

CT-017-19011267

FOR

PERFORMANCE AUDIT SERVICES

BETWEEN

COUNTY OF ORANGE

AND

COOPERATIVE PERSONNEL SERVICES

DBA CPS HR CONSULTING





**CONTRACT NUMBER CT-017-19011267
FOR
PERFORMANCE AUDIT SERVICES
FOR
CEO HUMAN RESOURCE SERVICES & CEO RISK MANAGEMENT**

This Agreement, (hereinafter referred to as “Contract”) is made and entered into as of the date fully executed by and between the County of Orange a political subdivision of the State of California (hereinafter referred to as “County”) and Cooperative Personnel Services dba CPS HR Consulting with a place of business at 2450 Del Paso Rd., Ste. 160, Sacramento, CA 95834 (hereinafter referred to as “Contractor”), which are sometimes referred to individually as “Party” or collectively as “Parties.”

ATTACHMENTS

This Contract is comprised of this document and the following Attachments, which are attached hereto and incorporated by reference in this Contract:

Attachment A – Scope of Services
Attachment B – Payment and Pricing

RECITALS

WHEREAS, the Contractor responded to a Request for Proposal (“RFP”) for providing Performance Audit Services; and

WHEREAS, the Contractor responded and represented that its proposed services shall meet or exceed the requirements and specifications of the RFP; and

WHEREAS, the County Board of Supervisors has authorized the Purchasing Agent or his designee to enter into a Contract for the above-mentioned services with the Contractor.

NOW, THEREFORE, the Parties mutually agree as follows:

ARTICLES

General Terms and Conditions:

- A. Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for adjudication to another county.
- B. Entire Contract:** This Contract contains the entire Contract between the parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental Contracts by any County employee or agent, including but not limited to

installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or designee.

- C. Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties; no oral understanding or agreement not incorporated herein shall be binding on either of the parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax. Out-of-state Contractors shall indicate California Board of Equalization permit number and sales permit number on invoices, if California sales tax is added and collectable. If no permit numbers are shown, sales tax will be deducted from payment. The Auditor-Controller will then pay use tax directly to the State of California in lieu of payment of sales tax to the Contractor.
- E. Delivery:** Time of delivery of goods or services is of the essence in this Contract. County reserves the right to refuse any goods or services and to cancel all or any part of the goods not conforming to applicable specifications, drawings, samples or descriptions or services that do not conform to the prescribed statement of work. Acceptance of any part of the order for goods shall not bind County to accept future shipments nor deprive it of the right to return goods already accepted at Contractor's expense. Over shipments and under shipments of goods shall be only as agreed to in writing by County. Delivery shall not be deemed to be complete until all goods or services have actually been received and accepted in writing by County.
- F. Acceptance Payment:** Unless otherwise agreed to in writing by County: 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of County, and 2) payment shall be made in arrears after satisfactory acceptance.
- G. Warranty:** Contractor expressly warrants that the goods covered by this Contract are 1) free of liens or encumbrances, 2) merchantable and good for the ordinary purposes for which they are used, and 3) fit for the particular purpose for which they are intended. Acceptance of this order shall constitute an agreement upon Contractor's part to indemnify, defend and hold County and its indemnities as identified in paragraph "Z" below, and as more fully described in paragraph "Z," harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the goods/services to conform to such warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in paragraph "Z" below, it shall indemnify, defend and hold County and County Indemnities harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, costs and expenses but not including attorney's fees.
- I. Assignment or Sub-Contracting:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express written consent of County. Any attempt by Contractor to assign the performance or any portion

thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.

- J. Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to penalties pursuant to Section 1741 of the California Labor Code.
- K. Termination:** In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty for cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any material breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by County of its right to terminate the Contract shall relieve County of all further obligation.
- L. Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees, nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- N. Performance:** Contractor shall warrant all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other goods/services furnished by the Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workmanlike manner; shall furnish all necessary labor, supervision, machinery, equipment, materials, and supplies, shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work. If permitted to subcontract, Contractor shall be fully responsible for all work performed by subcontractors.
- O. Insurance Provision:** The Contractor Prior to the provision of services under this Contract, the Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy the County that the insurance provisions of this Contract have been complied with. Contractor agrees to keep such insurance coverage, Certificates of Insurance, and endorsements on deposit with the County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

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

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

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

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

Qualified Insurer

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

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

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

| <u>Coverage</u> | <u>Minimum Limits</u> |
|--|--|
| Commercial General Liability | \$1,000,000 per occurrence \$2,000,000 aggregate |
| Automobile Liability including coverage for owned, non-owned, and hired vehicles | \$1,000,000 per occurrence |
| Workers' Compensation | Statutory |
| Employers Liability Insurance | \$1,000,000 per occurrence |
| Professional Liability Insurance | \$1,000,000 per claims-made \$1,000,000 aggregate |

Required Coverage Forms

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

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

Required Endorsements

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

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

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

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

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

If Contractor's Professional Liability are "Claims-Made" policy(ies), Contractor shall agree to maintain coverage for two (2) years following the completion of the Contract.

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

Insurance certificates should be forwarded to the agency/department address listed on paragraph "21" below.

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

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

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

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

- P. Changes:** Contractor shall make no changes in the work or perform any additional work without the County's specific written approval.
- Q. Change of Ownership/Name, Litigation Status, Conflicts with County Interests:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, and the County agrees to an assignment of the Contract, the new owners shall be required under the terms of sale or other instruments of transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of the County.

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

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

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

- R. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to County within 36 hours of the start of the delay and Contractor avails himself of any available remedies.
- S. Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- T. Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "Z" below, Contractor agrees

that it shall defend, indemnify and hold County and County INDEMNITEES harmless from all liability, damages, costs and expenses arising from or related to a violation of such laws.

- U. Freight:** Intentionally Omitted.
- V. Severability:** If any term, covenant, condition or provision of this Contract is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, each party shall bear their own attorney's fees, costs and expenses.
- X. Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each party had been represented by experienced and knowledgeable independent legal counsel of their own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each party further acknowledges that they have not been influenced to any extent whatsoever in executing this Contract by any other party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to effect the purpose of the parties and this Contract.
- Y. Employee Eligibility Verification:** The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by the law. The Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.
- Z. Indemnification:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnities") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnities, Contractor and County agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.
- AA. Audits/Inspections:** Contractor agrees to permit the County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by the County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the

performance of the Contract including, but not limited to, the costs of administering the Contract. The County will provide reasonable notice of such an audit or inspection.

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

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

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

- BB. Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.
- CC. Expenditure Limit:** The Contractor shall notify the County of Orange assigned Deputy Purchasing Agent (DPA) in writing when the expenditures against the Contract reach seventy-five (75%) percent of the dollar limit on the Contract. The County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.

Additional Terms and Conditions:

1. **Scope of Contract:** This Contract specifies the contractual terms and conditions by which the County will procure and receive Performance Audit Services from Contractor as further detailed in the Scope of Work and Specifications, which is attached hereto as "Attachment A" and incorporated by this reference.
2. **Term of Contract:** The initial term of this Contract shall become effective upon approval by the Orange County Board of Supervisors, and shall continue for one (1) calendar year from that date, unless otherwise terminated by County. This Contract is non-renewable.
3. **Breach of Contract:** The failure of the Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
 - a. Afford the Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
 - b. Discontinue payment to the Contractor for and during the period in which the Contractor is in breach; and offset against any monies billed by the Contractor but yet unpaid by the County those monies disallowed pursuant to the above; County may terminate the Contract immediately without penalty.
4. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.

- 4. Conflict of Interest – Contractor’s Personnel:** The Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of the County. This obligation shall apply to the Contractor; the Contractor’s employees, agents, and relatives; sub-tier Contractors; and third Parties associated with accomplishing work and services hereunder. The Contractor’s efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of the County.
- 5. Conflict of Interest – County Personnel:** The County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. The Contractor shall not, during the period of this Contract, employ any County employee for any purpose.
- 6. Contractor’s Project Manager and Key Personnel:** Contractor shall appoint a project manager to direct the Contractor’s efforts in fulfilling Contractor’s obligations under this Contract. This project manager shall be subject to approval by the County and shall not be changed without the written consent of the County’s project manager, which consent shall not be unreasonably withheld.
- a. The Contractor’s Project Manager shall be assigned to this project for the duration of this Contract and shall diligently pursue all work and services to meet the project time lines. The County’s Project Manager shall have the right to require the removal and replacement of the Contractor’s Project Manager from providing services to the County under this Contract. The County’s Project Manager shall notify the Contractor in writing of such action. The Contractor shall accomplish the removal within three (3) business days after written notice by the County’s Project Manager. The County’s Project Manager shall review and approve the appointment of the replacement for the Contractor’s Project Manager. The County is not required to provide any additional information, reason or rationale in the event it elects to request the removal of Contractors Project Manager from providing services to the County under this Contract.
- 7. Contractor Personnel – Reference Checks:** The Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to adequately perform the work under this Contract. Contractor’s employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the agency/department issuing this Contract.
- 8. Contractor’s Expense:** The Contractor will be responsible for all costs related to photo copying, telephone communications, fax communications, and parking while on County sites during the performance of work and services under this Contract. The County will not provide free parking for any service in the County Civic Center.
- 9. Contractor Personnel – Uniform/Badges/Identification:** The Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to accept the kind of responsibility under this Contract.
- a. All Contractor’s employees shall be required to wear uniforms, badges, or other means of identification which are to be furnished by the Contractor and must be worn at all times while working on County property. The assigned DPA must be notified in writing, within seven (7) calendar days of notification of award of Contract of the uniform and/or badges and/or other identification to be worn by employees prior to beginning work and notified in writing seven (7) calendar days prior to any changes in this procedure.

10. **Contractor's Records:** The Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by the Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of three (3) years after final payment is received from the County. Storage of records in another county will require written approval from the County of Orange assigned DPA.
11. **Conditions Affecting Work:** The Contractor shall be responsible for taking all steps reasonably necessary to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by the Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to the County. The County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the County are expressly stated in the Contract.
12. **County of Orange Child Support Enforcement:** All Contractors are required to comply with the child support enforcement requirements of the County of Orange. Failure of the Contractor to comply with all federal, state, and local 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 the Contract. In order to comply with the child support enforcement requirements of the County of Orange, all bidders/proposers must furnish to the Contract administrator, the Purchasing Agent, or the agency/department DPA.
13. **Data – Title To:** All materials, documents, data or information obtained from the County data files or any County medium furnished to the Contractor in the performance of this Contract will at all times remain the property of the County. Such data or information may not be used or copied for direct or indirect use by the Contractor after completion or termination of this Contract without the express written consent of the County. All materials, documents, data or information, including copies, must be returned to the County at the end of this Contract.
14. **Debarment:** Contractor shall certify that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency.
15. **Default – Re-procurement Costs:** In case of Contract breach by Contractor, resulting in termination by the County, the County may procure the goods and/or services from other sources. If the cost for those goods and/or services is higher than under the terms of the existing Contract, Contractor will be responsible for paying the County the difference between the Contract cost and the price paid, and the County may deduct this cost from any unpaid balance due the Contractor. The price paid by the County shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this Contract and under law.
16. **Disputes – Contract:** The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's project manager and the County's project manager, such matter shall be brought to the attention of the County Purchasing Agent by way of the following process:
 - a. The Contractor shall submit to the agency/department assigned DPA a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Contract, unless the County, on its own initiative, has already rendered such a final decision.

- b. The Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, the Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which the Contractor believes the County is liable.
- c. Pending the final resolution of any dispute arising under, related to, or involving this Contract, the Contractor agrees to diligently proceed with the provision of services under this Contract. The Contractor's failure to diligently proceed shall be considered a material breach of this Contract.
 - i. Any final decision of the County shall be expressly identified as such, shall be in writing, and shall be signed by the County Purchasing Agent or designee. If the County fails to render a decision within ninety (90) calendar days after receipt of the Contractor's demand, it shall be deemed a final decision adverse to the Contractor's contentions. Nothing in this section shall be construed as affecting the County's right to terminate the Contract for Cause or Terminate for Convenience as stated in paragraph K herein.

17. EDD Independent Contractor Reporting Requirements: Effective January 1, 2001, the County of Orange is required to file in accordance with subdivision (a) of Section 6041A of the Internal Revenue Code for services received from a "service provider" to whom the County pays \$600 or more or with whom the County enters into a contract for \$600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations.

- a. The term "service provider" is defined in California Unemployment Insurance Code Section 1088.8, subparagraph B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a contract for services performed for that service recipient within or without the state." The term is further defined by the California Employment Development Department to refer specifically to independent Contractors. An independent Contractor is defined as "an individual who is not an employee of the government entity for California purposes and who receives compensation or executes a contract for services performed for that government entity either in or outside of California."
- b. The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.
- c. Additional information on this reporting requirement can be found at the California Employment Development Department web site located at http://www.edd.ca.gov/Employer_Services.htm

18. Errors and Omissions: All reports, files and other documents prepared and submitted by Contractor shall be complete and shall be carefully checked by the professional(s) identified by Contractor as project manager and key personnel attached hereto, prior to submission to the County. Contractor agrees that County review is discretionary and Contractor shall not assume that the County will discover errors and/or omissions. If the County discovers any errors or omissions prior to approving Contractor's reports, files and other written documents, the reports, files or documents will be returned to Contractor for correction. Should the County or others discover errors or omissions in the reports, files or other written documents submitted by the Contractor after County approval thereof, County approval of Contractor's reports, files or documents shall not be used as a defense by Contractor in any action between the County and Contractor, and the reports, files or documents will be returned to Contractor for correction.

19. Equal Employment Opportunity: The Contractor shall comply with U.S. Executive Order 11246 entitled, "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR, Part 60) and applicable state of California regulations as

may now exist or be amended in the future. The Contractor shall not discriminate against any employee or applicant for employment on the basis of race, color, national origin, ancestry, religion, sex, marital status, political affiliation or physical or mental condition.

- a. Regarding handicapped persons, the Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to provide equal opportunity to handicapped persons in employment or in advancement in employment or otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicaps in all employment practices such as the following: employment, upgrading, promotions, transfers, recruitments, advertising, layoffs, terminations, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to comply with the provisions of Sections 503 and 504 of the Rehabilitation Act of 1973, as amended, pertaining to prohibition of discrimination against qualified handicapped persons in all programs and/or activities as detailed in regulations signed by the Secretary of the Department of Health and Human Services effective June 3, 1977, and found in the Federal Register, Volume 42, No. 68 dated May 4, 1977, as may now exist or be amended in the future.
- b. Regarding Americans with disabilities, Contractor agrees to comply with applicable provisions of Title 1 of the Americans with Disabilities Act enacted in 1990 as may now exist or be amended in the future.

20. News/Information Release: The Contractor agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this Contract without first obtaining review and written approval of said news releases from the County through the County's Project Manager.

21. Notices: Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing with a copy provided to the assigned DPA, except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the parties hereto may designate by written notice from time to time in the manner aforesaid.

Contractor: Cooperative Personnel Services dba CPS HR Consulting
 Attn: Rich Mallory
 2450 Del Paso Rd. STE 160
 Phone: (916) 471-3128
 Sacramento, CA 95834
rmallory@cpsshr.us

County:
 County of Orange
 CEO/Risk Management
 Attn: Michael Alio
 600 Santa Ana Blvd
 Santa Ana, CA 92701-4085

County of Orange
 CEO/Human Resource Services
 Attn: Tom Hatch
 333 W. Santa Ana Blvd., 2nd Floor
 Santa Ana, CA 92701-4085

Assigned DPA: County of Orange

CEO/Procurement Office
Attn: Frank Prado
1300 S Grand Ave., 2nd Floor
Santa Ana, CA 92705
Frank.Prado@ocgov.com

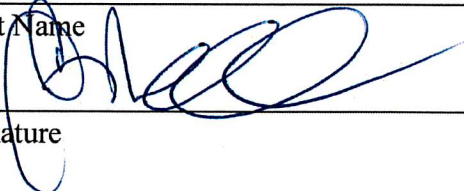
- 22. Ownership of Documents:** The County has permanent ownership of all directly connected and derivative materials produced under this Contract by the Contractor. All documents, reports and other incidental or derivative work or materials furnished hereunder shall become and remains the sole property of the County and may be used by the County as it may require without additional cost to the County. None of the documents, reports and other incidental or derivative work or furnished materials shall be used by the Contractor without the express written consent of the County.
- 23. Precedence:** The Contract documents consist of this Contract and its exhibits and attachments. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the recitals and articles of this Contract, and then the exhibits and attachments.
- 24. Publication:** No copies of sketches, schedules, written documents, computer based data, photographs, maps or graphs, including graphic art work, resulting from performance or prepared in connection with this Contract, are to be released by Contractor and/or anyone acting under the supervision of Contractor to any person, partnership, company, corporation, or agency, without prior written approval by the County, except as necessary for the performance of the services of this Contract. All press releases, including graphic display information to be published in newspapers, magazines, etc., are to be administered only by the County unless otherwise agreed to by both Parties.
- 25. Termination – Orderly:** After receipt of a termination notice from the County of Orange, the Contractor may submit to the County a termination claim, if applicable. Such claim shall be submitted promptly, but in no event later than sixty (60) calendar days from the effective date of the termination, unless one or more extensions in writing are granted by the County upon written request of the Contractor. Upon termination County agrees to pay the Contractor for all services performed prior to termination which meet the requirements of the Contract, provided, however, that such compensation combined with previously paid compensation shall not exceed the total compensation set forth in the Contract. Upon termination or other expiration of this Contract, each party shall promptly return to the other party all papers, materials, and other properties of the other held by each for purposes of performance of the Contract.
- 26. Validity:** The invalidity in whole or in part of any provision of this Contract shall not void or affect the validity of any other provision of the Contract.
- 27. Waivers - Contract:** The failure of the County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.


SIGNATURE PAGE

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

COOPERATIVE PERSONNEL SERVICES DBA CPS HR CONSULTING

**Pursuant to California Corporations Code Section 313, If the Contracting party is a corporation, (2) two signatures are required: one (1) signature by the Chairman of the Board, the President or any Vice President; and one (1) signature by the Secretary, any Assistant Secretary, the Chief Financial Officer of any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signatory to bind the corporation.*

| | |
|---|-------------------------|
| Gerald Greenwell | Chief Executive Officer |
| Print Name | Title |
|  | 6-8-19 |
| Signature | Date |

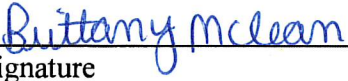
| | |
|---|-------------------------|
| Sandy MacDonald-Hopp | Chief Financial Officer |
| Print Name | Title |
|  | 5/8/19 |
| Signature | Date |

COUNTY OF ORANGE

A political subdivision of the State of California

| | |
|------------|-------------------------|
| | Deputy Purchasing Agent |
| Print Name | Title |
| Signature | Date |

APPROVED AS TO FORM:
Office of the County Counsel
County of Orange, California

| | |
|---|-----------------------|
| BRITTANY MCLEAN | Deputy County Counsel |
| Print Name | Title |
|  | 5/9/19 |
| Signature | Date |

ATTACHMENT A
SCOPE OF SERVICES
DISCIPLINE #1 - CEO RISK MANAGEMENT

A. INTRODUCTION

The objective of this Contract will be to review the performance of CEO Risk Management department, within the context of a prior performance audit conducted in 2012 which resulted in a number of adopted recommendations and program improvements.

The analytic focus of the performance review will be on three primary functional areas within Risk Management: workers' compensation and the Integrated Disability and Absence Management program, third-party liability claims and litigation management.

Sample data will be gathered internally from the existing Risk Management Information System, and externally from the County's workers' compensation Third Party Administrator (TPA) (York) and to provide an overall analysis of performance.

The work plan will also examine current policies and procedures within Risk Management, to determine whether they are comprehensive, effective, reviewed regularly and compliant with relevant requirements.

This work will also review the relative adequacy of coverage limits in all lines of insurance and risk pooling, along with the effectiveness of Risk Management's communication of both loss exposure data and litigation updates to client departments within the County.

Risk Management's current methods for cost allocation to individual departments for the financing of self-insurance programs will also be analyzed for reasonableness and improvement of loss experience. Finally, the work plan includes a review of the effectiveness of safety training provided by, or coordinated by, Risk Management, the administration of the Safety and Loss Prevention group, and implementation of the County's 2010 transition plan for compliance with Title II of the Americans with Disabilities Act. In addition to each of the analyses above, the work plan will also quantify Risk Management's prior efforts to increase workflow automation through the adoption of technology. The methods used for this last evaluation will include: A characterization of the current primary activities in each program area, the primary task groups in each area, the population served by that staff group, the percent of time spent in each activity, identification of any gap or backlog in work performed, and the impact of the undone work. Overall, this report will be designed to provide sound, objective analysis of the adequacy or gaps in the current delivery of Risk Management services within the County, and best alternatives for their future improvement.

B. TASKS AND ACTIVITIES

TASK 1 - PROJECT INITIATION. The Contractor will coordinate a meeting with the County's Risk Manager, to confirm work plan and project logistics. Current copies of all written Risk Management policies and procedures will be obtained. This will be followed by interviews with the leadership and designated representatives of Risk Management's client departments throughout the County, individually or in small groups. Contractor will seek assistance from each Department head to identify their internal subject matter experts in the areas of workers' compensation, insurance coverage/liability claims, return to work management and safety programs. Discussions with Departments will be used to confirm and develop scoping and logistical planning of future tasks, and will help form initial assessments of the effectiveness of Risk Management's internal delivery of services. Contractor will develop a standardized list of Departments considered representative of the overall County liability, and liaison staff within each Department to be contacted for inquiries and surveys described in this work plan. This Contact list will be formalized and presented for client approval.

Deliverable: Contractor to confirm a work plan and project logistics.

TASK 2 - GATHER AND ANALYZE LOSS RUNS AND TRANSACTION-LEVEL DATA FROM WORKERS' COMPENSATION CLAIMS, LIABILITY CLAIMS, AND LITIGATION SYSTEMS. Contractor will acquire and review summary loss runs from the County's workers' compensation Third Party Administrator (York) and from the staff handling liability claims. Additionally, Contractor will acquire more specific transactional data regarding the workers' compensation Return to Work and Alternative Dispute Resolution programs, the setting of reserves in liability claims and litigation, and claims closure performance, including the expedited resolution/claims closing project to include Closing Project best practices, Closing Project criteria, billing, claims handling, and feasibility. Analysis will be conducted benchmarking the program's performance in each of these areas to surrounding peer counties, using York and/or CSAC data as the base of benchmarking.

Deliverable: Contractor analysis will be conducted benchmarking the program's performance in each of these areas to industry peers. Contractor will provide relevant comparison points for the underlying insurance requirements using their own professional knowledge, in order to ascertain substantive adequacy of coverages.

TASK 3 - RISK MANAGEMENT POLICIES AND PROCEDURES ANALYSIS. Contractor will review current versions of all Countywide Policies and Procedures issued by Risk to determine whether they cover all necessary substantive areas of Risk Management, as well as the timeliness of their most recent review and revision. Contractor will also interview representatives (by phone and in person) of both Risk Management staff and client departments to determine the subjective clarity of these policies and procedures, along with ease of implementation, in both theory and practice. Any potential gaps in the above will be documented, along with specific recommendations for conforming to industry best practices.

Deliverable: Contractor to analyze and determine the subjective clarity for the policies and procedures and determine if policies are in line with current best practices or current law, along with ease of implementation, in both theory and practice and provide specific recommendations for conforming to industry best practices.

TASK 4 - GATHER AND ANALYZE INSURANCE AND COVERAGE DATA. Contractor will review each of the County's current insurance policies in relation to internal loss exposure documentation to provide an assessment of the adequacy of policy limits.

Deliverable: Contractor to provide an assessment of the adequacy of policy limits.

TASK 5 - DESIGN AND DEPLOY LOSS EXPOSURE AND LITIGATION UPDATE COMMUNICATION AND PERCEPTIONS SURVEY. Contractor will develop and deploy a survey of client departments regarding their actual and expected experience receiving information from Risk Management, their individual and collective loss experience, and providing updates regarding ongoing litigation. This information will be analyzed and prepared in report format as evidence for identification or evaluation of best alternatives. The deployed survey will be web-based and deployed to the Departmental liaison list. This survey may be conducted live-time in a webinar format.

Deliverable: Contractor will develop a web-based survey and deploy to the Departmental liaison list.

TASK 6 - GATHER AND ANALYZE COST ALLOCATION DATA FOR ALL SELF-INSURED PROGRAMS. Contractor will review internal data from current-year and historic cost allocation of Risk Management programs among client departments across the County. This data will be analyzed in relation to claim and litigation loss runs to determine both the reasonableness of its methodology and the positive effect, if any, on loss experience.

Deliverable: Contractor to analyze data in relation to claim and litigation loss runs to determine both the reasonableness of its methodology and the positive effect, if any, on loss experience.

TASK 7 - DESIGN AND DEPLOY SAFETY TRAINING EFFECTIVENESS SURVEY. Contractor will design and deploy a safety training effectiveness survey. This survey will provide data from client departments regarding their actual and expected experience receiving safety training, either delivered directly by, or coordinated from, Risk Management. This information will be analyzed and prepared in report format as evidence for identification or evaluation of best alternatives. (Task 8 and Task 9 will be performed in parallel, and sharing a single survey assessment if it is logistically possible to do so).

Deliverable: Contractor will design and deploy a safety training effectiveness survey.

TASK 8 - DESIGN AND DEPLOY SAFETY AND LOSS PREVENTION GROUP ADMINISTRATION SURVEY. Contractor will design and deploy a safety and loss prevention group administration survey. This survey will provide data regarding their actual and expected experience receiving safety training, either delivered directly by, or coordinated from, Risk Management. The deployed survey will be web-based and deployed to the Departmental liaison list. This survey may be conducted live-time in a webinar format.

Deliverable: Contractor will design and deploy a safety and loss prevention group administration survey.

TASK 9 - GATHER AND ANALYZE AMERICANS WITH DISABILITY ACT COMPLIANCE DATA. Contractor will acquire and review data related to implementation of the County's 2010 transition plan for compliance with Title II of the Americans with Disabilities Act. Documentation of commitments and corrective actions will be evaluated for completeness and ultimate effectiveness.

Deliverable: Contractor will analyze data and provide documentation of commitments and corrective actions.

TASK 10 - DESIGN AND DEPLOY WORKERS' COMPENSATION PROGRAM TIME USE SURVEY. Contractor will design and deploy a workers' compensation program time use survey of all program personnel, including supervisors. This survey will provide task groups for all major task categories, with an estimate of percent of time and importance of the task. This will be normalized and interpreted, to show level of work by task group, including the importance of that group and any undone work. This will be another part of the objective information used to create best alternatives and quantify existing successes in streamlining and reducing the historically manual nature of these operations. The deployed survey will be web-based and deployed to the Departmental liaison list. This survey may be conducted live-time in a webinar format. Through interviews, document search, and the survey consultants will answer the questions: 1) What practices are in place, and are they adequate to assist the County's departments in proactively managing the risks, and guarding against fraud in Workers' Compensation and Liability claims, and; 2) What processes have already been implemented in the Workers' Compensation program to streamline and reduce the manual nature of operations, and are these effectively addressing program concerns.

Deliverable: Contractor will design and deploy a workers' compensation program time use survey.

TASK 11 - PREPARE DRAFT REPORT AND RECOMMENDATIONS. Contractor will complete a draft report, including best-option recommendations regarding staff assignments, operational structure, responsibilities, and division of duties. All primary and defined analysis will be presented in tables and summary format in the report. Draft report findings will be presented to contract management for review and response. Corrective action responses will be requested, where appropriate. Report reviewers will be asked to concur or disagree with findings and areas of noncompliance, for purposes of item closure.

Deliverable: Contractor will complete a draft report and present to contract management for review and response.

TASKS 12 - COMPLETE FINAL REPORT. Based on review and response with responsible officials, a final report will be prepared by the Contractor with recommendations that incorporate acceptable corrective actions, along with a schedule for change.

Deliverable: Contractor will deliver a complete final report.

C. **TIMELINE:** Contractor to complete this project within 20 weeks of contract execution.

| TASK DESCRIPTION | | WEEK(S) |
|------------------|--|---------|
| 1 | Project Initiation | 1-2 |
| 2 | Gather and Analyze Loss Runs and Transaction-Level Data from Workers' Compensation Claims, Liability Claims and Litigation Systems | 3-6 |
| 3 | Risk Management Policies and Procedures Analysis | 3-6 |
| 4 | Gather and Analyze Insurance Coverage Data | 7-9 |
| 5 | Design and Deploy Loss Exposure and Litigation Update Communication and Perceptions Survey | 7-9 |
| 6 | Gather and Analyze Cost Allocation Data for All Self-Insured Programs | 10-12 |
| 7 | Design and Deploy Safety Training Effectiveness Survey. | 10-12 |
| 8 | Design and Deploy Safety and Loss Prevention Group Administration Survey | 10-12 |
| 9 | Gather and Analyze Americans with Disability Act Compliance Data | 13-14 |
| 10 | Design and Deploy Workers' Compensation Program Time Use Survey | 13-14 |
| 11 | Prepare Draft Report and Recommendations | 15-17 |
| 12 | Complete Final Report | 17-20 |

D. **STAFFING PLAN - KEY PERSONNEL**

| Project Team | Classification/Designation |
|---------------|------------------------------|
| Rich Mallory | Project Manager |
| Jeff Hoye | Technical Advisor/Specialist |
| Jerry Johnson | Consultant |

| | |
|----------------|------------|
| Jack Blyskal | Consultant |
| Greg Hammond | Consultant |
| Susanna Shamim | Consultant |

Contractor understands that the individuals represented as assigned to the Contract must remain working on the Contract throughout the duration of the Contract unless otherwise requested or approved by County. Substitution of Contractor's Key Personnel shall be allowed only with prior written approval of County's Project Manager.

Contractor may reserve the right to involve other Contractor personnel, as their services are required. The specific individuals will be assigned based on the need and timing of the service/classification required. Assignment of individual key personnel shall be subject to County written approval. County reserves the right to have any of Contractor personnel removed from providing services to County under this Contract. County is not required to provide any reason for the request for removal of any Contractor personnel.

ATTACHMENT A
SCOPE OF WORK
DISCIPLINE #2 - CEO HUMAN RESOURCE SERVICES

A. TASKS AND ACTIVITIES

TASK 1 - DOCUMENT AND CATEGORIZE INITIAL RECOMMENDATIONS. Contractor will begin by categorizing the 50 recommendations in the initial response, and any corrective action agreed to. Information from the initial response will be the beginning point of the Contractor follow-up assessment. The response to each of the initial recommendations will be recorded in a table, with a notation regarding whether Contractor indicated a response of ‘concur’, ‘partly concur’ or ‘do not concur’. Any relevant description of a dispute regarding the recommendation will be noted. It will be assumed that where Contractor concurred with the recommendation and indicated that a response would or had already been implemented, that there was also agreement that the issue was significant, and that a corrective action was important and possible.

Deliverable: Contractor categorize the 50 recommendations in the initial response, and any corrective action agreed to.

TASK 2 - INITIAL FEEDBACK ON STATUS, PREVALENCE, AND RELEVANCE. Contractor will initiate interviews with key County staff, to obtain further information on current operations, challenges, and status of the Initial Recommendations. The availability of relevant metrics on current operations will be noted as an objective source of information on current performance. Using the professional expertise of the consultant team and the available information, consultants will rank investigative areas by likely prevalence and relevance, so that the areas of highest risks and benefits for the Department are identified.

Deliverable: Contractor will initiate interviews with key County staff.

TASKS 3 - BARRIERS ANALYSIS. Contractor will initiate subsequent interviews and site visits in all identified areas of highest risk and benefit, to understand and document the barriers to greater success or adoption of the initial recommendations.

Deliverable: Contractor will initiate interviews and site visits in all identified areas of highest risk and benefit.

TASKS 4 - AUDIT OF HUMAN RESOURCE SERVICES (HRS) FUNCTIONAL COMPONENTS. Contractor will map each functional area within HRS, developing outcomes, outputs, indicators of success, indicators of failure, and metrics (leading and lagging) associated with each defined operational area. Information systems will be included in this system mapping. Positions within each functional area will be recorded, for later evaluation of comparative cost of service. Principal requirements of each area will be mapped, and used as the basis for audit functions regarding gaps.

Deliverable: Contractor will map each functional area within HRS.

TASK 5 - ANALYSIS OF CENTRALIZED STATUS. Within each functional area of review, Contractor will note de-centralized Human Resource (HR) functions by Department, and by position. This will provide a matrix of centralized versus de-centralized HR service personnel, by Department. It will also allow later evaluation of comparative cost of service. Using this list, Contractor will perform field visits and interviews with each de-centralized office. Contractor will interview principal de-centralized staff in each Department, using a “outcomes/ authorities/dependencies” format, to understand both the volume of each type of work processed and the ‘dependencies’ that exist in processing this work. This will provide a good indication of overlap. This personnel will also be asked to provide work volume, and estimates of

time in each function. This will assist with understanding the degree of specialization, and the span of professional practice. Evidence of the quality of these targeted work streams will be developed through observation, comparative metrics, interviews, and document reviews.

Deliverable: Contractor will perform field visits and interviews with each de-centralized office.

TASK 6 - ASSESSMENT OF HR OPERATIONS SATISFACTION. Contractor will initiate an assessment of HR Operations Satisfaction. This task will be initiated with a focus group made up of customers and stakeholders of HR services, to develop a list of requirements and expectations of excellent services, and the appropriate HRS role. Using this list, a short, standardized email and/or telephone survey will be conducted, of an appropriate 'universe' of customers and stakeholder's county-government wide. Customer/stakeholder results will be segmented to reflect centralized versus non-centralized services, and service in larger decentralized deployments, and smaller ones. This may be important perspective in 'scaling' HR service options.

Deliverable: Contractor will develop a list of requirements and expectations of excellent services. Using this list, a short, standardized email and/or telephone survey will be conducted.

TASK 7 - INITIATE DRAFT REPORT. In this task, Contractor will complete analysis and documentation of findings. Separate analyses will show: A) Whether most of the benefits have been achieved as a result of the previous audit; B) Best practices have been implemented to address specific improvement in current HRS operations; C) Whether current operations, policies, practices and procedures are current and effective, and comply with government statutes and expectations; D) The effectiveness of centralized versus de-centralized services, and most practical levels of decentralization specific to each functional area; E) Whether each functional area is effective in required service delivery; F) Practical and Achievable workload metrics (leading and lagging) to drive the efficiency and effectiveness of HRS; G) Where HRS services and procedures best serve County needs and whether they are consistently applied; H) An evaluation of the cost of HR operations County-wide and in individual departments. This draft report will identify gaps and areas for improvement, and may suggest categorical corrective actions to resolve those gaps.

Deliverable: Contractor will complete a draft report and identify gaps and areas for improvement, and suggest categorical corrective actions to resolve those gaps.

TASK 8 - REVIEW AND RESPOND TO COMMENTS. Contractor will present draft report findings to HRS leadership and designated HR leads in de-centralized departments, for review and response. Corrective action responses will be requested, where reviewers concur with findings and areas of non-compliance.

Deliverable: Contractor will present the draft report findings to HRS leadership and designated HR leads in de-centralized departments, for review and response.

TASKS 9 - COMPLETE FINAL REPORT. Based on review and response with responsible officials, Contractor will prepare a final report with recommendations that incorporate acceptable corrective actions.

Deliverable: Contractor will deliver a complete final report.

B. TIMELINE: Contractor to complete this project within 20 weeks of contract execution.

| TASK DESCRIPTION | | WEEK(S) |
|------------------|---|---------|
| 1 | Document and Categorize Initial Recommendations. | 1-2 |
| 2 | Initial Feedback on Status, Prevalence and Relevance. | 3-6 |
| 3 | Barriers Analysis. | 3-6 |
| 4 | Audit of HRS Functional Components. | 7-9 |
| 5 | Analysis of Centralized Status. | 9-12 |
| 6 | Assessment of HR Operations Satisfaction. | 9-12 |
| 7 | Initiate Draft Report. | 13-14 |
| 8 | Review and Respond to Comments. | 15-16 |
| 9 | Complete Final Report. | 17-20 |

2. STAFFING PLAN - KEY PERSONNEL

| PROJECT TEAM | CLASSIFICATION/DESIGNATION |
|----------------|------------------------------|
| Rich Mallory | Project Manager |
| Jeff Hoye | Technical Advisor/Specialist |
| Paula North | Consultant |
| Susanna Shamim | Consultant |
| Regina Romeo | Consultant |

Contractor understands that the individuals represented as assigned to the Contract must remain working on the Contract throughout the duration of the Contract unless otherwise requested or approved by County. Substitution of Contractor's Key Personnel shall be allowed only with prior written approval of County's Project Manager.

Contractor may reserve the right to involve other Contractor personnel, as their services are required. The specific individuals will be assigned based on the need and timing of the service/classification required. Assignment of individual key personnel shall be subject to County written approval. County reserves the right to have any of Contractor personnel removed from providing services to County under this Contract. County is not required to provide any reason for the request for removal of any Contractor personnel.

ATTACHMENT B PAYMENT AND PRICING

I. COMPENSATION:

This is a fixed fee price Contract between the County and the Contractor for Audit Performance Services as provided in Attachment A, Scope of Work.

The Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing, labor, tax, shipping, freight, insurance requirements, and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by the Contractor of all its duties and obligations hereunder. Contractor shall only be compensated as set forth herein below for work performed in accordance with the Scope of Work. The County shall have no obligation to pay any sum in excess of total Contract amount specified unless authorized by an amendment in accordance with Paragraphs "C" – Amendments and "P" – Changes of the County's General Terms and Conditions.

II. REIMBURSABLE:

Lodging and meals shall be reimbursed at the current 2019 California Per Diem Rates for Los Angeles, Orange and Ventura Counties:

- Lodging: \$180
- Meals & Incidentals: \$66

Other reimbursable items; coach airfare, public transportation or rental car, must be accompanied by receipts or back-up documentation. The Contractor shall exercise reasonable judgement in the selection.

- Total Travel compensation for Discipline #1 not to exceed \$14,000
- Total Travel compensation for Discipline #2 not to exceed \$8,000

III. FEES AND CHARGES: The following is the compensation to the Contractor for the scope of services identified herein. Invoices shall be paid on the percentage of work completed each month within each Task/Milestone, but not exceeding the total fee allocated for that component as follows:

DISCIPLINE #1 - CEO RISK MANAGEMENT

| TASK | DESCRIPTION/MILESTONE | UNIT | TOTAL |
|------|--|------|-------------|
| 1 | Project Initiation | LS | \$10,020.00 |
| 2 | Gather and Analyze Loss Runs and Transaction-Level Data from Workers' Compensation Claims, Liability Claims and Litigation Systems | LS | \$8,100.00 |
| 3 | Risk Management Policies/Procedures Analysis | LS | \$8,100.00 |
| 4 | Gather and Analyze Insurance and Risk Pooling Coverage Data | LS | \$8,100.00 |
| 5 | Design and Deploy Loss Exposure and Litigation Update Communication and Perceptions Survey | LS | \$7,210.00 |
| 6 | Gather and Analyze Cost Allocation Data for All Self-Insured Programs | LS | \$8,105.00 |
| 7 | Design and Deploy Safety Training Effectiveness Survey | LS | \$5,725.00 |
| 8 | Design and Deploy Safety and Loss Prevention Group | LS | \$5,725.00 |

| | | | |
|---------------------|--|-------------|---------------------|
| | Administration Survey | | |
| 9 | Gather and Analyze Americans with Disability Act Compliance Data | LS | \$8,365.00 |
| 10 | Design and Deploy Workers' Compensation Program Time Use Survey | LS | \$7,210.00 |
| 11 | Prepare Draft Report and Recommendations | LS | \$10,380.00 |
| 12 | Complete Final Report | LS | \$10,380.00 |
| 13 | Travel Expenses Not to Exceed | As Reported | \$14,000.00 |
| TOTAL COST : | | | \$111,420.00 |

DISCIPLINE #2 - CEO HUMAN RESOURCE SERVICES

| TASK | DESCRIPTION | UNIT | TOTAL |
|--------------------|--|-------------|--------------------|
| 1 | Document and Categorize Initial Recommendations | LS | \$2,520.00 |
| 2 | Initial Feedback on Status, Prevalence and Relevance | LS | \$2,835.00 |
| 3 | Barriers Analysis | LS | \$4,890.00 |
| 4 | Audit of HRS Functional Components | LS | \$12,520.00 |
| 5 | Analysis of Centralized Status | LS | \$11,110.00 |
| 6 | Assessment of HR Operations Satisfaction | LS | \$13,360.00 |
| 7 | Initiate Draft Report | LS | \$22,960.00 |
| 8 | Review and Respond to Comments | LS | \$9,540.00 |
| 9 | Complete Final Report | LS | \$10,810.00 |
| 10 | Travel Expenses Not to Exceed | As Reported | \$8,000.00 |
| TOTAL COST: | | | \$98,545.00 |

I. INVOICING INSTRUCTIONS:

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

- a. Contractor's name and address;
- b. Contractor's remittance address (if different from above);
- c. Name of County Department; County Executive Office
- d. Contract Number No. CT-017-19011267 must be referenced on all invoices;
- e. Service date(s) – Months of Service;
- f. Specify the audit Service description;
- g. Contractor's Tax Identification Number (TIN) or Employer's Identification Number (EIN);
- h. Total

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

Invoices shall be forwarded to:

County of Orange/County Procurement Office
Attn: Frank Prado/Jeff Miller
1300 S. Grand Ave., Bldg. A
Santa Ana, CA 92705

II. PAYMENT TERMS – PAYMENT IN ARREARS:

Invoices are to be submitted in arrears with the exception of project initiation (Discipline #1, Task-1) which is billable in advance. All other completed tasks and travel shall be submitted in arrears. Contractor shall reference Contract Number on invoice as well as what discipline and task they are billing for. Payment shall be net 30 days after receipt of an invoice in a format acceptable to the County of Orange and verified and approved by the department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the Contractor.

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

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

III. ELECTRONIC FUNDS TRANSFER (EFT):

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