



**SUBORDINATE CONTRACT  
MA-063-14010321  
WITH  
ANI ACQUISITION SUB INC / SUBSIDIARY OF DOCULYNX INC  
FOR  
SCANNING, INDEXING AND IMAGING SERVICES**

This Subordinate Contract **MA-063-14010321** (hereinafter referred to as "Contract") is made and entered into upon execution of all necessary signatures between ANI Acquisition Sub Inc a wholly owned subsidiary of Doculynx Inc, having a place of business at 6916 N. 97<sup>th</sup> Cir, Omaha, NE 68122-3037 (hereinafter referred to as "Contractor"), and the County of Orange, Social Services Agency a political subdivision of the State of California, with a place of business at 888 N. Main St., Santa Ana, CA 92701 (hereinafter referred to as "County") which are sometimes individually referred to as "Party" or collectively referred to as "Parties".

**ATTACHMENTS**

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

Attachment A – Project Outline and Requirements

Attachment B – Price List

**RECITALS**

WHEREAS, the County of Orange, County Procurement Office (CPO) has issued Regional Cooperative Agreement MA-017-12011883 (hereinafter referred to as "RCA") on file with County of Orange, CPO, effective May 7, 2012 through May 6, 2014 for Scanning, Indexing and Imaging Services (hereinafter referred to as "Services") in accordance with the terms and conditions of the RCA between Contractor; and

WHEREAS, County desires to enter into a Contract for the Services per the RCA; and

WHEREAS all terms and conditions, amendments/modifications of the RCA are incorporated herein by this reference into this Contract; and

WHEREAS, Contractor is willing to provide the Services specified in the Scope of this Contract as listed below.

NOW, THEREFORE, the parties mutually agree:

**ARTICLES**

1. **Scope of Contract:** This Contract specifies the terms and conditions, per the RCA incorporated herein, by which County will procure the Services as specified in Attachment A – Scope of Work.
2. **Term of Contract:** This Contract shall commence on January 1, 2014 and continue through and including May 6, 2014, unless otherwise terminated by the County. This Contract shall be renewed for three one-year terms per RCA. The County does not have to give a reason if it elects not to renew this Contract.
3. **Compensation & Payment:** Contractor agrees to provide the Services at the fixed rates specified and set forth in this Contract and in accordance with the terms and conditions specified in the RCA. The total cost of this Contract shall not exceed \$615,371.00; provided, however, that in the event County desires to procure Services in excess of the stated amount, the parties shall enter into an amendment to this Contract for such additional expenditure.

Renewal Cost: May 7, 2014 – May 6, 2015 – \$1,388,880.00  
May 7, 2015 – May 6, 2016 – TBA  
May 7, 2016 – May 6, 2017 – TBA



**SUBORDINATE CONTRACT  
MA-063-14010321**

**Payments:** Monthly payments include mail handling, sorting, preparing, date stamping, scanning, indexing, committing, validating a portion of those electronic files, and QA for designated case records;

4. **Invoicing:** Invoices are to be submitted to:  
SSA/Procurement Services  
Attn: Processing Desk (MA)  
888 N. Main St., 1<sup>st</sup> Floor  
Santa Ana, CA 92701

Contractor shall provide the County a monthly invoice no later than the 5<sup>th</sup> of the following month.

Payment will be net 30 days after receipt of an invoice in a format acceptable to the County and verified and approved by the agency/department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with the contractor.

An acceptable invoice format shall minimally include:

- A. Contractor's name and address;
  - B. Invoice number and date;
  - C. Name of County agency/department ordering services/goods;
  - D. Description of services/goods and date ordered;
  - E. Contract MA-063-14010321;
  - F. Total Invoice Amount;
  - G. Contractor's federal taxpayer's ID number and
  - H. Contractor's remittance address (if different from line A)
5. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four 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.

**FOR COUNTY:**

County of Orange  
SSA/Procurement Services  
888 N. Main St., 1<sup>st</sup> Floor  
Santa Ana, CA 92701  
Attn: Evelyn Yambao  
Telephone: (714) 541-7719  
Fax: (714) 541-7772

**FOR CONTRACTOR:**

ANI Acquisition Inc a Subsidiary of Doculynx Inc  
10107 Carroll Canyon Rd.  
San Diego, CA 92131-1109  
Attn: Diane Kipp  
Telephone: (714) 580-6728  
Email: Diane.Kipp@doculynx.com

**COPY TO:**

County of Orange  
SSA / ASAP  
888 N. Main St. 2<sup>nd</sup> Floor  
Santa Ana, CA 92702  
Attn: Dana Ardeleanu  
Telephone: 714-541-7716

- Signature Page follows -

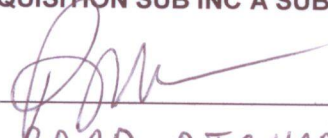



**SUBORDINATE CONTRACT  
MA-063-14010321**

**SIGNATURE PAGE**

The Parties hereto have executed this Contract on the dates shown opposite their respective signatures below.

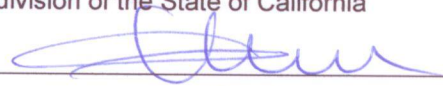
**ANI ACQUISITION SUB INC A SUBSIDIARY OF DOCULYNX INC \***

By Print Name	<u></u> <b>BRAD RICHARDS</b>	By Print Name	<u></u> <b>MICHAEL LIESS</b>
Title	<u>SVP</u> Corporate Officer	Title	<u>PRESIDENT/CEO</u> Corporate Officer
Date	<u>9/30/2013</u>	Date	<u>9/30/2013</u>


\*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 or any Assistant Treasurer. In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signator to bind the corporation.

**COUNTY OF ORANGE**

a political subdivision of the State of California

By Print Name	<u></u> <b>Georgetta Vlad</b>	Date	<u>10/02/13</u>
		Title	<u>Procurement Manager</u>

**COUNTY OF ORANGE  
COUNTY COUNSEL**

By	<u></u> Senior Deputy County Counsel	Date	<u>10/03/13</u>
----	--	------	-----------------



## SUBORDINATE CONTRACT MA-063-14010321

### ATTACHMENT A

### SCOPE OF WORK

#### SSA PROJECT OUTLINE AND REQUIREMENTS

##### Purpose

The purpose of this agreement is for the contracted source (Contractor) to image documents for various Programs in the Social Services Agency (SSA) into digital images for import to the County's imaging System known as "OnBase" through the following steps: mail handling, sorting, preparing, scanning, indexing, committing, validating a portion of those electronic files, and quality assurance (QA) for designated case records within the County.

##### Background

The Adult Services and Assistance Programs (ASAP) Division of the SSA has implemented a Medi-Cal and CalFresh Service Center model to support business process changes that maximize resources, improve-customer service and ensure that performance mandates are met. The Service Center requires that new and ongoing cases in this environment are electronically imaged for easy access by telephone agents and case maintenance workers.

The Family Self-Sufficiency (FSS) Division of the SSA requires that new and ongoing cases are electronically imaged for easy access by social workers and eligibility staff.

##### Project Overview

The Contractor will be responsible for:

1. Opening, sorting, date stamping documents with date received (per SSA Program mandates), and prepping incoming beneficiary mail.
2. Scanning, indexing, and committing incoming beneficiary mail, Intake/Initial Services case records and other county designated documents immediately or no later than 24 hours from date of receipt by the Contractor.
3. Completion of quality assurance (QA) reviews for designated case records/documents.
4. Converting FSS Division's active Foster Care (FC) paper case files into digital images for import into OnBase during the 2014 contract year.
5. Converting ASAP Division's active In-Home Supportive Services (IHSS) paper case files into digital images for import into OnBase during the 2014 contract year.

The ASAP and FSS Divisions currently image approximately 1,339,964 pages per month (estimated volumes do not imply a guarantee). Post FC and IHSS case conversion, the approximate number of pages to be imaged per month will be 1,922,199 (estimated volumes do not imply a guarantee).

#### I. **Project Management**

1. Contractor will work with County designated representatives to confirm the baseline project plan and associated tasks to complete the electronic case file imaging process.



## SUBORDINATE CONTRACT MA-063-14010321

### II. Ongoing Project Management

1. Mail sorting, date stamping, and imaging will be completed simultaneously at a designated County location(s).
2. Contractor will identify any issues and follow-up and escalate as necessary to ensure completion of task on time and on budget.
3. Contractor will immediately notify onsite County supervisor of any delays in meeting the 24 hour processing expectation.

### A. Operational, Staffing and Technical Requirements

#### Contractor shall:

1. Provide County with a Resource plan for meeting the demands of the contract within the required timeframes, to include:
  - Number of shifts and hours per day
  - Number of staff per shift
  - Number of scanners (desktop and high speed) along with PCs required
  - Space requirements for both staff and equipment
  - Environmental specifications required, such as electrical and IT connectivity
2. In collaboration with County staff, establish Quality Benchmarks related to imaging quality and indexing requirements. A Benchmark test with represented samples of all quality levels, and document sizes and types will be provided in sufficient quantity to the contractor up to 30 days after contract award for the purpose of establishing Quality Benchmarks.
3. Cooperate with the County in the development of document workflows and operational procedures that ensure that regional office operations are not impacted. This may include, transfer of data or documents from Contractor to County staff and vice versa for the purpose of task assignment, recording receipt in the County SAWS (CalWIN) system, and development of data files that align with all required County systems.
4. Provide County with a Quality Assurance Plan that shall include the following, at minimum:
  - An acknowledgement that all images must be equal to or better than the benchmark samples submitted and accepted by County
  - Description of how the production process will ~~produce~~ generate consistent quality on a regular basis
  - Formal documentation of all production procedures
  - Daily equipment testing
  - Written quality assurance procedures for image and index data
  - A description of how document and file integrity will be maintained throughout the imaging process
5. Provide own:
  - Desktop personal computers that shall meet County security, specification requirements, and restrictions. Vendor will provide all hardware/software support and maintenance.



## SUBORDINATE CONTRACT MA-063-14010321

- All operating system and base software licenses and maintenance required for the scanning software with the exception of OnBase licenses. Desktop personal computers shall be configured with County approved anti-virus software.
  - Up to date software and scanning licenses (VRS) that are technologically compatible with the current scanning process
  - Copy machines and scanners and all associated maintenance
  - Other necessary equipment and supplies required to complete the imaging process
  - Office furniture
6. Maintain sufficient staffing levels to ensure timely handling and sorting of incoming mail and meeting required 24 hour processing timeline based on County's estimated monthly volume and needs.
  7. Maintain operational hours consistent with County work schedule of 7:00 a.m. – 5:00 p.m. and County holiday observance with no option of working weekends or after hours, unless approved by the County in advance.
  8. Ensure that an onsite supervisor is present at all times.
  9. Ensure that contractor staff:
    - Signs and adheres to SSA's confidentiality statements and policies
    - Signs and adheres to SSA's Information Technology Usage Policy I.6
    - Are in compliance with local, state, and federal regulations in regards to health and safety of their employees
    - Complete a background check
    - Are required to wear picture identification furnished by the contractor, which must be worn at all times while working on County worksite
    - Will wear Orange County access cards at all times while working on County worksite
    - Are provided with any necessary parking permits, if applicable
  10. Develop a system to control, monitor, and track document type movement through the entire process, which includes a process for "emergency" retrieval of required case documents.
  11. Provide County with acceptable (as determined by County) Disaster and Security Recovery Plans.
  12. Provide County with the total cost of imaging ongoing case documents to include cost scanning, ~~and~~ indexing, and validating (when necessary) per page.
  13. Scan, Index, and Commit all pages associated with incoming case records within 24 hours, per contract requirements.
  14. Date stamp all documents per Program requirements.
  15. Utilize OnBase separator sheets (barcodes) provided by the County.
  16. Store hard copy of imaged documents for a minimum of 10 calendar days. Stored case documents will be separated by date for ease of identification and retrieval, and will be made available to County staff as needed for quality control purposes. Vendor will work with County staff to identify documents eligible for destruction. No documents will be destroyed or disposed by vendor.
- Perform "proof of concept" testing within two weeks of actual start date.



## SUBORDINATE CONTRACT MA-063-14010321

17. Configure desktop computers to automatically update anti-virus signatures and to install Microsoft security updates.

### **County shall:**

1. Provide contractor staff with training related to eligibility document recognition, task management system, operational workflows, and agency overview.
2. Designate a centralized County location where incoming mail and imaging will occur.
3. Provide mail pick-up and delivery to the centralized County location.
4. Provide adequate and secure workspace to accommodate Contractor staff, scanning stations, PC's, ancillary equipment, staging area, and an area to store scanned documents while awaiting destruction by County.
5. Provide on-site County staff member who will assist the vendor with issues relating to unidentifiable mail, eligibility related questions, and poor document quality that may prevent successful imaging.  
Additionally, the on-site County staff member will act as a liaison between County Regional and Administrative staff and Contractor.
6. Provide and configure OnBase scanning licenses and software on the contractor PCs.
7. Provide and maintain OnBase scanning application.
8. Provide network connectivity to OnBase, capable of supporting imaging and indexing, and to other required systems.
9. Provide a minimum of two dedicated CalWIN workstations equipped with SAWS system barcode readers.
10. Provide Contractor ~~will~~ with building key card access, as required.
11. Provide the "Keyword" format to the contractor in order for the contractor to correctly index imaged documents.
12. Provide separate network access to designated vendor workstations to access vendor Internet email.
13. Ensure that Intake and Initial Services case documents are prepped and correctly packaged for imaging.
14. In collaboration with the Contractor, establish Quality Benchmarks related to imaging quality and indexing requirements. A Benchmark test with represented samples of all quality levels. Document sizes and types will be provided in sufficient quantity to the Contractor up to 30 days after contract award for the purpose of establishing Quality Benchmarks.
15. The County will perform random quality checks of all Contractor services. During the random quality checks, if image quality or indexing deficiencies are identified, the County will notify the Contractor and all images in the sample will be rejected and re-scanned by the Contractor. If the Contractor is repeatedly unable to meet quality standards, the County shall issue a cure notice requesting the Contractor to explain how the problem will be rectified.
16. Upon determination that document imaging and indexing has met quality standards, the County will proceed with document destruction. Contractor will store all hard copy of imaged documents for a minimum of 10 calendar days in order to allow County sufficient time to complete the random sampling.

### **B. Performance Measures:**

1. Contractor will develop a performance measure to meet the expectations as outlined in the scope of work.



## SUBORDINATE CONTRACT MA-063-14010321

2. Contract performance will be measured by meeting imaging timeframes and QA measures.
3. Performance standards are met by collaboration between Contractor and the County designated representative.
4. County and Contractor may evaluate the effectiveness of the measures established in the statement of work within 60 days of the effective date of the agreement. Benchmarks may be amended by mutual agreement between the designated representatives of this agreement.

### **C. Imaging Security Requirements:**

The California Department of Health Care Services (DHCS) has recently established security requirements pertaining to the use, access and disclosure of Medi-Cal Personally Identifiable Information (PII). Since Social Services Agency (SSA) case files contain this and other confidential welfare client information, these requirements must be adhered to by any Contractor (and subcontractor) staff who engages in case scanning for SSA. **If these requirements change during the course of this engagement, SSA will notify and work with the Contractor to ensure compliance with the new requirements.**

**Privacy and Confidentiality Statement:** The California Department of Health Care Services (as well as Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq.) requires that those who have access to Medi-Cal Personally Identifiable Information (PII) sign a confidentiality statement.

- \* All Contractor staff that has access to this data during this work must read and sign SSA's standard Welfare Client Information confidentiality statement.

**Physical Security:** DHCS requires that "Medi-Cal PII is used and stored in an area that is physically safe from access by unauthorized persons " and that we must " safeguard Medi-Cal PII from loss, theft or inadvertent disclosure...". The requirements include the need to secure these areas, ensure only authorized personnel have physical access to these areas, and to store paper records with Medi-Cal PII in locked spaces.

- \* The Contractor must submit a plan detailing how it will provide physical security for SSA data while the data is in its possession. The plan must cover all phases of the data processing, including but not restricted to collecting, scanning and temporarily storing physical cases, and storing and transporting the scanned data. After obtaining SSA approval for their physical security plan, the Contractor must implement and maintain the physical security procedures during the entire engagement. In addition, they must report any breaches of security as outlined below.
- \* The Contractor will comply with County Administrative Policy and Procedure I6 – "Use of E-mail, Personal Computers and other Computer Resources".

### **Wiping all PII Data from Contractor Media:**

DHCS requires that we: "Ensure that all Medi-Cal PII is wiped from systems when the data is no longer legally required. The County Department (SSA) shall ensure that the wipe method conforms to Department of Defense standards for data destruction."

- \* Upon completion of case scanning and final transfer of electronic data to the Orange County Enterprise Data Center, the Contractor must use an SSA-approved disk-wiping solution to completely and permanently remove all SSA data from all Contractor media.

**Notification and Investigation of Breaches:** DHCS requires SSA: "Notify DHCS immediately by telephone call or e-mail upon the discovery of a breach of security of Medi-Cal PII in computerized form if the PII was, or is reasonably believed to have been, acquired by an unauthorized person; or within 24 hours by telephone call or e-mail of discovery of any other suspected security incident, intrusion, loss or unauthorized use or disclosure of PII in violation of this Agreement or the law".





**SUBORDINATE CONTRACT  
MA-063-14010321**

- \* The Contractor will immediately notify a designated SSA representative verbally (and in writing) of any breaches of security. Include background check for vendor staff accessing County confidential data per County standards.

**D. Designated Case Documents and Incoming Beneficiary Mail**

Intake/Initial Services case document, incoming beneficiary mail and other designated case records will be delivered to a designated County location for processing by the Contractor.

**E. Progress Report**

Weekly or daily meetings will be scheduled between the Contractor's imaging Supervisor and designated County staff to discuss the progress of imaged documents and any barriers.



**SUBORDINATE CONTRACT  
MA-063-14010321**

**ATTACHMENT B**

**PRICE LIST\***

Line #	Description	Unit Price
1	Onsite scanning/ page mixed sizes & weights, office documents up to 11 X 17 per page/ onsite (page 38)	\$.05
2	Indexing – per character / onsite (page 39)	\$.008
3	Professional Services / Custom Production Services onsite (page 37) – per hour	\$125.00
4	** Document preparation, Reassembly and Special Handling onsite (page 39) - per hour	\$18.25

\* Price List items commonly used per RCA, Attachment B, IX. Services Price List.

\*\*Document Preparation, Document Reassembly, Document Special Handling (onsite) per hour – negotiated and agreed upon by both parties to lower from \$19.25 to \$18.25 per hour.