

1                                   AGREEMENT FOR PROVISION OF  
2                                   RECOVERY MAINTENANCE SERVICES

3                                   BETWEEN

4                                   COUNTY OF ORANGE

5                                   AND

6                                   PHOENIX HOUSE ORANGE COUNTY, INC.

7                                   JULY 1, 2012 THROUGH JUNE 30, 2014

8  
9           THIS AGREEMENT entered into this 1st day of July 2012 which date is enumerated for purposes  
10 of reference only, is by and between the COUNTY OF ORANGE (COUNTY) and  
11 PHOENIX HOUSE ORANGE COUNTY, INC., a California nonprofit corporation (CONTRACTOR).  
12 This Agreement shall be administered by the County of Orange Health Care Agency  
13 (ADMINISTRATOR).

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

16  
17           WHEREAS, COUNTY wishes to contract with CONTRACTOR for the provision of  
18 Recovery Maintenance Services described herein to the residents of Orange County; and

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

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

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**REFERENCED CONTRACT PROVISIONS****Term:** July 1, 2012 through June 30, 2014

Period One means the period from July 1, 2012 through June 30, 2013

Period Two means the period from July 1, 2013 through June 30, 2014

**Maximum Obligation:**

Period One Maximum Obligation: \$200,000

Period Two Maximum Obligation: 200,000

TOTAL CONTRACT MAXIMUM OBLIGATION: \$400,000

**Basis for Reimbursement:** Actual Cost**Payment Method:** Actual Cost**Notices to COUNTY and CONTRACTOR:**

COUNTY: County of Orange  
 Health Care Agency  
 Contract Development and Management  
 405 West 5th Street, Suite 600  
 Santa Ana, CA 92701-4637

CONTRACTOR: Phoenix House, Orange County  
 Attn: Executive Director  
 11600 Eldridge Ave.  
 Lake View Terrace, CA 91342

**CONTRACTOR's Insurance Coverages:**

<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
Employer's Liability Insurance	\$1,000,000 per occurrence
Professional Liability Insurance	\$1,000,000 per claims made or per occurrence
Sexual Misconduct	\$1,000,000 per occurrence

**I. ACRONYMS**

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

A. AA	Alcoholics Anonymous
B. ARRA	American Recovery and Reinvestment Act
C. ASRS	Alcohol and Drug Programs Reporting System
D. CA	Cocaine Anonymous
E. CAP	Corrective Action Plan
F. CCC	California Civil Code
G. CCR	California Code of Regulations
H. CFR	Code of Federal Regulations
I. CHPP	COUNTY HIPAA Policies and Procedures
J. CHS	Correctional Health Services
K. DDA	Dual Diagnosis Anonymous
L. D/MC	Drug/Medi-Cal
M. DHCS	Department of Health Care Services
N. DPFS	Drug Program Fiscal Systems
O. DRS	Designated Record Set
P. FTE	Full Time Equivalent
Q. HCA	Health Care Agency
R. HHS	Health and Human Services
S. HIPAA	Health Insurance Portability and Accountability Act
T. HSC	California Health and Safety Code
U. MHP	Mental Health Plan
V. NA	Narcotics Anonymous
W. OCJS	Orange County Jail System
X. OCPD	Orange County Probation Department
Y. OCR	Office for Civil Rights
Z. OCSD	Orange County Sheriff's Department
AA. OIG	Office of Inspector General
AB. OMB	Office of Management and Budget
AC. OPM	Federal Office of Personnel Management
AD. PADSS	Payment Application Data Security Standard
AE. PC	State of California Penal Code
AF. PCI DSS	Payment Card Industry Data Security Standard
AG. PHI	Protected Health Information
AH. PII	Personally Identifiable Information

1	AI.	PRA	Public Record Act
2	AJ.	RMS	Recovery and Maintenance Services
3	AK.	USC	United States Code
4	AL.	WIC	State of California Welfare and Institutions Code

## 6 **II. ALTERATION OF TERMS**

7 This Agreement, together with Exhibit A attached hereto and incorporated herein by reference, fully  
8 expresses all understanding of COUNTY and CONTRACTOR with respect to the subject matter of this  
9 Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition  
10 to, or alteration of, the terms of this Agreement, whether written or verbal, shall be valid unless made in  
11 writing and formally approved and executed by both parties.

## 13 **III. ASSIGNMENT OF DEBTS**

14 This Agreement, together with Exhibit A attached hereto and incorporated herein by reference, fully  
15 expresses all understanding of COUNTY and CONTRACTOR with respect to the subject matter of this  
16 Agreement, and shall constitute the total Agreement between the parties for these purposes. No addition  
17 to, or alteration of, the terms of this Agreement, whether written or verbal, shall be valid unless made in  
18 writing and formally approved and executed by both parties.

## 20 **IV. COMPLIANCE**

21 A. COMPLIANCE PROGRAM – ADMINISTRATOR has established a Compliance Program for  
22 the purpose of ensuring adherence to all rules and regulations related to federal and state health care  
23 programs.

24 1. ADMINISTRATOR shall ensure that CONTRACTOR is made aware of the relevant  
25 policies and procedures relating to ADMINISTRATOR's Compliance Program.

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

34 3. CONTRACTOR has the option to adhere to ADMINISTRATOR's Compliance Program or  
35 establish its own, provided CONTRACTOR's Compliance Program has been verified to include all  
36 required elements by ADMINISTRATOR's Compliance Officer as described in Subparagraphs A.4.,  
37 A.5., A.6., and A.7. below.

4. If CONTRACTOR elects to have its own Compliance Program then it shall submit a copy of its Compliance Program and relevant policies and procedures to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.

5. ADMINISTRATOR's Compliance Officer shall determine if CONTRACTOR's Compliance Program contains all required elements. CONTRACTOR shall take necessary action to meet said standards or shall be asked to acknowledge and agree to the ADMINISTRATOR's Compliance Program if the ADMINISTRATOR's Compliance Program does not contain all required elements.

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

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

B. SANCTION SCREENING – CONTRACTOR shall screen all Covered Individuals employed or retained to provide services related to this Agreement to ensure that they are not designated as Ineligible Persons, as defined hereunder. Screening shall be conducted against the General Services Administration's List of Parties Excluded from Federal Programs, the Health and Human Services/OIG List of Excluded Individuals/Entities, and Medi-CAL Suspended and Ineligible List.

1. Ineligible Person shall be any individual or entity who:

a. is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or

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

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

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

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4. Covered Individuals shall be required to disclose to CONTRACTOR immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. CONTRACTOR shall notify ADMINISTRATOR immediately upon such disclosure.

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

6. CONTRACTOR shall notify ADMINISTRATOR immediately if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened. Such individual or entity shall be immediately removed from participating in any activity associated with this Agreement. ADMINISTRATOR will determine appropriate repayment or sanction CONTRACTOR for services provided by ineligible person or individual.

7. CONTRACTOR shall promptly return any overpayments within in forty-five (45) days after the overpayment is verified by the ADMINISTRATOR.

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

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

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

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

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

D. CODE OF CONDUCT – ADMINISTRATOR has developed a Code of Conduct for adherence by ADMINISTRATOR's employees and contract providers.

1. ADMINISTRATOR shall ensure that CONTRACTOR is made aware of ADMINISTRATOR's Code of Conduct.

2. CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of ADMINISTRATOR's Code of Conduct.

3. CONTRACTOR has the option to adhere to ADMINISTRATOR's Code of Conduct or establish its own provided CONTRACTOR's Code of Conduct has been approved by ADMINISTRATOR's Compliance Officer as described in Subparagraphs D.4., D.5., D.6., D.7., and D.8. below.



4. If CONTRACTOR elects to have its own Code of Conduct, then it shall submit a copy of its Code of Conduct to ADMINISTRATOR within thirty (30) calendar days of award of this Agreement.

5. ADMINISTRATOR's Compliance Officer shall determine if CONTRACTOR's Code of Conduct is accepted. CONTRACTOR shall take necessary action to meet said standards or shall be asked to acknowledge and agree to the ADMINISTRATOR's Code of Conduct.

6. Upon approval of CONTRACTOR's Code of Conduct by ADMINISTRATOR, CONTRACTOR shall ensure that all Covered Individuals relative to this Agreement are made aware of CONTRACTOR's Code of Conduct.

7. If CONTRACTOR elects to adhere to ADMINISTRATOR's Code of Conduct then CONTRACTOR shall submit to ADMINISTRATOR a signed acknowledgement and agreement that CONTRACTOR shall comply with ADMINISTRATOR's Code of Conduct.

8. Failure of CONTRACTOR to timely submit the acknowledgement of ADMINISTRATOR's Code of Conduct shall constitute a material breach of this Agreement, and failure to cure such breach within sixty (60) calendar days of such notice from ADMINISTRATOR shall constitute grounds for termination of this Agreement as to the non-complying party.

## E. MEDICAL BILLING, CODING, AND DOCUMENTATION COMPLIANCE STANDARDS

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

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

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

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

## V. CONFIDENTIALITY

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

B. Prior to providing any services pursuant to this Agreement, all CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees, consultants, subcontractors, volunteers and interns shall agree, in writing, with CONTRACTOR to maintain the confidentiality of any and all information and records which may be obtained in the course of providing such services.

1 The agreement shall specify that it is effective irrespective of all subsequent resignations or terminations  
 2 of CONTRACTOR members of the Board of Directors or its designee or authorized agent, employees,  
 3 consultants, subcontractors, volunteers and interns.

4 C. CONTRACTOR shall have in effect a system to protect patient records from inappropriate  
 5 disclosure in connection with activity funded under this Agreement. This system shall include  
 6 provisions for employee education on the confidentiality requirements, and the fact that disciplinary  
 7 action may occur upon inappropriate disclosure. CONTRACTOR agrees to implement administrative,  
 8 physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity,  
 9 and availability of all confidential information that it creates, receives, maintains or transmits.  
 10 CONTRACTOR shall provide COUNTY with information concerning such safeguards.

11 D. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known  
 12 to CONTRACTOR, or its subcontractors or agents in violation of the applicable state and federal  
 13 regulations regarding confidentiality.

14 E. CONTRACTOR shall monitor compliance with the above provisions on confidentiality and  
 15 security, and shall include them in all subcontracts.

16 F. CONTRACTOR shall notify ADMINISTRATOR within twenty-four (24) hours during a work  
 17 week, of any suspected or actual breach of computer system security, if the security breach would  
 18 require notification under CCC §1798.82.

## 19 20 VI. COST REPORT

21 A. CONTRACTOR shall submit separate Cost Reports for Period One and Period Two, or for a  
 22 portion thereof, no later than forty-five (45) calendar days following the period for which they are  
 23 prepared or termination of this Agreement. CONTRACTOR shall prepare the Cost Report in  
 24 accordance with all applicable federal, state and county requirements, generally accepted accounting  
 25 principles and the Special Provisions Paragraph of this Agreement. CONTRACTOR shall allocate  
 26 direct and indirect costs to and between programs, cost centers, services, and funding sources in  
 27 accordance with such requirements and consistent with prudent business practice, which costs and  
 28 allocations shall be supported by source documentation maintained by CONTRACTOR, and available at  
 29 any time to ADMINISTRATOR upon reasonable notice.

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

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

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

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

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

12          B. The Cost Report prepared for each period shall be the final financial and statistical report  
13 submitted by CONTRACTOR to COUNTY, and shall serve as the basis for final settlement to  
14 CONTRACTOR for that period. CONTRACTOR shall document that costs are reasonable and  
15 allowable and directly or indirectly related to the services to be provided hereunder. The Cost Report  
16 shall be the final financial record for subsequent audits, if any.

17          C. Final settlement shall be based upon the actual and reimbursable costs for services hereunder,  
18 less applicable revenues and late penalty, not to exceed the applicable Maximum Obligation for each  
19 period as set forth in the Referenced Contract Provisions of this Agreement. CONTRACTOR shall not  
20 claim expenditures to COUNTY which are not reimbursable pursuant to applicable federal, state and  
21 county laws, regulations and requirements. Any payment made by COUNTY to CONTRACTOR,  
22 which is subsequently determined to have been for an unreimbursable expenditure or service, shall be  
23 repaid by CONTRACTOR to COUNTY in cash, or other authorized form of payment, within thirty (30)  
24 calendar days of submission of the Cost Reports or COUNTY may elect to reduce any amount owed  
25 CONTRACTOR by an amount not to exceed the reimbursement due COUNTY.

26          D. If the Cost Report for each period indicates the actual and reimbursable costs of services  
27 provided pursuant to this Agreement, less applicable revenues and late penalty, are lower than the  
28 aggregate of interim monthly payments to CONTRACTOR, CONTRACTOR shall remit the difference  
29 to COUNTY. Such reimbursement shall be made, in cash, or other authorized form of payment, with  
30 the submission of the Cost Report. If such reimbursement is not made by CONTRACTOR within thirty  
31 (30) calendar days after submission of the Cost Reports, COUNTY may, in addition to any other  
32 remedies, reduce any amount owed CONTRACTOR by an amount not to exceed the reimbursement due  
33 COUNTY.

34          E. If the Cost Report for each period indicates the actual and reimbursable costs of services  
35 provided pursuant to this Agreement, less applicable revenues and late penalty, are higher than the  
36 aggregate of interim monthly payments to CONTRACTOR, COUNTY shall pay CONTRACTOR the

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1 difference, provided such payment does not exceed the Maximum Obligation of COUNTY for the  
2 period.

3 F. All Cost Reports for each period shall contain the following attestation, which may be typed  
4 directly on or attached to the Cost Report:

5  
6 "I HEREBY CERTIFY that I have executed the accompanying Cost Report and  
7 supporting documentation prepared by \_\_\_\_\_ for the cost report period  
8 beginning \_\_\_\_\_ and ending \_\_\_\_\_ and that, to the best of my  
9 knowledge and belief, costs reimbursed through this Agreement are reasonable and  
10 allowable and directly or indirectly related to the services provided and that this Cost  
11 Report is a true, correct, and complete statement from the books and records of  
12 (provider name) in accordance with applicable instructions, except as noted. I also  
13 hereby certify that I have the authority to execute the accompanying Cost Report.

14  
15 Signed \_\_\_\_\_  
16 Name \_\_\_\_\_  
17 Title \_\_\_\_\_  
18 Date \_\_\_\_\_"

## 19 20 **VII. DEBARMENT AND SUSPENSION CERTIFICATION**

21 A. CONTRACTOR certifies that it and its principals:

22 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or  
23 voluntarily excluded by any federal department or agency.

24 2. Have not within a three-year period preceding this Agreement been convicted of or had a  
25 civil judgment rendered against them for commission of fraud or a criminal offense in connection with  
26 obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract  
27 under a public transaction; violation of federal or state antitrust statutes or commission of  
28 embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or  
29 receiving stolen property;

30 3. Are not presently indicted for or otherwise criminally or civilly charged by a federal, state,  
31 or local governmental entity with commission of any of the offenses enumerated in Subparagraph A.2.  
32 above;

33 4. Have not within a three-year period preceding this Agreement had one or more public  
34 transactions (federal, state, or local) terminated for cause or default;

35 5. Shall not knowingly enter into any lower tier covered transaction with a person who is  
36 proposed for debarment under federal regulations (i.e., 48 CFR Part 9, Subpart 9.4), debarred,

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1 suspended, declared ineligible, or voluntarily excluded from participation in such transaction unless  
2 authorized by the State of California; and

3 6. Shall include without modification, the clause titled "Certification Regarding Debarment,  
4 Suspension, Ineligibility, and Voluntary Exclusion Lower Tier Covered Transaction," (i.e., transactions  
5 with sub-grantees and/or contractors) and in all solicitations for lower tier covered transactions in  
6 accordance with 2 CFR Part 376.

7 B. The terms and definitions of this paragraph have the meanings set out in the Definitions and  
8 Coverage sections of the rules implementing 51 F.R. 6370.

### 9 10 **VIII. DELEGATION, ASSIGNMENT AND SUBCONTRACTS**

11 A. CONTRACTOR may not delegate the obligations hereunder, either in whole or in part, without  
12 prior written consent of COUNTY; provided, however, obligations undertaken by CONTRACTOR  
13 pursuant to this Agreement may be carried out by means of subcontracts, provided such subcontracts are  
14 approved in advance, in writing by ADMINISTRATOR, meet the requirements of this Agreement as  
15 they relate to the service or activity under subcontract, and include any provisions that  
16 ADMINISTRATOR may require. ADMINISTRATOR may revoke the approval of a subcontract upon  
17 five (5) calendar days written notice to CONTRACTOR if subcontract fails to meet the requirements of  
18 this Agreement or any provisions that ADMINISTRATOR has required. No subcontract shall terminate  
19 or alter the responsibilities of CONTRACTOR to COUNTY pursuant to this Agreement.  
20 ADMINISTRATOR may disallow, from payments otherwise due CONTRACTOR, amounts claimed for  
21 subcontracts not approved in accordance with this paragraph.

22 B. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the  
23 prior written consent of COUNTY. For CONTRACTORS which are nonprofit corporations, any change  
24 from a nonprofit corporation to any other corporate structure of CONTRACTOR, including a change in  
25 more than fifty percent (50%) of the composition of the Board of Directors within a two (2) month  
26 period of time, shall be deemed an assignment for purposes of this paragraph. Any attempted  
27 assignment or delegation in derogation of this paragraph shall be void.

28 C. CONTRACTOR may not assign the rights hereunder, either in whole or in part, without the  
29 prior written consent of COUNTY. For CONTRACTORS which are for-profit organizations, any  
30 change in the business structure, including but not limited to, the sale or transfer of more than ten  
31 percent (10%) of the assets or stocks of CONTRACTOR, change to another corporate structure,  
32 including a change to a sole proprietorship, or a change in fifty percent (50%) or more of  
33 CONTRACTOR's directors at one time shall be deemed an assignment pursuant to this paragraph. Any  
34 attempted assignment or delegation in derogation of this paragraph shall be void.

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## **IX. EMPLOYEE ELIGIBILITY VERIFICATION**

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

## **X. EQUIPMENT**

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

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

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

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

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

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

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

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

14 I. Equipment purchases shall not exceed \$50,000 annually.  
15

## 16 **XI. FACILITIES, PAYMENTS AND SERVICES**

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

22 B. In the event that CONTRACTOR is unable to provide services, staffing, facilities, or supplies,  
23 ADMINISTRATOR may, at its sole discretion, reduce the Total Maximum Obligation. The reduction to  
24 the Total Maximum Obligation shall be in an amount proportionate to the number of days in which  
25 CONTRACTOR was determined to be unable to provide services, staffing, facilities or supplies.  
26

## 27 **XII. INDEMNIFICATION AND INSURANCE**

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

1 B. Without limiting CONTRACTOR's indemnification, it is agreed that CONTRACTOR shall  
 2 maintain in force at all times during the term of this Agreement a policy, or policies, of insurance  
 3 covering its operations as specified in the Referenced Contract Provisions of this Agreement.

4 C. All insurance policies except Workers' Compensation and Employer's Liability, and  
 5 Professional Liability shall contain the following clauses:

6 1. "The County of Orange is included as an additional insured with respect to the operations of  
 7 the named insured performed under contract with the County of Orange."

8 2. "It is agreed that any insurance maintained by the County of Orange shall apply in excess of,  
 9 and not contribute with, insurance provided by this policy."

10 3. "This insurance shall not be canceled, limited or non-renewed until after thirty (30)  
 11 calendar days written notice has been given to Orange County HCA/Contract Development and  
 12 Management, 405 West 5th Street, Suite 600, Santa Ana, CA 92701-4637."

13 D. Certificates of insurance and endorsements evidencing the above coverages and clauses shall be  
 14 mailed to COUNTY as referenced in the Referenced Contract Provisions of this Agreement.

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

18 F. Unless waived by ADMINISTRATOR, the policy or policies of insurance must be issued by an  
 19 insurer licensed to do business in the state of California (California Admitted Carrier).

### 20 21 **XIII. INSPECTIONS AND AUDITS**

22 A. ADMINISTRATOR, any authorized representative of COUNTY, any authorized representative  
 23 of the State of California, the Secretary of the United States Department of Health and Human Services,  
 24 the Comptroller General of the United States, or any other of their authorized representatives, shall have  
 25 access to any books, documents, and records, including but not limited to, financial statements, general  
 26 ledgers, relevant accounting systems, medical and client records, of CONTRACTOR that are directly  
 27 pertinent to this Agreement, for the purpose of responding to a beneficiary complaint or conducting an  
 28 audit, review, evaluation, or examination, or making transcripts during the periods of retention set forth  
 29 in the Records Management and Maintenance Paragraph of this Agreement. Such persons may {with  
 30 prior written notice} at all reasonable times inspect or otherwise evaluate the services provided pursuant  
 31 to this Agreement, and the premises in which they are provided.

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

36 //

37 //



1 C. AUDIT RESPONSE

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

7 2. If the audit reveals that money is payable from one party to the other, that is, reimbursement  
8 by CONTRACTOR to COUNTY, or payment of sums due from COUNTY to CONTRACTOR, said  
9 funds shall be due and payable from one party to the other within sixty (60) calendar days of receipt of  
10 the audit results. If reimbursement is due from CONTRACTOR to COUNTY, and such reimbursement  
11 is not received within said sixty (60) calendar days, COUNTY may, in addition to any other remedies  
12 provided by law, reduce any amount owed CONTRACTOR by an amount not to exceed the  
13 reimbursement due COUNTY.

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

17 E. CONTRACTOR shall employ a licensed certified public accountant, who will prepare an  
18 annual Single Audit as required by OMB 133. CONTRACTOR shall forward the Single Audit to  
19 ADMINISTRATOR within fourteen (14) calendar days of receipt.

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

24  
25 **XIV. LICENSES AND LAWS**

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

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

36 1. State of California, Department of Alcohol and Drug Programs Audit Assistance Guide  
37 Manual.

2. State of California, Department of Alcohol and Drug Programs, Alcohol and/or Other Drug Program Certification Standards, March 2004.
3. HSC, Divisions 10.5 and 10.6.
4. HSC, §§11758.40 through 11758.47.
5. HSC, §§11839 through 11839.22
6. HSC, §11864
7. HSC, §11876(a)
8. HSC, §§123110 through 123149.5.
9. Title 2, CFR, Part 230, Cost Principles for Nonprofit Organizations.
10. Title 2, CFR 376, Nonprocurement, Debarment and Suspension.
11. 41 CFR, Public Contracts and Property Management.
12. 42 CFR 2, Confidentiality of Alcohol and Drug Abuse Patient Records.
13. 45 CFR 93, New Restrictions on Lobbying.
14. 45 CFR 96.127(a), "Requirements regarding Tuberculosis".
15. 45 CFR 96.132(e), Additional Agreements.
16. 45 CFR 96.135, Restrictions on Expenditure of Grant.
17. 45 CFR 160, General Administrative Requirements.
18. 45 CFR 162, Administrative Requirements.
19. 45 CFR 164, Security And Privacy.
20. 48 CFR 9.4, Debarment, Suspension, and Ineligibility.
21. Title 31, USC, Chapter 13, Subtitle II, §1352, Limitation on use of appropriated funds to influence certain federal contracting and financial transactions.
22. 42 USC, Chapter 126, Equal Opportunity for Individuals with Disabilities.
23. 42 USC, Chapter 6A, Subchapter III-A, 290aa through 290jj, Substance Abuse and Mental Health Services Administration.
24. 42 USC, Chapter 6A, Subchapter III-A, Part D, 290dd-2, Confidentiality of Records.
25. 42 USC, Chapter 7, Subchapter XI, Part A, 1320(a), Uniform reporting systems for health services facilities and organizations.
26. 42 USC, Chapter 7, Subchapter XI, Part C, 1320(d) through 1320(d)(8), Administrative Simplification.
27. 42 USC, Chapter 7, Subchapter XI, Part C, 285n through 285o, National Institute on Alcohol Abuse and Alcoholism; National Institute on Drug Abuse.
28. 42 USC 6101, Age Discrimination Act of 1975
29. 42 USC 2000d, Civil Rights
30. 42, Part 54, "Charitable choice regulations applicable to states receiving substance abuse prevention and treatment block grants and/or projects for assistance in transition from homelessness grants."

31. 8 USC, 1324, Immigration Reform & Control Act, 1986

32. CCC §§56 through 56.37, Confidentiality of Medical Information.

33. CCC §§1798.80 through 1798.82, Customer Records.

34. CCC §1798.85, Confidentiality of Social Security Number.

35. CCR, Title 9, Division 4; and Title 22.

36. OMB Circulars A-87, A-89, A-110, A-122, and A-133.

37. U.S. Department of Health and Human Services Grants Policy Statement.

38. Early and Periodic Screening, Diagnosis and Treatment Fact Sheet, Department of Alcohol and Drug Programs, 2003

#### C. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

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

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

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

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

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

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

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

#### **XV. LITERATURE AND ADVERTISEMENTS**

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

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1 and electronic media such as the Internet. Such information shall not imply endorsement by COUNTY,  
2 unless ADMINISTRATOR consents thereto in writing.

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

6 C. Any advertisement through radio, television broadcast, or the Internet, for educational or  
7 promotional purposes, made by CONTRACTOR for purposes directly or indirectly related to this  
8 Agreement must be approved in advance and in writing by ADMINISTRATOR.

## 9 10 **XVI. MAXIMUM OBLIGATION**

11 A. The Total Maximum Obligations of COUNTY for services provided in accordance with this  
12 Agreement and the separate Maximum Obligations for Period One and Period Two are as specified in  
13 the Referenced Contract Provisions of this Agreement, except as allowed for in Subparagraph B. below.

14 B. Upon written request by CONTRACTOR, and at sole discretion of ADMINISTRATOR,  
15 ADMINISTRATOR may increase or decrease the Period One and Period Two Maximum Obligations,  
16 provided the total of these Maximum Obligations does not exceed the Total Maximum Obligation of  
17 COUNTY as specified in the Referenced Contract Provisions of this Agreement.

## 18 19 **XVII. NONDISCRIMINATION**

### 20 **A. EMPLOYMENT**

21 1. During the performance of this Agreement, CONTRACTOR shall not unlawfully  
22 discriminate against any employee or applicant for employment because of his/her ethnic group  
23 identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over),  
24 sexual orientation, medical condition, or physical or mental disability. CONTRACTOR shall warrant  
25 that the evaluation and treatment of employees and applicants for employment are free from  
26 discrimination in the areas of employment, promotion, demotion or transfer; recruitment or recruitment  
27 advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training,  
28 including apprenticeship. CONTRACTOR shall not discriminate between employees with spouses and  
29 employees with domestic partners, or discriminate between domestic partners and spouses of those  
30 employees, in the provision of benefits. There shall be posted in conspicuous places, available to  
31 employees and applicants for employment, notices from ADMINISTRATOR and/or the United States  
32 Equal Employment Opportunity Commission setting forth the provisions of the Equal Opportunity  
33 clause.

34 2. All solicitations or advertisements for employees placed by or on behalf of CONTRACTOR  
35 shall state that all qualified applicants will receive consideration for employment without regard to  
36 ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age  
37 //

(40 and over), sexual orientation, medical condition, or physical or mental disability. Such requirement shall be deemed fulfilled by use of the phrase "an equal opportunity employer."

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

B. SERVICES, BENEFITS, AND FACILITIES – CONTRACTOR shall not discriminate in the provision of services, the allocation of benefits, or in the accommodation in facilities on the basis of ethnic group identification, race, religion, ancestry, color, creed, sex, marital status, national origin, age (40 and over), sexual orientation, medical condition, or physical or mental disability in accordance with Title IX of the Education Amendments of 1972; Title VI of the Civil Rights Act of 1964 (42 USC §2000d); the Age Discrimination Act of 1975 (42 USC §6101); and Title 9, Division 4, Chapter 6, Article 1 (§10800, et seq.) of the California Code of Regulations, and all other pertinent rules and regulations promulgated pursuant thereto, and as otherwise provided by state law and regulations, as all may now exist or be hereafter amended or changed.

1. For the purpose of this Subparagraph B., Discrimination includes, but is not limited to the following based on one or more of the factors identified above:

- a. Denying a client or potential client any service, benefit, or accommodation.
- b. Providing any service or benefit to a client which is different or is provided in a different manner or at a different time from that provided to other clients.
- c. Restricting a client in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit.
- d. Treating a client differently from others in satisfying any admission requirement or condition, or eligibility requirement or condition, which individuals must meet in order to be provided any service or benefit.
- e. Assignment of times or places for the provision of services.

2. Complaint Process – CONTRACTOR shall establish procedures for advising all clients through a written statement that CONTRACTOR's clients may file all complaints alleging discrimination in the delivery of services with CONTRACTOR, ADMINISTRATOR, or the U.S. Department of Health and Human Services' OCR. CONTRACTOR's statement shall advise clients of the following:

- a. In those cases where the client's complaint is filed initially with the OCR, the OCR may proceed to investigate the client's complaint, or the OCR may request COUNTY to conduct the investigation.
- b. Within the time limits procedurally imposed, the complainant shall be notified in writing as to the findings regarding the alleged complaint and, if not satisfied with the decision, may file an appeal with the OCR.

1 C. PERSONS WITH DISABILITIES – CONTRACTOR agrees to comply with the provisions of  
 2 §504 of the Rehabilitation Act of 1973 (29 USC 794 et seq., as implemented in 45 CFR 84.1 et seq.),  
 3 and the Americans with Disabilities Act of 1990 (42 USC 12101, et seq.), pertaining to the prohibition  
 4 of discrimination against qualified persons with disabilities in all programs or activities, as they exist  
 5 now or may be hereafter amended together with succeeding legislation.

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

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

#### 14 XVIII. NOTICES

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

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

20 2. When faxed, transmission confirmed;

21 3. When sent by Email; or

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

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

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

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

34 E. In the event of a death, notification shall be made in accordance with the Notification of Death  
 35 Paragraph of this Agreement.

36 //

**XIX. NOTIFICATION OF DEATH****A. NON-TERMINAL ILLNESS DEATH**

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

2. In addition, CONTRACTOR shall, within sixteen (16) hours after such death, hand deliver or fax, a written Notification of Non-Terminal Illness Death to ADMINISTRATOR.

3. The telephone report and written Notification of Non-Terminal Illness Death shall contain the name of the deceased, the date and time of death, the nature and circumstances of the death, and the name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

**B. TERMINAL ILLNESS DEATH**

1. CONTRACTOR shall notify ADMINISTRATOR by written report faxed, hand delivered, or postmarked within forty-eight (48) hours of becoming aware of the death due to terminal illness of any person served hereunder. The Notification of Terminal Illness Death shall contain the name of the deceased, the date and time of death, the nature and circumstances of the death, and the name(s) of CONTRACTOR's officers or employees with knowledge of the incident.

2. If there are any questions regarding the cause of death of any person served hereunder who was diagnosed with a terminal illness, or if there are any unusual circumstances related to the death, CONTRACTOR shall immediately notify ADMINISTRATOR in accordance with Subparagraph A. above.

**XX. NOTIFICATION OF PUBLIC EVENTS AND MEETINGS**

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

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

**XXI. RECORDS MANAGEMENT AND MAINTENANCE**

A. CONTRACTOR, its officers, agents, employees and subcontractors shall, throughout the term of this Agreement, prepare, maintain and manage records appropriate to the services provided and in accordance with this Agreement and all applicable requirements, which include, but are not limited to:

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1 1. California Code of Regulation Title 22, §§70751(c), 71551(c), 73543(a), 74731(a),  
2 75055(a), 75343(a), and 77143(a).

3 2. State of California, Department of ASRS manual.

4 3. State of California, DPFS manual.

5 4. State of California, Health and Safety Code §123145.

6 5. Title 45 CFR, §164.501; §164.524; §164.526; §164.530(c) and (j).

7 B. CONTRACTOR shall implement and maintain administrative, technical and physical  
8 safeguards to ensure the privacy of PHI and prevent the intentional or unintentional use or disclosure of  
9 PHI in violation of the HIPAA, federal and state regulations and/or CHPP. CONTRACTOR shall  
10 mitigate to the extent practicable, the known harmful effect of any use or disclosure of PHI made in  
11 violation of federal or state regulations and/or COUNTY policies.

12 C. CONTRACTOR's participant, client, and/or patient records shall be maintained in a secure  
13 manner. CONTRACTOR shall maintain participant, client, and/or patient records and must establish  
14 and implement written record management procedures.

15 D. CONTRACTOR shall ensure appropriate financial records related to cost reporting,  
16 expenditure, revenue, billings, etc., are prepared and maintained accurately and appropriately.

17 E. CONTRACTOR shall ensure all appropriate state and federal standards of documentation,  
18 preparation, and confidentiality of records related to participant, client and/or patient records are met at  
19 all times.

20 F. CONTRACTOR shall ensure all HIPAA DRS requirements are met. HIPAA requires that  
21 clients, participants and/or patients be provided the right to access or receive a copy of their DRS and/or  
22 request addendum to their records. Title 45 CFR §164.501, defines DRS as a group of records  
23 maintained by or for a covered entity that is:

24 1. The medical records and invoice records about individuals maintained by or for a covered  
25 health care provider;

26 2. The enrollment, payment, claims adjudication, and case or medical management record  
27 systems maintained by or for a health plan; or

28 3. Used, in whole or in part, by or for the covered entity to make decisions about individuals.

29 G. CONTRACTOR may retain participant, client, and/or patient documentation electronically in  
30 accordance with the terms of this Agreement and common business practices. If documentation is  
31 retained electronically, CONTRACTOR shall, in the event of an audit or site visit:

32 1. Have documents readily available within forty-eight (48) hour notice of a scheduled audit or  
33 site visit.

34 2. Provide auditor or other authorized individuals access to documents via a computer  
35 terminal.

36 3. Provide auditor or other authorized individuals a hardcopy printout of documents, if  
37 requested.



1 H. CONTRACTOR shall ensure compliance with requirements pertaining to the privacy and  
 2 security of PII and/or PHI. CONTRACTOR shall, immediately upon discovery of a breach of privacy  
 3 and/or security of PII and/or PHI by CONTRACTOR, notify ADMINISTRATOR of such breach by  
 4 telephone and email or facsimile.

5 I. CONTRACTOR may be required to pay any costs associated with a breach of privacy and/or  
 6 security of PII and/or PHI, including but not limited to the costs of notification. CONTRACTOR shall  
 7 pay any and all such costs arising out of a breach of privacy and/or security of PII and/or PHI.

8 J. CONTRACTOR shall retain all participant, client, and/or patient medical records for seven (7)  
 9 years following discharge of the participant, client and/or patient, with the exception of non-emancipated  
 10 minors for whom records must be kept for at least one (1) year after such minors have reached the age of  
 11 eighteen (18) years, or for seven (7) years after the last date of service, whichever is longer.

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

15 L. CONTRACTOR shall make records pertaining to the costs of services, participant fees, charges,  
 16 billings, and revenues available at one (1) location within the limits of the County of Orange.

17 M. If CONTRACTOR is unable to meet the record location criteria above, ADMINISTRATOR  
 18 may provide written approval to CONTRACTOR to maintain records in a single location, identified by  
 19 CONTRACTOR.

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

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

## 25 26 **XXII. REVENUE**

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

32 B. THIRD-PARTY REVENUE – CONTRACTOR shall make every reasonable effort to obtain all  
 33 available third-party reimbursement for which persons served hereunder may be eligible. Charges to  
 34 insurance carriers shall be on the basis of CONTRACTOR's usual and customary charges.

35 C. PROCEDURES – CONTRACTOR shall maintain internal financial controls which adequately  
 36 ensure proper billing and collection procedures. CONTRACTOR's procedures shall specifically provide  
 37 for the identification of delinquent accounts and methods for pursuing such accounts. CONTRACTOR

1 shall provide ADMINISTRATOR, monthly, a written report specifying the current status of fees which  
2 are invoiced, collected, transferred to a collection agency, or deemed by CONTRACTOR to be  
3 uncollectible.

4 D. OTHER REVENUES – CONTRACTOR shall charge for services, supplies, or facility use by  
5 persons other than individuals or groups eligible for services pursuant to this Agreement.

### 6 7 **XXIII. SEVERABILITY**

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

### 13 14 **XXIV. SPECIAL PROVISIONS**

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

17 1. Purchasing or improving land, including constructing or permanently improving any  
18 building or facility, except for tenant improvements.

19 2. Satisfying any expenditure of non-federal funds as a condition for the receipt of federal  
20 funds (matching).

21 3. Making cash payments to intended recipients of services through this Agreement.

22 4. Contracting or subcontracting with any entity other than a public or nonprofit private entity.

23 5. Lobbying any governmental agency or official. CONTRACTOR shall file all certifications  
24 and reports in compliance with this requirement pursuant to Title 31, USC, §1352 (e.g., limitation on use  
25 of appropriated funds to influence certain federal contracting and financial transactions).

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

29 7. Fundraising.

30 8. Purchase of gifts, meals, entertainment, awards, or other personal expenses for  
31 CONTRACTOR's staff or members of the Board of Directors.

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

35 10. Reimbursement of CONTRACTOR's members of the Board of Directors for expenses or  
36 services.

37 //

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

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

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

14. Assisting, promoting, or deterring union organizing.

15. Severance pay for separating employees.

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

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

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

1. Purchase of gifts, meals, entertainment, awards, or other personal expenses for CONTRACTOR's participants.

2. Funding travel or training (excluding mileage or parking) not approved by ADMINISTRATOR.

3. Making phone calls outside of the local area unless documented to be directly for the purpose of participant care.

4. Payment for grant writing, consultants, Certified Public Accounting, or legal services not approved in advance by ADMINISTRATOR.

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

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

## **XXV. STATUS OF CONTRACTOR**

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

1 employment. CONTRACTOR, its agents, employees, consultants, or subcontractors, shall not be  
 2 entitled to any rights or privileges of COUNTY employees and shall not be considered in any manner to  
 3 be COUNTY employees.

#### 4 5 **XXVI. TERM**

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

#### 11 12 **XXVII. TERMINATION**

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

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

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

- 21 1. The loss by CONTRACTOR of legal capacity.
- 22 2. Cessation of services.
- 23 3. The delegation or assignment of CONTRACTOR's services, operation or administration to  
 24 another entity without the prior written consent of COUNTY.
- 25 4. The neglect by any physician or licensed person employed by CONTRACTOR of any duty  
 26 required pursuant to this Agreement.
- 27 5. The loss of accreditation or any license required by the Licenses and Laws Paragraph of this  
 28 Agreement.
- 29 6. The continued incapacity of any physician or licensed person to perform duties required  
 30 pursuant to this Agreement.
- 31 7. Unethical conduct or malpractice by any physician or licensed person providing services  
 32 pursuant to this Agreement; provided, however, COUNTY may waive this option if CONTRACTOR  
 33 removes such physician or licensed person from serving persons treated or assisted pursuant to this  
 34 Agreement.

#### 35 **D. CONTINGENT FUNDING**

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

37 //

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

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

5           2. In the event such funding is subsequently reduced or terminated, COUNTY may suspend,  
6 terminate or renegotiate this Agreement upon thirty (30) calendar days written notice given  
7 CONTRACTOR.

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

12          F. In the event this Agreement is terminated by either party, after receiving a Notice of  
13 Termination CONTRACTOR shall do the following:

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

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

18           3. If clients are to be transferred to another facility for services, furnish ADMINISTRATOR,  
19 upon request, all client information and records deemed necessary by ADMINISTRATOR to effect an  
20 orderly transfer.

21           4. Assist ADMINISTRATOR in effecting the transfer of clients in a manner consistent with  
22 client's best interests.

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

25           6. Return to COUNTY, in the manner indicated by ADMINISTRATOR, any equipment and  
26 supplies purchased with funds provided by COUNTY.

27           7. To the extent services are terminated, cancel outstanding commitments covering the  
28 procurement of materials, supplies, equipment, and miscellaneous items, as well as outstanding  
29 commitments which relate to personal services. With respect to these canceled commitments,  
30 CONTRACTOR shall submit a written plan for settlement of all outstanding liabilities and all claims  
31 arising out of such cancellation of commitment which shall be subject to written approval of  
32 ADMINISTRATOR.

33           8. Provide written notice of termination of services to each client being served under this  
34 Agreement, within fifteen (15) calendar days of receipt of Termination Notice by ADMINISTRATOR.  
35 A copy of the notice of termination of services to each client must also be provided to  
36 ADMINISTRATOR within the fifteen (15) calendar day period.

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1 G. The rights and remedies of COUNTY provided in this Termination Paragraph shall not be  
2 exclusive, and are in addition to any other rights and remedies provided by law or under this Agreement.  
3

4 **XXVIII. THIRD PARTY BENEFICIARY**

5 Neither party hereto intends that this Agreement shall create rights hereunder in third parties  
6 including, but not limited to, any subcontractors or any clients provided services hereunder.  
7

8 **XXIX. WAIVER OF DEFAULT OR BREACH**

9 Waiver by COUNTY of any default by CONTRACTOR shall not be considered a waiver of any  
10 subsequent default. Waiver by COUNTY of any breach by CONTRACTOR of any provision of this  
11 Agreement shall not be considered a waiver of any subsequent breach. Waiver by COUNTY of any  
12 default or any breach by CONTRACTOR shall not be considered a modification of the terms of this  
13 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.

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7 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

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9 TITLE: \_\_\_\_\_

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12 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

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14 TITLE: \_\_\_\_\_

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19 COUNTY OF ORANGE

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21  
22 BY: \_\_\_\_\_ DATED: \_\_\_\_\_

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: 4/9/12

32 DEPUTY

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34  
35 If the contracting party is a corporation, two (2) signatures are required: one (1) signature by the Chairman of the Board, the  
36 President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer or  
37 any Assistant Treasurer. If the contract is signed by one (1) authorized individual only, a copy of the corporate resolution or  
alone is required by HCA.

EXHIBIT A  
TO AGREEMENT FOR PROVISION OF  
RECOVERY MAINTENANCE SERVICES  
BETWEEN  
COUNTY OF ORANGE  
AND  
PHOENIX HOUSE, ORANGE COUNTY, INC.  
JULY 1, 2012 THROUGH JUNE 30, 2014

**I. DEFINITIONS**

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

A. Capacity Building means linkage/collaboration with community organizations to establish partnerships to increase awareness of services.

B. Case Management means problem identification, assessment of need, planning, coordination, linkage, monitoring and continuous evaluation of Participants and available resources, and advocacy, through a process of casework activities in order to achieve the best possible resolution to individual needs in the most effective way possible.

C. Participant means a person who has an alcohol and/or other drug problem, who meets the criteria to participate in services, as described under "Recovery Maintenance Services".

D. Peer Support Group means a support group facilitated by peer leaders. These groups may include: families; women; men; young adult; Lesbian, Gay, Bisexual, and Transgender (LGBT) focused; and self-help meetings; among others.

E. RMS means services provided to adult men and women, eighteen (18) years or older, residing in Orange County, who are living in recovery from substance abuse disorders; and who may require a support system and assistance with maintaining their recovery.

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**II. BUDGET**

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

	<u>PERIOD ONE</u>	<u>PERIOD TWO</u>	<u>TOTAL</u>
INDIRECT COST	\$ 35,931	\$ 35,931	\$ 71,862
PROGRAM COST			
Salaries	\$107,000	\$107,000	\$214,000
Benefits	34,240	34,240	68,480
Services and Supplies	<u>22,829</u>	<u>22,829</u>	<u>45,658</u>
SUBTOTAL	\$164,069	\$164,069	\$328,138
GROSS COST	\$200,000	\$200,000	\$400,000
REVENUE			
Participant Fees	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
SUBTOTAL REVENUE	\$ 0	\$ 0	\$ 0
MAXIMUM OBLIGATION	\$200,000	\$200,000	\$400,000

B. Any increases or decreases to the budget must be approved in advance and in writing by ADMINISTRATOR.

**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 CAPs by CONTRACTOR. If CAPs are not completed within timeframes as determined 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 Probation, 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. CONTRACTOR's invoices shall be on a form approved or provided by ADMINISTRATOR and shall provide such

1 information as is required by ADMINISTRATOR. Invoices are due by the twentieth (20th) calendar day  
 2 of each month, and payments to CONTRACTOR should be released by COUNTY no later than  
 3 twenty-one (21) calendar days after receipt of the correctly completed invoice form.

4 C. Monthly payments are interim payments only, and subject to Final Settlement in accordance  
 5 with the Cost Report Paragraph of the Agreement. Invoices received after the due date may not be paid  
 6 in accordance with Subparagraph III.B., above.

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

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

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

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

#### 18 **IV. RECORDS**

19  
 20 A. FINANCIAL RECORDS – CONTRACTOR shall prepare and maintain accurate and complete  
 21 financial records of its costs and operating expenses. Such records shall reflect the actual costs of the  
 22 type of service for which payment is claimed in accordance with generally accepted accounting  
 23 principles, the ASRS Manual, and the DPFS Manual.

24 B. Any apportionment of or distribution of costs, including indirect costs, to or between programs  
 25 or cost centers of CONTRACTOR shall be documented, and shall be made in accordance with generally  
 26 accepted accounting principles, the ASRS Manual, and the DPFS Manual.

27 C. CONTRACTOR shall account for funds provided through the Agreement separately from other  
 28 funds, and maintain a clear audit trail for the expenditure of funds.

29 D. The Participant eligibility determination and fee charged to and collected from Participants,  
 30 together with a record of all invoices rendered and revenues received from any source on behalf of  
 31 Participants treated pursuant to the Agreement, must be reflected in CONTRACTOR's financial records.

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## **V. REPORTS**

### **A. MONTHLY PROGRAMMATIC**

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

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

### **B. FISCAL**

1. CONTRACTOR shall submit monthly Expenditure and Revenue Reports to ADMINISTRATOR. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report actual costs and revenues for CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to the Agreement. Such reports shall also include units of service by service function and number of Participants by program. The reports shall be received by ADMINISTRATOR no later than fifteen (15) calendar days following the end of the month reported.

2. CONTRACTOR shall submit Year-End Projection Reports to ADMINISTRATOR on a quarterly basis. These reports shall be on a form acceptable to, or provided by, ADMINISTRATOR and shall report anticipated year-end actual costs and revenues for CONTRACTOR's program(s) or cost center(s) described in the Services Paragraph of this Exhibit A to the Agreement. Such reports shall include actual monthly costs and revenue to date and anticipated monthly costs and revenue to the end of the fiscal year. The reports shall also include units of service by service function and number of Participants by program. Year-End Projection Reports shall be submitted at the same time as the monthly Expenditure and Revenue Reports.

C. ADDITIONAL REPORTS – CONTRACTOR shall make additional reports as required by ADMINISTRATOR concerning CONTRACTOR's activities as they affect the services hereunder. ADMINISTRATOR will be specific as to the nature of information requested and the timeframe the information is needed.

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## VI. SERVICES

A. FACILITY – CONTRACTOR shall provide the Recovery Maintenance Services described herein at the following facility, or at any location(s) approved in advance, in writing, by ADMINISTRATOR.

1207 East Fruit Street  
Santa Ana, California

1. The facility shall include space to support the services identified within the Agreement.
2. The facility shall operate, at least, Monday through Saturday, with morning and evening hours (before 9:00 a.m. and after 5:00 p.m.) to accommodate working Participants unable to participate during regular daytime hours, unless otherwise approved by ADMINISTRATOR.
3. At least fourteen (14) calendar days prior to the beginning of each month, CONTRACTOR shall submit the Monthly Activity Schedule to ADMINISTRATOR for approval.
4. CONTRACTOR's holiday schedule shall be consistent with COUNTY's holiday schedule; unless otherwise authorized, in writing, by ADMINISTRATOR.

B. PERSONS TO BE SERVED – CONTRACTOR shall provide alcohol and drug abuse support services to adult men and women who are eighteen (18) years or older, residing in Orange County who are living in recovery from substance abuse disorders. Services will be provided to those individuals who may require a support system and assistance with maintaining their recovery.

### C. UNITS OF SERVICE

1. SUPPORTIVE SERVICES – CONTRACTOR shall provide the following units of service with agencies, groups, or individuals as follows:

SERVICES	<u>UNITS OF SERVICE</u>
Community outreach	24
Individual recovery coaching	1,144
Screenings and referrals	90
Educational workshops	104
Self-help meetings	156
Leadership training sessions	<u>4</u>
TOTAL UNITS OF SERVICE	1,522

2. CONTRACTOR and ADMINISTRATOR may mutually agree, in writing, to adjust the Units of Service set forth in Subparagraph VI.C.1., above.

3. CONTRACTOR shall track the number of participants accessing each service module each month.

1 D. SERVICES TO BE PROVIDED

2 1. RECOVERY MAINTENANCE SERVICES – CONTRACTOR shall provide Substance  
3 Use Disorder Recovery Maintenance Services to individuals in need. These Services will be provided in  
4 a manner that is culturally and linguistically appropriate for the population(s) served, while focusing on  
5 relapse prevention, vocational assistance, life skills, alternative alcohol and/or drug-free activities and  
6 providing a community forum for persons in recovery. The RMS shall be guided by the chronic care  
7 model and shall include the following:

8 a. CONTRACTOR will provide at a minimum two (2) of the following self-help  
9 programs at least once a week: traditional twelve-step programs such as AA, NA, CA, DDA, Alanon  
10 and/or Naranon.

11 b. In addition, CONTRACTOR will offer at least once a week a minimum of one (1)  
12 non-religious/ non-spiritual alternative self-help (non 12-step) group.

13 c. Case Management will be provided to link Participants to supportive services. RMS  
14 staff or volunteers will be available to help motivate, engage and support participants in their recovery.  
15 They can also provide role modeling, problem solving, and can accompany individuals to help them  
16 access services in the community.

17 d. Participant groups and workshops will be provided that will allow for information  
18 dissemination and peer support. Topics can include relapse prevention, smoking cessation, parenting  
19 education, life skills training; vocational and educational opportunities, and job search assistance. Peer  
20 support groups will focus on strengthening each Participant's interpersonal and social skills as well as  
21 providing each Participant with substance abuse education and resistance skills.

22 e. CONTRACTOR will offer at least one social activity a month to encourage healthy  
23 socialization. Activities shall be structured for promoting positive peer support and shall be conducted in  
24 a safe environment, incorporating skills learned. Activities may include, but not be limited to, drug-free  
25 dances, sporting activities, picnics, and cultural events.

26 2. COMMUNITY OUTREACH – CONTRACTOR shall build capacity to increase the  
27 program's effectiveness through developing collaborative efforts with treatment providers. The  
28 Capacity task shall include, though not be limited to, the following activities:

29 a. Creation and continuation of partnerships/coalitions;

30 b. Information dissemination – CONTRACTOR shall attend and provide education  
31 information to drug treatment facilities, churches, community centers, community health fairs, business  
32 associations, juvenile facilities, schools, and community information outreach events where large  
33 numbers of the target population are in attendance to increase general awareness and knowledge of  
34 substance abuse issues and the services provided by CONTRACTOR.

35 c. Participation in substance prevention meetings and workshops with key stakeholders  
36 and service providers.

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E. 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.

F. CONTRACTOR shall not conduct any proselytizing activities, regardless of funding sources, with respect to any person who has been referred to CONTRACTOR by COUNTY under the terms of the Agreement. Further, CONTRACTOR agrees that the funds provided hereunder shall not be used to promote, directly or indirectly, any religion, religious creed or cult, denomination or sectarian institution, or religious belief.

G. PERFORMANCE/OUTCOME MEASURES:

1. CONTRACTOR shall achieve performance objectives, tracking and reporting Performance Outcome Objective information in monthly programmatic reports, as appropriate. ADMINISTRATOR recognizes that alterations may be necessary to the following services to meet the objectives, and, therefore, revisions to objectives and services may be implemented by mutual agreement between CONTRACTOR and ADMINISTRATOR.

2. Performance Outcome Objectives:

a. Objective 1: CONTRACTOR shall provide RMS services to at least one hundred fifty (150) unduplicated Participants.

b. Objective 2: Eighty percent (80%) of participation satisfaction surveys will indicate that RMS helped them in their recovery.

## **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.

PROGRAM	<u>FTEs</u>
Program Coordinator	1.0
Recovery Coach	<u>2.0</u>
TOTAL FTEs	3.0

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

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

1 D. CONTRACTOR and ADMINISTRATOR may mutually agree in writing to modify the staffing  
2 set forth above; provided, however, such agreement shall be made in advance of any staffing change.

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

11 F. Exceptions to staffing requirements set forth above may be requested if CONTRACTOR deems  
12 the decision will benefit the program. Requests for exceptions shall be submitted in writing and  
13 approved in advance by ADMINISTRATOR.

14 G. All program staff having direct contact with Participants shall, within the first (1st) year of  
15 employment, be trained in infectious disease recognition, crisis intervention and to recognize physical  
16 and psychiatric symptoms that require appropriate referrals to other agencies. CONTRACTOR shall  
17 provide ongoing training in topics related to alcohol and drug use on a yearly basis.

18 H. CONTRACTOR shall perform a pre-employment screening of any person who will provide  
19 services pursuant to the Agreement. All staff, including volunteers and interns, must meet the following  
20 requirements prior to providing any service pursuant to the Agreement:

21 1. No person shall have been convicted of a sex offense for which the person is required to  
22 register as a sex offender under California Penal Code section 290;

23 2. No person shall have been convicted of an arson offense – Violation of Penal Code  
24 sections 451, 451.1, 451.5, 452, 452.1, 453, 454, or 455;

25 3. No person shall have been convicted of any violent felony as defined in Penal Code section  
26 667.5, which involve doing bodily harm to another person, for which the staff member was convicted  
27 within five (5) years prior to employment;

28 4. No person, within the preceding two (2) years, shall have been convicted of any criminal  
29 offense other than a traffic violation.

30 5. No person, within the preceding two (2) years, shall have been found guilty of any crime  
31 related to the use of drugs or alcohol.

32 6. No person, at any time, shall have been found guilty of any crime involving moral turpitude  
33 by a court of law.

34 7. No person shall be on parole or probation;

35 8. No person shall participate in the criminal activities of a criminal street gang and/or prison  
36 gang; and

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1           9. No prior employment history of improper conduct, including but not limited to, forging or  
2 falsifying documents or drug tests, sexual assault or sexual harassment, or inappropriate behavior with  
3 staff or residents at any treatment facility.

4           I. STAFF CONDUCT – CONTRACTOR shall establish written Policies and Procedures for  
5 employees, volunteers, interns, and members of the Board of Directors which shall include, but not be  
6 limited to, standards related to the use of drugs and/or alcohol; staff-Participant relationships;  
7 prohibition of sexual conduct with Participants; prohibition of forging or falsifying documents or drug  
8 tests; and real or perceived conflict of interest. Situations that may be perceived as a conflict of interest  
9 shall be brought to ADMINISTRATOR's attention prior to the occurrence. Prior to providing any  
10 services pursuant to the Agreement, all employees, volunteers, and interns shall agree in writing to  
11 maintain the standards set forth in the said Policies and Procedures. The said Policies and Procedures  
12 shall be posted in writing in a prominent place in the treatment facility.

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