

# I. THE PARTIES & THE DEAL

This Contract is made and entered into as of the Effective Date by and between the County of Los Angeles, a political subdivision of the State of California (“County”) and Contractor, a (State/entity type) (“Contractor”).

## RECITALS

States the background and general purpose of the contract, including the County’s legal authority and reason for entering into it.

WHEREAS, the County may enter into contract with private businesses for \_\_\_\_\_ Services when certain requirements are met; and

WHEREAS, the Contractor is a private firm providing \_\_\_\_\_ Services; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

### **1.0 APPLICABLE DOCUMENTS**

Lists the documents that form the entire Contract (as defined with a capital “C”), and establishes the priority among each document (*i.e.*, higher documents control over lower).

1.1 This base document, along with Exhibits A through O, attached hereto and listed below, collectively form and are referred to herein as the “Contract.” In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between this base document and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to this base document and then to the Exhibits according to the following priority:

1.1.2 EXHIBIT A - Statement of Work

1.1.3 EXHIBIT B - Pricing Schedule

1.1.4 EXHIBIT C - Contractor’s Proposed Schedule

1.1.5 EXHIBIT D - Contractor’s EEO Certification

1.1.6 EXHIBIT E - County’s Administration

1.1.7 EXHIBIT F - Contractor's Administration

1.1.8 EXHIBIT G - Forms Required at the Time of Contract Execution

1.1.9 EXHIBIT H - Jury Service Ordinance

1.1.10 EXHIBIT I - Safely Surrendered Baby Law

*Prop A - Living Wage Program*

1.1.11 EXHIBIT J - Living Wage Ordinance

1.1.12 EXHIBIT K - Monthly Certification for Applicable Health Benefit Payments

1.1.13 EXHIBIT L - Payroll Statement of Compliance

*Intellectual Property Developed/Designed by Contractor Forms*

1.1.14 EXHIBIT M - Forms Required at Completion of Contracts Involving Intellectual Property Developed/Designed by the Contractor

*Health Insurance Portability & Accountability Act (HIPAA) Agreement*

1.1.15 EXHIBIT N - Contractor's Obligations as a "Business Associate" Under the Health Insurance Portability & Accountability Act of 1996 (HIPAA)

*(Exhibit O - Charitable Contributions Certification is required for all Social Services Department. Additionally, if the services being solicited historically receive responses from Nonprofit Agencies, this certification should also be included.)*

*SB 1262 - Nonprofit Integrity Act of 2004*

1.1.16 EXHIBIT O - Charitable Contributions Certification

1.2 This Contract is the complete and exclusive statement of understanding between the parties, and supersedes any previous Contracts, written and oral, and all communications between the parties relating to the subject matter of this Contract.

## **2.0 DEFINITIONS**

Definitions are short-form references for names, terms, and concepts that are frequently repeated in the contract.

Properly using definitions saves time and improves readability and assures consistency, especially whenever it's unclear if a word is to be interpreted in its ordinary, technical, or legal sense, or otherwise.

But improperly using definitions (*e.g.*, terms overused, unnecessarily defined, or incompletely defined) undermines clarity.

The terms and phrases in this Section 2.0, in quotes and with initial letter(s) capitalized, shall have the meanings set forth below whenever used in this Contract.

**2.1 Contract:** Agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of the Statement of Work, Exhibit A.

**2.2 Contractor:** The sole proprietor, partnership, or corporation that has entered into a contract with the County to perform or execute the work covered by the Statement of Work.

**2.3 Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.

**2.4 County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.

**2.5 County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.

**2.6 County Project Manager:** "County Project Manager" means the position designated in Section 6.2 (County Project Manager).

**2.7 Day(s):** Calendar day(s) unless otherwise specified.

**2.8 "Deliverable,"** whether singular or plural, means the tasks, services, work, goods, or other consideration of any kind that Contractor is required to deliver to the County per the terms of this Contract, including those set forth in Exhibit A (Statement of Work).

**2.9 "Effective Date"** means the date that this Contract is approved and signed by the County's Board of Supervisors.

**2.10 Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.

### **3.0 WORK**

Contractor's required performance under the contract.

3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.

3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

### **4.0 TERM OF CONTRACT**

States when the contract starts and ends.

4.1 The term of this Contract shall be \_\_\_ years commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4.2 The County shall have the sole option to extend this Contract term for up to \_\_\_\_\_ additional one-year periods and six (6) month to month extensions, for a maximum total Contract term of \_\_\_\_\_ years and \_\_\_\_ months. Each such option and extension shall be exercised at the sole discretion of the *(Board of Supervisors or Department Head or his/her designee as authorized by the Board of Supervisors)*.

4.3 The Contractor shall notify *(Department)* when this Contract is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to *(Department)* at the address herein provided in *Exhibit E - County's Administration*.

### **5.0 CONTRACT SUM**

States the total contract price, along with payment terms (e.g., what Contractor will and will not be paid for, payment amount, and the way to get paid).

5.1 The Maximum Contract Sum payable by County to Contractor for accepted Deliverables under this Contract, inclusive of any applicable taxes, shall be/shall not exceed three million dollars (US\$ 3,000,000.00).

5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses

whatsoever incurred in or incidental to performance hereunder, except as specified herein.

5.3 The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, the Contractor shall send written notification to (*Department*) at the address herein provided in *Exhibit E - County's Administration*.

#### **5.4 No Payment for Services Provided Following Expiration/ Termination of Contract**

The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

#### **5.5 Invoices and Payments**

5.5.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in *Exhibit A - Statement of Work* and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in *Exhibit B - Pricing Schedule*, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.5.2 The Contractor's invoices shall be priced in accordance with *Exhibit B - Pricing Schedule*.

5.5.3 The Contractor's invoices shall contain the information set forth in *Exhibit A (Statement of Work)* describing the tasks, deliverables, goods, services, work hours, and facility and/or other work for which payment is claimed.

5.5.4 The Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> calendar day of the month following the month of service.

*Prop A - Living Wage Program*

*No invoice will be approved for payment unless the following is included:*

*Exhibit K - Monthly Certification for Applicable Health Benefit Payments (if applicable)*

*Exhibit L - Payroll Statement of Compliance*

5.5.5 All invoices under this Contract shall be submitted in two (2) copies to the following address:

**5.5.6 County Approval of Invoices.** All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld.

**5.5.7 Local Small Business Enterprises – Prompt Payment Program** *(if applicable)*

Certified Local SBEs will receive prompt payment for services they provide to County departments. Prompt payment is defined as 15 calendar days after receipt of an undisputed invoice.

**5.6 Cost of Living Adjustments (COLA's)**

*COLA's are not required, they are only included if the Department makes the determination to add them. If they are to be included in the contract, the following language should be added:*

The contract (hourly, daily, monthly, etc.) amount may be adjusted annually based on the increase or decrease in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the most recently published percentage change for the 12-month period preceding the contract anniversary date, which shall be the effective date for any cost of living adjustment. However, any increase shall not exceed the general salary movement granted to County employees as determined by the Chief Administrative Office as of each July 1 for the prior 12-month period. Furthermore, should fiscal circumstances ultimately prevent the Board from approving any increase in County employee salaries, no cost of living adjustments will be granted. Where the County decides to grant a Cost of Living Adjustment (COLA) pursuant to this paragraph for living wage contracts, it may, in its sole discretion exclude the cost of labor (including the cost of wages and benefits paid to employees providing services under this contract) from the base upon which a COLA is calculated, unless the Contractor can show that his/her labor cost will actually increase.

## **II. WARRANTIES & REPRESENTATIONS**

### 6.0 WARRANTIES

Project specific, and therefore are not included in the model.

### **III. REMEDIES**

#### **7.0 NOTICE OF DELAYS**

Requires the parties to give each other advance notice if a deadline is going to be missed.

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

#### **8.0 NOTICE OF DISPUTES**

Requires Contractor to bring disputes to the attention of County's project management.

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the (*Department Head*), or designee shall resolve it.

#### **9.0 INDEMNIFICATION**

Contractor will pay for any harm it causes to third parties, even if the third parties seek recovery from the County only, and not Contractor.

Notwithstanding any provision to the contrary, whether expressly or by implication, Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with the Contractor's acts and/or omissions arising from and/or relating to this Contract.

#### **10.0 GENERAL INSURANCE REQUIREMENTS**

Requires Contractor to carry certain categories and amounts of insurance coverage.

Without limiting the Contractor's indemnification of the County and during the term of this Contract, the Contractor shall provide and maintain, and shall require all of its Subcontractors to maintain, the following programs of insurance specified in this Contract. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by



the County. Such coverage shall be provided and maintained at the Contractor's own expense.

**10.1 Evidence of Insurance:** Certificate(s) or other evidence of coverage satisfactory to the County shall be delivered to: \_\_\_\_\_ prior to commencing services under this Contract. Such certificates or other evidence shall:

- (a) Specifically identify this Contract;
- (b) Clearly evidence all coverages required in this Contract;
- (c) Contain the express condition that the County is to be given written notice by mail at least thirty (30) days in advance of cancellation for all policies evidenced on the certificate of insurance;
- (d) Include copies of the additional insured endorsement to the commercial general liability policy, adding the County of Los Angeles, its Special Districts, its officials, officers and employees as insureds for all activities arising from this Contract; and
- (e) Identify any deductibles or self-insured retentions for the County's approval. The County retains the right to require the Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to the County, or, require the Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

**10.2 Insurer Financial Ratings:** Insurance is to be provided by an insurance company acceptable to the County with an A.M. Best rating of not less than A:VII unless otherwise approved by the County.

**10.3 Failure to Maintain Coverage:** Failure by the Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to the County, shall constitute a material breach of the Contract upon which the County may immediately terminate or suspend this Contract. The County, at its sole option, may obtain damages from the Contractor resulting from said breach. Alternatively, the County may purchase such required insurance coverage, and without further notice to the Contractor, the County may deduct from sums due to the Contractor any premium costs advanced by the County for such insurance.

**10.4 Notification of Incidents, Claims or Suits: Contractor shall report to the County:**

- (a) Any accident or incident relating to services performed under this Contract which involves injury or property damage which may result in the filing of a claim or lawsuit against the Contractor and/or the County. Such report shall be made in writing within 24 hours of occurrence.
- (b) Any third party claim or lawsuit filed against the Contractor arising from or related to services performed by the Contractor under this Contract.

-Any injury to a Contractor employee that occurs on County property. This report shall be submitted on a County "Non-employee Injury Report" to the County's Project Manager.

(c) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies or securities entrusted to the Contractor under the terms of this Contract.

**10.5 Compensation for County Costs:** In the event that the Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to the County, the Contractor shall pay full compensation for all costs incurred by the County.

**10.6 Insurance Coverage Requirements for Subcontractors:** The Contractor shall ensure any and all Subcontractors performing services under this Contract meet the insurance requirements of this Contract by either:  
-The Contractor providing evidence of insurance covering the activities of Subcontractors, or  
-The Contractor providing evidence submitted by Subcontractors evidencing that Subcontractors maintain the required insurance coverage. The County retains the right to obtain copies of evidence of Subcontractor insurance coverage at any time.

## **11.0 INSURANCE COVERAGE REQUIREMENTS**

[A continuation of Section 10.0 \(General Insurance Requirements\), which requires Contractor to carry certain categories and amounts of insurance coverage.](#)

*(Requirements may vary depending on the type of Contract. CEO - Risk Management Operations should be consulted as to what coverage is required.)*

**11.1 General Liability** insurance written on ISO policy form CG 00 01 or its equivalent with limits of not less than the following:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

**11.2 Automobile Liability** written on ISO policy form CA 00 01 or its equivalent with a limit of liability of not less than \$1 million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

**11.3 Workers' Compensation and Employers' Liability** insurance providing workers' compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which the Contractor is responsible. If the Contractor's employees will be engaged in maritime employment, coverage shall provide workers' compensation benefits as required

by the U.S. Longshore and Harbor Workers' Compensation Act, Jones Act or any other federal law for which the Contractor is responsible. In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident:	\$1 million
Disease - policy limit:	\$1 million
Disease - each employee:	\$1 million

## **12.0 PATENT, COPYRIGHT & TRADE SECRET INDEMNIFICATION**

Contractor will pay for any harm it causes to third parties, even if the third parties seek recovery from the County only, and not Contractor. Further, Contractor will cure any infringement by getting the rights to, or working around, the questioned product.

12.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.

12.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- (a) Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- (b) Replace the questioned equipment, part, or software product with a non-questioned item; or
- (c) Modify the questioned equipment, part, or software so that it is free of claims.

12.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

## **13.0 TERMINATION FOR CONVENIENCE**

The County can end the contract at any time for any reason.

13.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

13.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:

- (a) Stop work under this Contract on the date and to the extent specified in such notice, and
- (b) Complete performance of such part of the work as shall not have been terminated by such notice.

13.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with Section xx.0 (Record Retention & Inspection/Audit Settlement).

#### **14.0 TERMINATION FOR DEFAULT**

[The County can end the contract if Contractor fails to perform, and does not cure its failure.](#)

14.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:

- (a) Contractor has materially breached this Contract; or
- (b) Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
- (c) Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

14.2 In the event that the County terminates this Contract in whole or in part as provided in Section 14.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this Section.

14.3 Except with respect to defaults of any Subcontractor, the Contractor shall not be liable for any such excess costs of the type identified in Section 14.2.

14.4 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the Contractor and Subcontractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this Section 14.4, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.

14.5 If, after the County has given notice of termination under the provisions of this Section 14.0, it is determined by the County that the Contractor was not in default under the provisions of this Section 14.0, or that the default was excusable under the provisions of Section 14.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Section 13.0 (Termination for Convenience).

14.5 The rights and remedies of the County provided in this Section 14.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **IV. TECHNICAL & HOUSEKEEPING**

### **15.0 ADMINISTRATION OF CONTRACT - COUNTY**

Identifies County's project management team.

A listing of all County Administration referenced in the following Sub-paragraphs are designated in *Exhibit E (County's Administration)*. The County shall notify the Contractor in writing of any change in the names or addresses shown.

#### **15.1 County's Project Director**

Responsibilities of the County's Project Director include:

15.1.1 confirming that the objectives of this Contract are met by Contractor; and

15.1.2 providing direction to the Contractor in the areas relating to County policy, information requirements, and procedural requirements.

#### **15.2 County's Project Manager**

The responsibilities of the County's Project Manager include:

15.2.1 meeting with the Contractor's Project Manager on a regular basis; and

15.2.2 inspecting any and all Deliverables provided by or on behalf of the Contractor.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

#### **15.3 County's Contract Project Monitor**

The County's Project Monitor is responsible for overseeing the day-to-day administration of this Contract. The Project Monitor reports to the County's Project Manager.

### **16.0 ADMINISTRATION OF CONTRACT - CONTRACTOR**

Identifies Contractor's project management team.

#### **16.1 Contractor's Project Manager**

16.1.1 The Contractor's Project Manager is designated in *Exhibit F (Contractor's Administration)*. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

16.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis.

16.1.3 The Contractor's Project Manager must have \_\_\_\_\_ years of experience.  
*(optional language)*

## **16.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager.

### 16.3 Contractor's Staff Identification

*(Two options are provided for this sub-paragraph. One is if the Contractor is responsible to badge their employees, the other is if the County issues County identification badges to Contractor's employees.)*

*(Use the following paragraph if Contractor is responsible for providing identification badges to their employees.)*

At Contractor's expense, Contractor shall provide a photo identification badge to , all staff performing under this Contract.

OR

*(Use the following paragraph if County is responsible for providing identification badges to the Contractor's employees.)*

All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

16.3.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked to leave a County facility by a County representative if they do not have the proper County ID badge on their person.

16.3.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has terminated employment with the Contractor.

16.3.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.

### 16.4 Background and Security Investigations

*(Two options are provided for sub-paragraph 16.4.1. The subsequent sub-paragraphs, 16.4.2 through 16.4.4, remain the same.)*

Contract language Option 1 (When a Live Scan fingerprint clearance is required)

16.4.1 All Contractor staff performing work under this Contract shall undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, which may include but is not limited to fingerprinting. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

OR

Contract language Option 2 (When a background clearance is not required or may be Contractor obtained)

16.4.1 At any time prior to or during term of this Contract, the County may require that all Contractor's staff performing work under this Contract undergo and pass, to the satisfaction of County, a background investigation, as a condition of beginning and continuing to work under this Contract. County shall use its discretion in determining the method of background clearance to be used, up to and including a County performed fingerprint security clearance. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation.

16.4.2 County may request that the Contractor's staff be immediately removed from working on the County Contract at any time during the term of this Contract. County will not provide to the Contractor or to the Contractor's staff any information obtained through the County conducted background clearance.

16.4.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff who do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

16.4.4 Disqualification, if any, of the Contractor's staff, pursuant to this Section 16.4, shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **16.5 Confidentiality**

[Contractor must maintain the confidentiality of County records.](#)

16.5.1 The Contractor shall maintain the confidentiality of all records obtained from the County under this Contract in accordance with all applicable federal, State or local laws, ordinances, regulations and directives relating to confidentiality.



16.5.2 The Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

*(Depending on the type of contract, the Department may want each of the Contractor's employees and non-employees to sign a Confidentiality Agreement OR the Contractor could sign one form indicating their responsibility for their employees and non-employees for the Confidentiality of records.*

*In addition to the above choices, included in the Model - Exhibits for Sample Contract are two different types of Confidentiality Agreements. One of the Confidentiality Agreements includes Copyright Assignment language for IT Contracts; the other omits any reference to Copyright Assignment language.*

*Once it has been determined who will be signing and which Confidentiality Agreement is going to be used, choose the appropriate paragraph(s) below.)*

*Contract language to use for non-IT Contracts when the Contractor is signing the Confidentiality Agreement.*

16.5.3 The Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit G1.

*Contract language to use for non-IT Contracts when each employee and non-employee of the Contractor is required to sign the Confidentiality Agreement.*

16.5.3 The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Employee Acknowledgment and Confidentiality Agreement", Exhibit G2.

16.5.4 The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Confidentiality Agreement", Exhibit G3.

*Contract language to use for IT Contracts when the Contractor is signing the Confidentiality Agreement.*

16.5.3 The Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement, Confidentiality and Copyright Assignment Agreement", Exhibit G1.

*Contract language to use for IT Contracts when each employee and non-employee of the Contractor is required to sign the Confidentiality Agreement.*

16.5.3 The Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Employee

*Acknowledgment, Confidentiality and Copyright Assignment Agreement”, Exhibit G2.*

16.5.4 The Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the “*Contractor Non-Employee Acknowledgment, Confidentiality and Copyright Assignment Agreement”, Exhibit G3.*

## **17.0 AMENDMENTS**

An amendment is a contract change. Generally, amendments must be made in the same way the original contract was made (*e.g.*, in writing, signed by the same persons). One exception, here, is for extensions of time, which may be done less formally with a change notice.

*(The authority to execute Amendments varies between departments and types of contracts.)*

17.1 For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this Contract, an Amendment shall be prepared and executed by the Contractor and by *(Department Head or his/her designee OR it may have to be executed by the Board of Supervisors).*

17.2 The County’s Board of Supervisors or Chief Administrative Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County’s Board of Supervisors or Chief Administrative Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by *(Department to determine what level of management is required to execute this Amendment).*

17.3 The *(Department Head or his/her designee or Board of Supervisors)*, may at his/her sole discretion, authorize extensions of time as defined in Section 4.0 (Term of Contract). The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by *(Department to determine what level of management is required to execute this Amendment).*

## **18.0 ASSIGNMENT AND DELEGATION**

No transfer of rights (*i.e.*, a third party to receive payments) is allowed without the County’s written consent first.

No transfer of duties (*i.e.*, a third party to perform services) is allowed without the County’s written consent first.

18.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

18.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

8.2.3 If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

## **19.0 AUTHORIZATION WARRANTY**

[The person signing for Contractor has the full authority to do so.](#)

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

## **20.0 BUDGET REDUCTIONS**

[Allows cut-backs in contract services if the County has severe budget cut-backs.](#)

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to

the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

## **21.0 COMPLAINTS**

[Requires Contractor to receive, investigate, and respond to complaints.](#)

21.1 The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints. Within \_\_\_\_\_ business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to user complaints.

21.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.

21.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within five (5) business days for County approval.

21.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

21.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.

21.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

21.7 Copies of all written responses shall be sent to the County's Project Manager within three (3) business days of mailing to the complainant.

## **22.0 COMPLIANCE WITH APPLICABLE LAW**

[Requires Contractor to obey all laws. If Contractor does not, and the County is harmed, then the Contractor is responsible for payment.](#)

22.1 The Contractor shall comply with all applicable Federal, State, and local laws, rules, regulations, ordinances, and directives, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

22.2 The Contractor shall indemnify and hold harmless the County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, arising from or related to any violation on the part of the Contractor or its employees, agents, or subcontractors of any such laws, rules, regulations, ordinances, or directives.

### **23.0 DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS**

Requires Contractor to repair, or pay for repair of, any damage it causes to County property.

23.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

23.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

### **24.0 FACSIMILE REPRESENTATIONS**

A fax signature is as effective as an original hardcopy.

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to Section 18.0 (Amendments), and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

### **25.0 GOVERNING LAW, JURISDICTION, AND VENUE**

Any lawsuit must be brought in Los Angeles County only. And California law will be applied.

This Contract shall be governed by, and construed in accordance with, the substantive and procedural laws of the State of California. The Contractor agrees

and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **26.0 INDEPENDENT CONTRACTOR STATUS**

Contractor is an independent contractor, and anyone working under this contract is deemed an employee of Contractor.

26.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

26.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

26.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

26.4 The Contractor shall adhere to the provisions stated in Sub-paragraph 7.5 (Confidentiality).

## **27.0 MOST FAVORED PUBLIC ENTITY**

Contractor must give the County its very best pricing.

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **28.0 VALIDITY**

The parties agree to the rule of contract interpretation which allows the Court to disregard invalid clauses so that it may otherwise hold the remaining contract as binding.

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

## **29.0 WAIVER**

The County will not be deemed to have surrendered any of its right or remedies simply because it declines to exercise them.

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Sub-paragraph 8.48 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **30.0 OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT**

The County alone owns all materials created by Contractor under the contract, but not any materials created or acquired outside the contract.

30.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor's work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to the Contractor's work under this Contract.

30.2 During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.

30.3 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.

30.4 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.

30.5 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under Section 30.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by Section 30.3 or for any disclosure which the County is required to make under any state or federal law or order of court.

30.6 All the rights and obligations of this Section 30.0 shall survive the expiration or termination of this Contract.

### **31.0 NON EXCLUSIVITY**

The County may seek the same services from other Contractors.

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict (*Department*) from acquiring similar, equal or like goods and/or services from other entities or sources.

### **32.0 PUBLIC RECORDS ACT**

Project documents are public records.

Contractor understands, acknowledges, and agrees that any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to Sub-paragraph 8.37 - Record Retention and Inspection/Audit Settlement of this Contract, as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County and shall be regarded as public records.



## V. COUNTY PROGRAMS

### 33.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

Contractor must not discriminate based on race, color, creed, ancestry, sex, gender, religion, age, handicap, marital status, political affiliation, or national origin.

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with *Exhibit D - Contractor's EEO Certification*.

### 34.0 COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM

Contractor must pay for five (5) days of jury service by any employee. Certain exceptions apply.

#### 34.1 Jury Service Program:

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached as *Exhibit H* and incorporated by reference into and made a part of this Contract.

#### 34.2 Written Employee Jury Service Policy.

34.2.1 Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

34.2.2 For purposes of this Section 34.0, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an

aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

34.2.3 If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

34.2.4 Contractor's violation of this Sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **35.0 CONFLICT OF INTEREST**

[Contractor must not hire or otherwise pay any County employee who could influence the award of the contract.](#)

35.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

35.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this Sub-paragraph shall be a material breach of this Contract.

### **36.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION**

Neither party can woo away individual employees of the other until at least a year after the contract ends.

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

### **37.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST**

If, during the term of the contract, Contractor needs more personnel for work on this contract, then Contractor must first consider certain County employees.

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

### **38.0 CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS**

If, during the term of the contract, Contractor needs more personnel for work on this contract, then Contractor must first consider certain County employees.

38.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

38.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

## **39.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT**

For inadequate performance, a Contractor may be brought before the County's Debarment Board for an evidentiary hearing. This may result in the Contractor being barred from County work, on this and any other contract, for up to five years.

### **39.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

### **39.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

### **39.3 Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

### **39.4 Contractor Hearing Board**

39.4.1 If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

-The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative

proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

39.4.2 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

39.4.3 If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the County.

39.4.4 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

39.4.5 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

### **39.5 Subcontractors of Contractor**

These terms shall also apply to Subcontractors of County Contractors.

#### **40.0 CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW**

In support of the County's "Safely Surrendered Baby Law," the Contractor must post a program poster in its business office.

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at [www.babysafela.org](http://www.babysafela.org).

#### **41.0 CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

Requires Contractor to comply with wage reporting requirements under child, family, and spousal support laws.

41.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

41.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

#### **42.0 COUNTY'S QUALITY ASSURANCE PLAN**

The County will evaluate Contractor's performance from time to time, and report problems to the Board of Supervisors.

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and

performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

#### **43.0 EMPLOYMENT ELIGIBILITY VERIFICATION**

[Contractor must have documents verifying employment eligibility status for all its employees.](#)

43.1 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 requirements set forth in Federal and State 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 and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or 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 law.

43.2 The Contractor shall indemnify, defend, 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.

#### **44.0 FAIR LABOR STANDARDS**

[Requires Contractor to comply with all wage and hour laws.](#)

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

#### **45.0 NONDISCRIMINATION**

Contractor will not discriminate based on race, color, creed, ancestry, sex, gender, religion, age, handicap, marital status, political affiliation, or national origin.

In effect, this clause is identical to Section xx.x (Compliance with Civil Rights Laws), except that it also includes audit and liquidated damages provisions.

45.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

45.2 The Contractor shall certify to, and comply with, the provisions of *Exhibit D - Contractor's EEO Certification*.

45.3 The Contractor shall ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

45.4 The Contractor certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

45.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.

45.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this Sub-paragraph 8.27 when so requested by the County.

45.7 If the County finds that any provisions of this Sub-paragraph 8.27 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract. While the County reserves the right to determine independently that the anti-discrimination



provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Practices Commission or the Federal Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

45.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

#### **46.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT**

Contractor must inform its employees about the EIC. That can be done by giving them either [1] a W-2 (Wage & Tax Statement) ,which has information about the EIC on the back of the employee's Copy B, or [2] a copy of IRS Notice 797.

The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

#### **47.0 NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW**

Contractor must give each of its employees a copy of Exhibit I (Safely Surrendered Baby Law).

The Contractor shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in *Exhibit I* of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

#### **48.0 NOTICES**

All notices must be in writing.

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the

parties as identified in *Exhibits E - County's Administration and F - Contractor's Administration*. Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The (*Department Head, or his/her designee*) shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

## **49.0 PUBLICITY**

Except for a statement that it has been awarded this contract, Contractor must get the County's written consent before it can otherwise use the County's name in its advertisements.

49.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor's need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

(a) The Contractor shall develop all publicity material in a professional manner; and,

(b) During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

49.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Section 49.0 shall apply.

## **50.0 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT**

Requires Contractor to keep GAAP-compliant project financial records for five years. County is allowed access to those records, and to any audit conducted by another governmental entity.

50.1 The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements,

cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

50.2 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

50.3 Failure on the part of the Contractor to comply with any of the provisions of this Section 50.0 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

50.4 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

*(The following paragraph applies to Living Wage Contracts only)*

50.5 In addition to the above, the Contractor agrees, should the County or its authorized representatives determine, in the County's sole discretion, that it is necessary or appropriate to review a broader scope of the Contractor's records (including, certain records related to non-County contracts) to enable the County to evaluate the Contractor's compliance with the County's Living Wage Program, that the Contractor shall promptly and without delay provide to the County, upon the written request of the County or its authorized representatives, access to and the right to examine, audit, excerpt, copy, or transcribe any and all

transactions, activities, or records relating to any of its employees who have provided services to the County under this Contract, including without limitation, records relating to work performed by said employees on the Contractor's non-County contracts. The Contractor further acknowledges that the foregoing requirement in this subparagraph relative to Contractor's employees who have provided services to the County under this Contract is for the purpose of enabling the County in its discretion to verify the Contractor's full compliance with and adherence to California labor laws and the County's Living Wage Program. All such materials and information, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such materials and information prior to such time. All such materials and information shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such materials and information is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such materials and information at such other location.

#### **51.0 RECYCLED BOND PAPER**

[Contractor must use recycled bond paper whenever possible.](#)

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

#### **52.0 SUBCONTRACTING**

[No subcontracting without the County's advance written consent.](#)

[In effect, subcontracting requirements are already covered by Section 18.0 \(Assignment and Delegation\), as all subcontracts are a delegation of duties.](#)

52.1 The requirements of this Contract may not be subcontracted by the Contractor without the advance approval of the County. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

52.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- (a) A description of the work to be performed by the Subcontractor;
- (b) A draft copy of the proposed subcontract; and,

(c) Other pertinent information and/or certifications requested by the County.

52.3 The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

52.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

52.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.

52.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Subcontractor employees.

52.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Subcontractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.

52.8 The Contractor shall obtain certificates of insurance, which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor. The Contractor shall ensure delivery of all such documents to: \_\_\_\_\_ before any Subcontractor employee may perform any work hereunder.

**53.0 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM**

If Contractor fails to comply with wage reporting requirements under child, family, and spousal support laws [Section 41.0], then the County may terminate the contract for default.

Failure of the Contractor to maintain compliance with the requirements set forth in Section 41.0 (Contractor's Warranty of Adherence to County's Child Support Compliance Program), shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this

Contract pursuant to Sub-paragraph 8.42 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

#### **54.0 TERMINATION FOR IMPROPER CONSIDERATION**

If Contractor paid any County employee, officer, or agent for award of this contract, then the County may cancel the contract.

8.43.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.43.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.43.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

#### **55.0 TERMINATION FOR INSOLVENCY**

County can terminate this contract if Contractor is in serious financial trouble.

55.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- (a) Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;
- (b) The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- (c) The appointment of a Receiver or Trustee for the Contractor; or
- (d) The execution by the Contractor of a general assignment for the benefit of creditors.

55.2 The rights and remedies of the County provided in this Section 55.0 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## **56.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE**

If Contractor violates the lobbying ordinance, then County may terminate the Contract.

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

## **57.0 TERMINATION FOR NON-APPROPRIATION OF FUNDS**

If funds are not appropriated for this contract, then County can terminate it.

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

## **58.0 WARRANTY AGAINST CONTINGENT FEES**

Contractor warrants that no one received any compensation on the side for obtaining this contract.

8.49.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

## **59.0 COMPLIANCE WITH THE COUNTY'S LIVING WAGE PROGRAM**

Contractor must pay a living wage of at least \$11.84 per hour (without a certain level of health care), or \$9.64 (with a certain level of health care). [rates approved 6/15/07]

### **59.1 Living Wage Program:**

This Contract is subject to the provisions of the County's ordinance entitled Living Wage Program as codified in Sections 2.201.010 through 2.201.100 of the Los Angeles County Code, a copy of which is attached as *Exhibit J* and incorporated by reference into and made a part of this Contract.

### **59.2 Payment of Living Wage Rates.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not an "Employer" as defined under the Program (Section 2.201.020 of the County Code) or that the Contractor qualifies for an exception to the Living Wage Program (Section 2.201.090 of the County Code), the Contractor shall pay its Employees no less than the applicable hourly living wage rate, as set forth immediately below, for the Employees' services provided to the County, including, without limitation, "Travel Time" as defined below at subsection 5 of this Subparagraph 9.1.2 under the Contract:

a. Not less than \$9.46 per hour if, in addition to the per-hour wage, the Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents; or

b. Not less than \$8.32 per hour if, in addition to the per-hour wage, the Contractor contributes at least \$1.14 per hour towards the provision of bona fide health care benefits for its Employees and any dependents. The Contractor will be deemed to have contributed \$1.14 per hour towards the provision of bona fide health care benefits if the benefits are provided through the County Department of Health Services Community Health Plan. If, at any time during the Contract, the Contractor contributes less than \$1.14 per hour towards the provision of bona fide health care benefits, the Contractor shall be required to pay its Employees the higher hourly living wage rate.

2. For purposes of this Sub-paragraph, "Contractor" includes any subcontractor engaged by the Contractor to perform services for the County under the Contract. If the Contractor uses any subcontractor to perform services for the County under the Contract, the subcontractor shall be subject to the provisions of this Sub-paragraph. The provisions of this Sub-paragraph shall be inserted into any such subcontract and a copy of the Living Wage Program shall be attached to the subcontract. "Employee" means any individual who is an employee of the Contractor under the laws of California, and who is providing full-time services to the Contractor, some or all of which are provided to the County under the Contract. "Full-time" means a minimum of 40 hours worked per week, or a lesser number of hours, if the lesser number is a recognized



industry standard and is approved as such by the County; however, fewer than 35 hours worked per week will not, in any event, be considered full-time.

3. If the Contractor is required to pay a living wage when the Contract commences, the Contractor shall continue to pay a living wage for the entire term of the Contract, including any option period.

4. If the Contractor is not required to pay a living wage when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exemption status" from the living wage requirement. The Contractor shall immediately notify the County if the Contractor at any time either comes within the Living Wage Program's definition of "Employer" or if the Contractor no longer qualifies for an exception to the Living Wage Program. In either event, the Contractor shall immediately be required to commence paying the living wage and shall be obligated to pay the living wage for the remaining term of the Contract, including any option period. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate to the County's satisfaction that the Contractor either continues to remain outside of the Living Wage Program's definition of "Employer" and/or that the Contractor continues to qualify for an exception to the Living Wage Program. Unless the Contractor satisfies this requirement within the time frame permitted by the County, the Contractor shall immediately be required to pay the living wage for the remaining term of the Contract, including any option period.

5. For purposes of the Contractor's obligation to pay its Employees the applicable hourly living wage rate under this Contract, "Travel Time" shall have the following two meanings, as applicable: 1) With respect to travel by an Employee that is undertaken in connection with this Contract, Travel Time shall mean any period during which an Employee physically travels to or from a County facility if the Contractor pays the Employee any amount for that time or if California law requires the Contractor to pay the Employee any amount for that time; and 2) With respect to travel by an Employee between County facilities that are subject to two different contracts between the Contractor and the County (of which both contracts are subject to the Living Wage Program), Travel Time shall mean any period during which an Employee physically travels to or from, or between such County facilities if the Contractor pays the Employee any amount for that time or if California law requires the Contractor to pay the Employee any amount for that time.

### **59.3 Contractor's Submittal of Certified Monitoring Reports.**

The Contractor shall submit to the County certified monitoring reports at a frequency instructed by the County. The certified monitoring reports shall list all of the Contractor's Employees during the reporting period. The certified monitoring reports shall also verify the number of hours worked, the hourly wage rate paid, and the amount paid by the Contractor for health benefits, if any, for each of its Employees. The certified monitoring reports shall also state the name and identification number of the Contractor's current health care benefits plan,

and the Contractor's portion of the premiums paid as well as the portion paid by each Employee. All certified monitoring reports shall be submitted on forms provided by the County (*Exhibit K and Exhibit L*), or other form approved by the County which contains the above information. The County reserves the right to request any additional information it may deem necessary. If the County requests additional information, the Contractor shall promptly provide such information. The Contractor, through one of its officers, shall certify under penalty of perjury that the information contained in each certified monitoring report is true and accurate.

#### **59.4 Contractor's Ongoing Obligation to Report Labor Law/Payroll Violations and Claims**

During the term of the Contract, if the Contractor becomes aware of any labor law/payroll violation or any complaint, investigation or proceeding ("claim") concerning any alleged labor law/payroll violation (including but not limited to any violation or claim pertaining to wages, hours and working conditions such as minimum wage, prevailing wage, living wage, the Fair Labor Standards Act, employment of minors, or unlawful employment discrimination), the Contractor shall immediately inform the County of any pertinent facts known by the Contractor regarding same. This disclosure obligation is not limited to any labor law/payroll violation or claim arising out of the Contractor's contract with the County, but instead applies to any labor law/payroll violation or claim arising out of any of the Contractor's operations in California.

#### **59.5 County Auditing of Contractor Records.**

Upon a minimum of twenty-four (24) hours' written notice, the County may audit, at the Contractor's place of business, any of the Contractor's records pertaining to the Contract, including all documents and information relating to the certified monitoring reports. The Contractor is required to maintain all such records in California until the expiration of four (4) years from the date of final payment under the Contract. Authorized agents of the County shall have access to all such records during normal business hours for the entire period that records are to be maintained.

#### **59.6 Notifications to Employees.**

The Contractor shall place County-provided living wage posters at each of the Contractor's places of business and locations where the Contractor's Employees are working. The Contractor shall also distribute County-provided notices to each of its Employees at least once per year. The Contractor shall translate posters and handouts into Spanish and any other language spoken by a significant number of Employees.

#### **59.7 Enforcement and Remedies.**

If the Contractor fails to comply with the requirements of this Sub-paragraph, the County shall have the rights and remedies described in this Sub-paragraph in addition to any rights and remedies provided by law or equity.

1. Remedies For Submission of Late or Incomplete Certified Monitoring Reports. If the Contractor submits a certified monitoring report to the County after the date it is due or if the report submitted does not contain all of the required information or is inaccurate or is not properly certified, any such deficiency shall constitute a breach of the Contract. In the event of any such breach, the County may, in its sole discretion, exercise any or all of the following rights/remedies:

Withholding of Payment. If the Contractor fails to submit accurate, complete, timely and properly certified monitoring reports, the County may withhold from payment to the Contractor up to the full amount of any invoice that would otherwise be due, until the Contractor has satisfied the concerns of the County, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

Liquidated Damages. It is mutually understood and agreed that the Contractor's failure to submit an accurate, complete, timely and properly certified monitoring report will result in damages being sustained by the County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for the Contractor's breach. Therefore, in the event that a certified monitoring report is deficient, including but not limited to being late, inaccurate, incomplete or uncertified, it is agreed that the County may, in its sole discretion, assess against the Contractor liquidated damages in the amount of \$100 per monitoring report for each day until the County has been provided with a properly prepared, complete and certified monitoring report. The County may deduct any assessed liquidated damages from any payments otherwise due the Contractor.

Termination. The Contractor's continued failure to submit accurate, complete, timely and properly certified monitoring reports may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.

2. Remedies for Payment of Less Than the Required Living Wage. If the Contractor fails to pay any Employee at least the applicable hourly living wage rate, such deficiency shall constitute a breach of the Contract. In the event of any such breach, the County may, in its sole discretion, exercise any or all of the following rights/remedies:

Withholding Payment. If the Contractor fails to pay one or more of its Employees at least the applicable hourly living wage rate, the County may withhold from any payment otherwise due the Contractor the aggregate difference between the living wage amounts the Contractor was required to pay its Employees for a given pay period and the amount actually paid to the employees for that pay period. The County may withhold said amount until the Contractor has satisfied

the County that any underpayment has been cured, which may include required submittal of revised certified monitoring reports or additional supporting documentation.

Liquidated Damages. It is mutually understood and agreed that the Contractor's failure to pay any of its Employees at least the applicable hourly living wage rate will result in damages being sustained by the County. It is also understood and agreed that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein are the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damages are not intended as a penalty or forfeiture for the Contractor's breach. Therefore, it is agreed that the County may, in its sole discretion, assess against the Contractor liquidated damages of \$50 per Employee per day for each and every instance of an underpayment to an Employee. The County may deduct any assessed liquidated damages from any payments otherwise due the Contractor.

Termination. The Contractor's continued failure to pay any of its Employees the applicable hourly living wage rate may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.

3. Debarment. In the event the Contractor breaches a requirement of this Sub-paragraph, the County may, in its sole discretion, bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach, in accordance with Los Angeles County Code, Chapter 2.202, Determinations of Contractor Non-Responsibility and Contractor Debarment.

### **59.8 Use of Full-Time Employees.**

The Contractor shall assign and use full-time Employees of the Contractor to provide services under the Contract unless the Contractor can demonstrate to the satisfaction of the County that it is necessary to use non-full-time Employees based on staffing efficiency or County requirements for the work to be performed under the Contract. It is understood and agreed that the Contractor shall not, under any circumstance, use non-full-time Employees for services provided under the Contract unless and until the County has provided written authorization for the use of same. The Contractor submitted with its proposal a full-time Employee staffing plan. If the Contractor changes its full-time Employee staffing plan, the Contractor shall immediately provide a copy of the new staffing plan to the County.

### **59.9 Contractor Retaliation Prohibited.**

The Contractor and/or its Employees shall not take any adverse action which would result in the loss of any benefit of employment, any contract benefit, or any statutory benefit for any Employee, person or entity who has reported a violation of the Living Wage Program to the County or to any other public or private

agency, entity or person. A violation of the provisions of this Sub-paragraph may constitute a material breach of the Contract. In the event of such material breach, the County may, in its sole discretion, terminate the Contract.

#### **59.10 Contractor Standards.**

During the term of the Contract, the Contractor shall maintain business stability, integrity in employee relations and the financial ability to pay a living wage to its employees. If requested to do so by the County, the Contractor shall demonstrate to the satisfaction of the County that the Contractor is complying with this requirement.

#### **59.11 Employee Retention Rights**

*(Note: This Sub-paragraph applies only if the contract involves the provision of services that were previously provided by a Contractor under a predecessor Proposition A contract or a predecessor cafeteria services contract, which predecessor contract was terminated by the County prior to its expiration.)*

1. The Contractor shall offer employment to all retention employees who are qualified for such jobs. A “retention employee” is an individual:
  - (a) Who is not an exempt employee under the minimum wage and maximum hour exemptions defined in the federal Fair Labor Standards Act; and
  - (b) Who has been employed by a Contractor under a predecessor Proposition A contract or a predecessor cafeteria services contract with the County for at least six months prior to the date of this new Contract, which predecessor contract was terminated by the County prior to its expiration; and
  - (c) Who is or will be terminated from his or her employment as a result of the County entering into this new contract.
2. The Contractor is not required to hire a retention employee who:
  - (a) Has been convicted of a crime related to the job or his or her performance; or
  - (b) Fails to meet any other County requirement for employees of a Contractor.
3. The Contractor shall not terminate a retention employee for the first 90 days of employment under the contract, except for cause. Thereafter, the Contractor may retain a retention employee on the same terms and conditions as the Contractor’s other employees.

#### **59.12 Neutrality in Labor Relations**

The Contractor shall not use any consideration received under the Contract to hinder, or to further, organization of, or collective bargaining activities by or on behalf of the Contractor’s employees, except that this restriction shall not apply to

any expenditure made in the course of good faith collective bargaining, or to any expenditure pursuant to obligations incurred under a bona fide collective bargaining Contract, or which would otherwise be permitted under the provisions of the National Labor Relations Act.

#### **60.0 CONTRACTOR'S OBLIGATIONS AS A "BUSINESS ASSOCIATE" UNDER HEALTH INSURANCE PORTABILITY & ACCOUNTABILITY ACT OF 1996 (HIPAA)**

If Contractor will be handling medical records, then it must sign Exhibit N [Obligations under HIPAA].

The County is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Under this Contract, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in *Exhibit N* in order to provide those services. The County and the Contractor therefore agree to the terms of *Exhibit N, Contractor's Obligations As a "Business Associate" Under Health Insurance Portability & Accountability Act of 1996 (HIPAA)*.

#### **61.0 LOCAL SMALL BUSINESS ENTERPRISE (SBE) PREFERENCE PROGRAM**

Contractor must not falsely represent itself as a Local Small Business, including for purposes of award of this contract or SBE certification.

61.1 This Contract is subject to the provisions of the County's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.

62.2 The Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.

63.3 The Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.

64.4 If the Contractor has obtained County certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such

certification has been awarded this contract to which it would not otherwise have been entitled, shall:

- (a) Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
- (b) In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
- (c) Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).
- (d) The above penalties shall also apply if the Contractor is no longer eligible for certification as a result in a change of their status and the Contractor failed to notify the State and the County's Office of Affirmative Action Compliance of this information.

*(Paragraph 9.6 Contractor's Charitable Activities Compliance is required for all Social Services Departments. Additionally, if the services being solicited historically receive responses from Nonprofit Agencies, this provision should also be included.)*

## **62.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE**

[Contractor must complete and sign Exhibit O \(Charitable Contributions Certificate\).](#)

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Contractors to complete the Charitable Contributions Certification, Exhibit O, the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A Contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR: ( \_\_\_\_\_ Name \_\_\_\_\_ )

By \_\_\_\_\_  
Name

\_\_\_\_\_  
Title

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
(Mayor/Chairman), Board of Supervisors

ATTEST:  
Executive Officer-Clerk  
of the Board of Supervisors

By \_\_\_\_\_

APPROVED AS TO FORM:  
County Counsel

By \_\_\_\_\_  
Deputy County Counsel