited to,  
26 staff training to deal with neighbor complaints, staff contact information available to neighboring  
27 residents and complaint procedures.

28 R. TOKENS – ADMINISTRATOR will provide CONTRACTOR the necessary number of Tokens  
29 for appropriate individual staff to access IRIS at no cost to the CONTRACTOR.

30 1. CONTRACTOR recognizes Token is assigned to a specific individual staff member with a  
31 unique password. Tokens and passwords shall not be shared with anyone.

32 2. CONTRACTOR shall maintain an inventory of the Tokens, by serial number and the staff  
33 member to whom each is assigned.

34 3. CONTRACTOR shall indicate in the monthly staffing report, the serial numbers of the  
35 Token for each staff member assigned a Token.

36 4. CONTRACTOR shall return to ADMINSTRATOR all Tokens under the following  
37 conditions:

- a. Token of each staff member who no longer supports the Agreement.
- b. Token of each staff member who no longer requires access to IRIS.
- c. Token of each staff member who leaves employment of CONTRACTOR.
- d. Tokens which are malfunctioning.

5. ADMINISTRATOR will issue Tokens for CONTRACTOR's staff members who require access to the IRIS upon initial training or as a replacement for malfunctioning Tokens.

6. CONTRACTOR shall reimburse the COUNTY for Tokens lost, stolen, or damaged through acts of negligence.

S. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the Services Paragraph of this Exhibit A to the Agreement.

**VII. STAFFING**

A. CONTRACTOR shall, at a minimum, provide the following paid staffing expressed in FTEs, which shall be equal to an average of forty (40) hours of work per week. CONTRACTOR shall provide twenty-four (24) hour supervision with at least one (1) staff member on-site at all times. Co-ed residential programs shall require twenty-four (24) hour awake supervision.

PROGRAM	<u>FTEs</u>
Director of Adult Services	0.03
Program Director	0.03
Program Administrator	0.05
Administrative Assistant	0.05
Medical Records Clerk	0.05
Facility Maintenance Supervisor	0.02
Food Service Manager	0.02
Cook	0.01
Driver	0.05
Admissions Counselors	0.10
Counselor I's	0.21
Counselor II's	0.10
Counselor III's	0.20
Senior Counselors	0.15
Overnight Counselors	0.18
Family Therapist	0.01
Licensed Clinical Specialist	<u>0.01</u>
TOTAL FTEs	1.26

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1 B. CONTRACTOR may augment the above paid staff with volunteers or part-time student interns.  
2 Unless waived by ADMINISTRATOR, prior to providing services pursuant to the Agreement, interns shall  
3 be Master's Candidates in Counseling or Social Work or have a Bachelor's Degree in a related field or be  
4 participating in any state recognized counseling certification program. CONTRACTOR shall provide a  
5 minimum of one (1) hour supervision for each ten (10) hours of work by interns or consistent with school  
6 or licensing Board requirements. CONTRACTOR shall provide supervision to volunteers as specified in  
7 the respective job descriptions or work contracts. Volunteer or student intern services may not comprise  
8 more than twenty percent (20%) of the services provided.

9 C. CONTRACTOR shall include bilingual/bicultural services to meet the needs of the population to  
10 be served under the Agreement. Whenever possible, bilingual/bicultural staff should be retained.

11 D. CONTRACTOR shall make its best effort to provide services pursuant to the Agreement in a  
12 manner that is culturally and linguistically appropriate for the population(s) served. CONTRACTOR shall  
13 maintain documents of such efforts which may include; but not be limited to: records of participation in  
14 COUNTY sponsored or other applicable training; recruitment and hiring policies and procedures; copies of  
15 literature in multiple languages and formats, as appropriate; and descriptions of measures taken to enhance  
16 accessibility for, and sensitivity to, individuals who are physically challenged.

17 E. CONTRACTOR shall obtain a criminal record clearance for staff who are responsible for the  
18 provision of services to the Participants prior to such staff becoming involved with the Participants.  
19 CONTRACTOR shall provide copies of the criminal record reviews to ADMINISTRATOR within ten  
20 (10) days of receiving such reviews.

21 F. CONTRACTOR's Executive Director or designee shall participate, when requested, in  
22 meetings facilitated by ADMINISTRATOR related to the provision of services pursuant to the  
23 Agreement.

24 G. STAFF CONDUCT – CONTRACTOR shall establish a written policy for employees,  
25 volunteers, interns, and members of the Board of Directors which shall include, but not be limited to,  
26 standards related to the use of drugs and/or alcohol; staff-Participant relationships; prohibition of sexual  
27 conduct with Participant; prohibition of forging or falsifying documents or drug tests; and real or  
28 perceived conflict of interest. Prior to providing any services pursuant to the Agreement all employees,  
29 volunteers, and interns shall agree in writing to maintain the standards set forth in the said policy. A  
30 copy of the said policy shall be updated annually by the Board of Directors and posted in writing in a  
31 prominent place in the treatment facility.

32 H. CONTRACTOR shall provide pre-employment screening of any staff person providing adult  
33 service pursuant to the Agreement. All staff shall pass an COUNTY criminal justice background check  
34 conducted by OCPD on a yearly basis. Program directors, managers and other supervisory staff will be  
35 requested to voluntarily submit to a more extensive background check, including "live scan"  
36 fingerprinting. The results of the fingerprint checks will be sent directly from the Department of Justice  
37 to OCPD.

1 1. All staff, prior to hiring, shall meet the following requirements:

2 a. No person shall have been convicted of a sex offense for which the person is required to  
3 register as a sex offender under California Penal Code section 290:

4 b. No person shall have been convicted of an arson offence – Violation of Penal Code  
5 sections 451, 451.1, 451.5, 452, 452.1, 453, 454, or 455;

6 c. No person shall have been convicted of any violent felony as defined in Penal Code  
7 section 667.5, which involve doing bodily harm to another person, for which the staff member was  
8 convicted within five years prior to employment;

9 d. No person shall be on parole or probation;

10 e. No person shall participate in the criminal activities of a criminal street gang and/or  
11 prison gang; and

12 f. No prior employment history of improper conduct, including but not limited to, forging  
13 or falsifying documents or drug tests, sexual assault or sexual harassment, or inappropriate behavior  
14 with staff or residents at another treatment facility.

15 2. Exceptions to staffing requirements set forth above may be requested if CONTRACTOR  
16 deems the decision will benefit the program. Requests for exceptions shall be submitted in writing and  
17 approved in advance by ADMINISTRATOR.

18 I. All program staff having direct contact with Participants shall, within the first (1st) year of  
19 employment, be trained in infectious disease recognition, crisis intervention, and to recognize physical and  
20 psychiatric symptoms that require appropriate referrals to other agencies. CONTRACTOR shall provide  
21 ongoing training in topics related to alcohol and drug use on an annual basis.

22 J. All staff providing services shall be licensed and/or certified in accordance with state  
23 requirements and professional guidelines, as applicable.

24 K. Staffing levels and qualifications shall meet the requirements of the California Code of  
25 Regulations, Title 9 and/or the State of California, Health and Human Services Agency's Department of  
26 Alcohol and Drug Programs, Alcohol and/or Other Drug Certification Standards.

27 L. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term  
28 of the Agreement, maintain all necessary licenses, permits, approvals, certificates, waivers and  
29 exemptions necessary for the provision of services hereunder and required by the laws or regulations of  
30 the United States, the state of California, COUNTY and any other applicable governmental agencies.  
31 CONTRACTOR shall notify ADMINISTRATOR immediately and in writing of its inability to obtain or  
32 maintain, irrespective of the pendency of an appeal, such permits, licenses, approvals, certificates,  
33 waivers and exemptions. Said inability shall be cause for termination of the Agreement.

34 M. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to modify the  
35 Staffing Paragraph of this Exhibit A to the Agreement.

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