

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and Solutions West Consulting having its principal place of business at 1819 K Street, Suite 250, Sacramento, CA 95814 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** Karin Traber at phone number 805 346-8218 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Renee Carter at phone number 916 326 5252 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by first class mail, postage prepaid, or otherwise delivered as follows:

To COUNTY: Karin Traber, Information Technology Manager, Senior
2125 S Centerpointe Parkway
Santa Maria, CA 93455

To CONTRACTOR: Renee Carter, CEO
1819 K Street, Suite 250
Sacramento, CA 95814

or at such other address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail.

3. **SCOPE OF SERVICES.** CONTRACTOR agrees to provide services to COUNTY in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance effective 3/11/08, or upon receiving approval of the Board of Supervisors, whichever is later, and end performance upon completion, but no later than 9/30/08 unless otherwise directed by COUNTY or unless earlier terminated.

5. **COMPENSATION OF CONTRACTOR.** CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by COUNTY and which is delivered to the address given in Section 2 **NOTICES** above following completion of the increments identified on EXHIBIT B. Unless otherwise specified on EXHIBIT B, payment shall be net thirty (30) days from presentation of invoice.

6. **INDEPENDENT CONTRACTOR.** CONTRACTOR shall perform all of its services under this Agreement as an independent contractor and not as an employee of COUNTY. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards

observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. **TAXES.** COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

9. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR.

10. **RESPONSIBILITIES OF COUNTY.** COUNTY shall provide all information reasonably necessary by CONTRACTOR in performing the services provided herein.

11. **OWNERSHIP OF DOCUMENTS.** COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, and any material necessary for the practical use of the data and/or documents from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any materials under this section except after prior written approval of COUNTY.

No materials produced in whole or in part under this Agreement shall be subject to copyright in the United States or in any other country except as determined at the sole discretion of COUNTY. COUNTY shall have the unrestricted authority to publish, disclose, distribute, and otherwise use in whole or in part, any reports, data, documents or other materials prepared under this Agreement.

12. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. In accordance with Federal Government Accounting Standards, CONTRACTOR will only seek reimbursement from COUNTY for expenses that are allowable under the provisions of OMB Circular A-87. Additionally, CONTRACTOR is required to have an audit that complies with OMB Circular A-133. Within 60 days of the opinion date, CONTRACTOR will provide COUNTY with a copy of the single audit conducted in accordance with OMB Circular A-133.

13. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR shall agree to defend, indemnify and save harmless the COUNTY and to procure and maintain insurance in accordance with the provisions of EXHIBIT C attached hereto and incorporated herein by reference.

14. **NONDISCRIMINATION.** COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to

this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CONTRACTOR agrees to comply with said ordinance.

15. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive Agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the COUNTY desires.

16. **ASSIGNMENT.** CONTRACTOR shall not assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

17. **TERMINATION.**

A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience or because of the failure of CONTRACTOR to fulfill the obligations herein. At the end of the notice period, CONTRACTOR shall immediately discontinue all services effected, and deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process.

1. For Convenience. COUNTY may terminate this Agreement upon thirty (30) days written notice. Following notice of such termination, CONTRACTOR shall promptly cease work and notify COUNTY as to the status of its performance.

Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for service performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not effect any right or remedy which COUNTY may have in law or equity.

2. For Cause. Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate this Agreement by written notice, which shall be effective upon receipt by CONTRACTOR.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

18. **SECTION HEADINGS.** The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

19. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

21. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. **NO WAIVER OF DEFAULT.** No delay or omission of COUNTY to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

23. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

24. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

25. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at his sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY be a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

26. **CALIFORNIA LAW.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

27. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

28. **AUTHORITY.** All parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CONTRACTOR hereby warrants that it shall not have breached the terms or conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

29. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

30. **NONAPPROPRIATION CLAUSE.** In the event that funds are not appropriated, budgeted, or otherwise made available in the consecutive years of this Agreement, then COUNTY shall immediately notify CONTRACTOR of such occurrence and the Agreement may be terminated by COUNTY. Subsequent to the termination of this Agreement under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.

31. **BUSINESS ASSOCIATE.** The County is considered to be a "Hybrid Entity" under the Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C. 1320d et seq. and its implementing regulations including but not limited to 45 Code of Federal Regulations parts 142, 160, 162, and 164, ("Privacy Rule and Security Rule"). The Contractor is considered to be a "Business Associate" under the Privacy Rule. Contractor must also comply with the Security Rule as a Business Associate, if under this Agreement, it receives, maintains or transmits any health information in electronic form in connection with a transaction covered by part 162 of title 45 of the Code of Federal Regulations.

The County and Contractor acknowledge that HIPAA mandates them to enter into a business associate agreement in order to safeguard protected health information that may be accessed during the performance of this Agreement. The parties agree to the terms and conditions set forth in Exhibit E - HIPAA Business Associate Agreement.

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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and Solutions West Consulting.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CONTRACTOR

By: _____
Deputy

By: _____
SocSec or TaxID Number: _____

APPROVED AS TO FORM:
DANIEL J. WALLACE
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:
RISK MANAGEMENT

By: _____
Risk Management

EXHIBIT A

STATEMENT OF WORK

I. Purpose

The purpose of this agreement is for the Contractor to provide case file preparation of Medi-Cal and Food Stamp cases for electronic imaging and validate a portion, once imaged from paper form to electronic form. This contract will enable the Department of Social Services (DSS) to meet their goals for implementing a Medi-Cal and Food Stamp Benefits Service Center (BSC). Contractor has significant experience in case file management, training, welfare business processes, Medi-Cal and Food Stamp data, and the CalWIN System.

II. Background

The County wishes to implement a Medi-Cal and Food BSC to support business process changes that will maximize resources and improve customer service. A pre-requisite to the BSC, requires all cases in this environment be electronically imaged for easy access by telephone and case workers in this environment.

III. Project Overview

Contractor will provide training, project management services and case preparation services by working in conjunction with the County Reprographic Services Department in support of DSS' goal of implementing a Medi-Cal and Food Stamp BSC which fully utilizes electronic case files.

IV. Scope of Services:

Contractor Services include, but are not limited to the following:

A. Provide Medi-Cal and Food Stamp Case Preparation Expertise

Project Management

Contractor will:

- Work with 'DSS' project manager, County Reprographics Manager and assigned staff to confirm the baseline project plan and associated tasks to complete the case preparation work. Contractor's successful process assumes collaboration and support from parts of the DSS organization and the County Reprographic Services Department

Ongoing Project Management

Contractor will:

- Provide input and guidance on the utilization of the project plan. Maintain responsibility for consolidating and updating ongoing project plans to ensure timely completion of all related tasks.
- Follow up and escalate as necessary to ensure completion of tasks on time and on budget.

- Coordinate weekly implementation meetings, ensure the project plan is updated and communicated to all participants.

Design, Implementation and Staffing Detail

Contractor will:

- Recruit, evaluate and hire staff appropriate to meet the demand of the case preparation volume and timeline.
- Work on-site in Santa Barbara Office to perform all case preparation work or in other sites at the mutual agreement of DSS and the Contractor.
- Provide a supervisor to oversee the onsite preparation team and will be assisted by DSS staff person on-site in Santa Barbara.
- Develop the initial design, business process model and organization of the case preparation work, as well as develop case selection criteria.
- Support this effort by communicating the overall case preparation plan, identifying requirements and working with DSS resources to identify all processes, resources, plans, tracking methodologies and appropriate reports to ensure a successful process and working relationship between the preparation effort and the scanning effort.
- Ensure staff hired to do case preparation work sign and adhere to a DSS Confidentiality Statement.

Technology Requirements:

Contractor will:

- Inform DSS during the planning process of all equipment, software and other materials needed to successfully complete the work.

B. Provide Process Documentation Expertise and Deliverables

Quality Assurance

The Business Process and Operations design will need to ensure that prepared and scanned Medi-Cal and Food Stamp files delivered to our County Reprographic Services Department and return in electronic format maintain their file integrity, readability and retrievability by working in conjunction with the scanning staff and performing the minimum required quality assurance on an identified percentage of cases sent for scanning.

Contractor will:

- Provide templates for the documentation of all work flow processes required for the case preparation and scanning functions by working with DSS staff and County Reprographic Services Department.
- Design and implement a Quality Control process to meet the performance measures indicated in Exhibit A1.
- Deliver customized tracking forms that assist in managing the flow of files to and from each DSS office and to and from the scanning department.
- Be responsible for ensuring staff adherence to the identified process for case preparation.
- Prepare paper source media for scanning consistent with all the specifications that follow:
 - Remove documents from folders.
 - Remove staples, clips, binders, or other fasteners.
 - Repair torn or deteriorated media. This may require pages to be photocopied and refilled with the case.
 - Remove pages that are not to be scanned. County personnel must assist in this identification and process.
 - Generate separator sheets from a DSS provided software application for cases being prepared.
 - Ensure that document separator sheets have been properly inserted for each document.
 - Batch cases and box to stage for courier pick-up and delivery to the County Reprographic Services Department in downtown Santa Barbara.
- Provide a file tracking methodology to ensure that it is known what cases are in what part of the preparation or scanning process.
- Provide a methodology to ensure that imaged documents are correctly indexed and classified and accessible from the Doc STAR System and cross referenced to the CalWIN system.
- Allow for Emergency Requests for Documents: If documents are required that have been prepared and not yet scanned, they will be assigned a “priority” designation and processed as the next batch.

County will:

- Provide one staff person for preparation, one project manager and one business process expert to this effort.
- County will participate in the entire planning, preparing, QA process, and will interact with the vendor as needed to ensure successful case preparation and imaging of all files.

C. Provide Training and Curriculum

Working with county staff it will be necessary to ensure standards and production are met by providing clear procedures and training to all staff involved in the case preparation effort.

Contractor will:

- Lead the development and training of all processes related to the case preparation effort.

V. General Contract Provisions

- A. Budget Variances – Contractor shall obtain the expressed written consent from the County for any variation in the budget costs by month, and/or budgeted as described in Exhibit B1 Schedule of Fees. Reasonable and necessary changes will be considered, but in no event will the overall budget amount be exceeded without a formal amendment to the contract.
- B. Contractor will obtain prior written approval from County, prior to purchasing any furniture, equipment, EDP hardware or software funded through this contract. Contractor will return to County upon expiration or termination of this contract all furniture, equipment, EDP hardware or software purchased or provided to Contractor under this contract.
- C. Training Materials- County obtains the rights to duplicate the Contractor training materials for use with subsequent client service representative training classes. This right does not extend outside of the County Medi-Cal and Food Stamp Benefits Service Center.

VI. Performance Measures

- A. Performance measures and timeline requirements have been negotiated with Contractor and are set forth in Exhibit A1. Contractor payment will be tied to these deliverables.
- B. County and Contractor may evaluate the effectiveness of the measures established in the statement of work within 90 days of the effective date of this agreement. If necessary to obtain meaningful data about service delivery, the benchmarks may be amended by mutual agreement between the Designated Representatives of this agreement.
- C. Performance standards are met by collaboration between Contractor and the County Designated Representative. Contractor intends to manage this project to meet and/or exceed stated performance measures. There are, however, unexpected circumstances that are out of Contractor's control that can significantly impact the accomplishment of these stated performance measures. Based on this, Contractor has the right to provide County ample written notice of the circumstance that is expected to impact the meeting of these performance measures. At that point Contractor would expect to work with County to come to agreement on revised timelines and associated performance measures. If it is mutually agreed between Contractor and County that the delay was beyond Contractor's control then the County will consider not enforcing penalties for non-compliance of performance measures.

EXHIBIT A1

PERFORMANCE MEASURES AND TIMELINE FOR PERFORMANCE

TIMELINE	PERFORMANCE MEASURE	TIME OF MEASUREMENT	PERFORMANCE MEASURE REQUIREMENT
April 2008	1. Prepare no less than 5150 cases to be scanned by April 30, 2008.	Measured 5/08 Holdback Released 5/08	FAILED=Performance Measure (<=5150) ACHIEVED=Performance Measure (>=5150)
	2. Randomly select and validate no less than 30% of the cases imaged in April 2008 by comparing CalWIN with Doc STAR.	Measured 5/08 Holdback Released 5/08	FAILED= Performance Measure (<=30% of the cases imaged in April 2008) ACHIEVED= Performance Measure (>=30% of the cases imaged in April 2008)
May 2008	3. Prepare no less than 11,650 cases to be scanned by May 31, 2008.	Measured 6/08 Holdback Released 6/08	FAILED= Performance Measure (<=11,650) ACHIEVED= Performance Measure (>=11,650)
	4. Randomly select and validate no less than 30% of the cases imaged in May 2008 by comparing CalWIN with Doc STAR.	Measured 6/08 Holdback Released 6/08	FAILED= Performance Measure (<=30% of the cases imaged in May 2008) ACHIEVED= Performance Measure (>=30% of the cases imaged in May 2008)
June 2008	5. Prepare no less than 18,150 cases to be scanned by June 30, 2008.	Measured 7/08 Holdback Released 7/08	FAILED= Performance Measure (<=18,150) ACHIEVED= Performance Measure (>=18,150)
	6. Randomly select and validate no less than 30% of the cases imaged in June 2008 by comparing CalWIN with Doc STAR.	Measured 7/08 Holdback Released 7/08	FAILED= Performance Measure (<=30% of the cases imaged in June) ACHIEVED= Performance Measure (>=30% of the cases imaged in June)
July 2008	7. Prepare no less than 24,650 cases to be scanned by July 31, 2008.	Measured 8/08 Holdback Released 08/08	FAILED= Performance Measure (<=24,650) ACHIEVED= Performance Measure (>=24,650)
	8. Randomly select and validate no less than 30% of the cases imaged in July 2008 by comparing CalWIN with Doc STAR.	Measured 8/08 Holdback Released 08/08	FAILED= Performance Measure (<=30% of the cases imaged in July) ACHIEVED= Performance Measure (>=30% of the cases imaged in July)

TIMELINE	PERFORMANCE MEASURE	TIME OF MEASUREMENT	PERFORMANCE MEASURE REQUIREMENT
August 2008	9. Prepare no less than 31,150 cases to be scanned by August 31, 2008.	Measured 9/08 Holdback Released 9/08	FAILED= Performance Measure ($\leq 31,150$) ACHIEVED= Performance Measure ($\geq 31,150$)
	10. Randomly select and validate no less than 30% of the cases imaged in August 2008 by comparing CalWIN with Doc STAR.	Measured 9/08 Holdback Released 9/08	FAILED= Performance Measure ($\leq 30\%$ of the cases imaged in August 2008) ACHIEVED= Performance Measure ($\geq 30\%$ of the cases imaged in August 2008)
September 2008	11. Prepare no less than 37,650 cases to be scanned by September 30, 2008.	Measured 10/08 Holdback Released 10/08	FAILED= Performance Measure ($\leq 37,650$) ACHIEVED= Performance Measure ($\geq 37,650$)
	12. Randomly select and validate no less than 30% of the cases imaged in September 2008 comparing CalWIN with Doc STAR.	Measured 10/08 Holdback Released 10/08	FAILED= Performance Measure ($\leq 30\%$ of the cases imaged in September 2008) ACHIEVED= Performance Measure ($\geq 30\%$ of the cases imaged in September 2008)

EXHIBIT B

PAYMENT ARRANGEMENTS Periodic Compensation

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$ **370,944**.
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY.
- C. Monthly, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed over the period specified. These invoices or certified claims must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of presentation.
- D. COUNTY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

Penalty for Failure to Meet Performance Measures

If any one performance measure is not met, Contractor will incur a penalty of \$4636. This amount will not be reimbursed to the contractor.

Performance Measures

1. Prepare no less than 5150 cases to be scanned by April 30, 2008.
2. Randomly select and validate no less than 30% of the cases imaged in the month of April 2008 by comparing CalWIN with Doc STAR.
3. Prepare no less than 11,650 cases to be scanned by May 31, 2008.
4. Randomly select and validate no less than 30% of the cases imaged in the month of May 2008 by comparing CalWIN with Doc STAR.
5. Prepare no less than 18,150 cases to be scanned by June 30, 2008.
6. Randomly select and validate no less than 30% of the cases imaged in the month of June 2008 by comparing CalWIN with Doc STAR.
7. Prepare no less than 24,650 cases to be scanned by July 31, 2008.
8. Randomly select and validate no less than 30% of the cases imaged in the month of July 2008 by comparing CalWIN with Doc STAR.
9. Prepare no less than 31,150 cases to be scanned by August 31, 2008.
10. Randomly select and validate no less than 30% of the cases imaged in the month of August 2008 by comparing CalWIN with Doc STAR.
11. Prepare no less than 37,650 cases to be scanned by September 30, 2008.
12. Randomly select and validate no less than 30% of the cases imaged in the month of September 2008 by comparing CalWIN with Doc STAR.

EXHIBIT B1

SCHEDULE OF FEES

Month	Detail	FY07/08	FY08/09	Monthly Budget	Performance Measure/ Deliverable	Penalty for Non-Compliance of Performance Measure	Holdback Amount Released (Approximate Date Subject to Completion of PM/ Deliverable)
April	\$92/hr Project Manager \$23/hr Temp Staff	X		\$52,552	1. Prepare no less than 5150 cases to be scanned by April 30, 2008.	\$4636	\$4636
					2. Randomly select and validate no less than 30% of the cases imaged in April 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 5/08
May	\$92/hr Project Manager \$23/hr Temp Staff	X		\$52,552	3. Prepare no less than 11,650 cases to be scanned by May 31, 2008.	\$4636	\$4636
					4. Randomly select and validate no less than 30% of the cases imaged in the month of May 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 6/08
June	\$92/hr Project Manager \$23/hr Temp Staff	X		\$52,552	5. Prepare no less than 18,150 cases to be scanned by June 30, 2008.	\$4636	\$4636
					6. Randomly select and validate no less than 30% of the cases imaged in the month of June 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 7/08
July	\$92/hr Project Manager \$23/hr Temp Staff		X	\$52,552	7. Prepare no less than 24,650 cases to be scanned by July 31, 2008.	\$4636	\$4636
					8. Randomly select and validate no less than 30% of the cases imaged in the month of July 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 8/08

Month	Detail	FY07/08	FY08/09	Monthly Budget	Performance Measure/ Deliverable	Penalty for Non-Compliance of Performance Measure	Holdback Amount Released (Approximate Date Subject to Completion of PM/ Deliverable)
August	\$92/hr Project Manager \$23/hr Temp Staff		X	\$52,552	9. Prepare no less than 31,150 cases to be scanned by August 31, 2008.	\$4636	\$4636
					10. Randomly select and validate no less than 30% of the cases imaged in the month of August 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 9/08
September	\$92/hr Project Manager \$23/hr Temp Staff		X	\$52,552	11. Prepare no less than 37,650 cases to be scanned by September 30, 2008.	\$4636	\$4636
					12. Randomly select and validate no less than 30% of the cases imaged in the month of September 2008 by comparing CalWIN with Doc STAR.	\$4636	\$4636 10/08
Total				\$315,312			\$55,632
Total Subject to Holdback						\$55,632	

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS for contracts requiring professional liability insurance

I. INDEMNIFICATION

Indemnification:

CONTRACTOR shall defend, indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities arising out of this Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him; except those claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities resulting from the sole negligence or willful misconduct of the COUNTY.

CONTRACTOR shall notify the COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement.

INSURANCE

Without limiting the CONTRACTOR's indemnification of the COUNTY, CONTRACTOR shall procure the following required insurance coverages at its sole cost and expense. All insurance coverages are to be placed with insurers which (1) have a Best's rating of no less than A: VII, and (2) are admitted insurance companies in the State of California. All other insurers require the prior approval of the COUNTY. Such insurance coverage shall be maintained during the term of this Agreement. Failure to comply with the insurance requirements shall place CONTRACTOR in default. Upon request by the COUNTY, CONTRACTOR shall provide a certified copy of any insurance policy to the COUNTY within ten (10) working days.

1. Workers' Compensation Insurance. Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the COUNTY. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by Department of Industrial Relations for State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the COUNTY stating that fact.
2. General and Automobile Liability Insurance. The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises, operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the Contractor in the indemnity and hold harmless provisions [above] of the Indemnification Section of this Agreement between COUNTY and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTORS shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY, its officers, employees, and agents shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the

policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. Any deductible or Self-Insured Retention {SIR} over \$10,000 requires approval by the COUNTY.

Said policy or policies shall include severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

"Such insurance as is afforded by this policy shall be primary and if the County has other valid and collectible insurance, that other insurance shall be excess and non-contributory."

If the policy providing liability coverage is on a 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three years following completion of the performance or attempted performance of the provisions of this agreement. Said policy or policies shall provide that the COUNTY shall be given thirty (30) days written notice prior to cancellation or expiration of the policy or reduction in coverage.

3. Professional Liability Insurance. Professional liability insurance shall include coverage for the activities of CONTRACTOR's professional staff with a combined single limit of not less than \$1,000,000 per occurrence or claim and \$2,000,000 in the aggregate. Said policy or policies shall provide that COUNTY shall be given thirty (30) days written notice prior to cancellation, expiration of the policy, or reduction in coverage. If the policy providing professional liability coverage is a on 'claims-made' form, the CONTRACTOR is required to maintain such coverage for a minimum of three (3) years (ten years [10] for Construction Defect Claims) following completion of the performance or attempted performance of the provisions of this agreement.

CONTRACTOR shall submit to the office of the designated COUNTY representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. COUNTY shall maintain at current certificate(s) of insurance all times in the office of the designated County representative as a condition precedent to any payment under this Agreement. Approval of insurance by COUNTY or acceptance of the certificate of insurance by COUNTY shall not relieve or decrease the extent to which the contractor may be held responsible for payment of damages resulting from CONTRACTOR'S services of operation pursuant to the contract, nor shall it be deemed a waiver of COUNTY'S rights to insurance coverage hereunder

In the event the CONTRACTOR is not able to comply with the COUNTY'S insurance requirements, COUNTY may, at their sole discretion and at the CONTRACTOR'S expense, provide compliant coverage.

The above insurance requirements are subject to periodic review by the COUNTY. The COUNTY's Risk Manager is authorized to change the above insurance requirements, with concurrence with County Counsel, to include additional types of insurance coverage or higher coverage limits, provided that such change is reasonable based on changed risk of loss or in light of past claims against the COUNTY or inflation. This option may be exercised during any amendment of this Agreement that results in an increase in the nature of COUNTY's risk and such change of provisions will be in effect for the term of the amended Agreement. Such change pertaining to types of insurance coverage or higher coverage limits must be made by written amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of acceptance of the amendment or modification.

**EXHIBIT D
YEAR 2000 DATE CHANGE COMPLIANCE WARRANTY
FOR GOODS AND SERVICES**

---- INTENTIONALLY OMITTED ----

**REMOVED
March 1, 2004**

THIS AGREEMENT DOES NOT INCLUDE EXHIBIT D

EXHIBIT E

HIPAA Business Associate Agreement

1. Use and Disclosure of Protected Health Information

Except as otherwise provided in this Exhibit, the Contractor may use or disclose protected health information ("PHI")¹ to perform functions, activities or services for or on behalf of the County, as specified in the underlying agreement, provided that such use or disclosure does not violate HIPAA or other law. The uses and disclosures of PHI may not exceed the limitations applicable to the County under the regulations except as authorized for management, administrative or legal responsibilities of the Contractor. PHI includes without limitation "Electronic Protected Health Information" ("EPHI")².

2. Further Disclosure of PHI

The Contractor shall not use or further disclose PHI other than as permitted or required by the underlying Agreement, or as required by law.

3. Safeguarding PHI

The Contractor shall use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by the underlying Agreement. Contractor shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of EPHI that Contractor creates, receives, maintains or transmits on behalf of County. The actions taken by the Contractor to safeguard EPHI shall include, but may not be limited to:

- a. Encrypting EPHI that it stores and transmits;
- b. Implementing strong access controls, including physical locks, firewalls, and strong passwords;
- c. Using antivirus software that is upgraded regularly;
- d. Adopting contingency planning policies and procedures, including data backup and disaster recovery plans; and
- e. Conducting periodic security training.

4. Unauthorized Use or Disclosure of PHI

The Contractor shall report to the County any use or disclosure of the PHI not provided for by the underlying Agreement or otherwise in violation of the Privacy Rule or Security Rule. Contractor shall report to County any security incidents within 10 days of becoming aware of such incidents. For purposes of this paragraph, "security incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system.

5. Agents and Subcontractors of the Business Associate

The Contractor shall ensure that any agent, including a subcontractor, to which the Contractor provides PHI received from, or created or received by the Contractor on behalf of the County, shall comply with the same restrictions and conditions that apply through the underlying Agreement to the Contractor with respect to such information. The Contractor shall ensure that any agent to whom it provides PHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such PHI. Contractor shall not use subcontractors or agents, unless it receives prior written consent from County.

E_____

¹ "Protected Health Information" means individually identifiable health information including, without limitation, all information, data, documentation and materials, including without limitation, demographic, medical and financial information, that relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present, or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

² "Electronic Protected Health Information" means Protected Health Information, which is transmitted by Electronic Media (as defined in the HIPAA Security and Privacy Rule) or maintained in Electronic Media.

(Co of SB Std Terms Ver 03-15-05)

6. Access to PHI

At the request of the County, and in the time and manner designated by the County, the Contractor shall provide access to PHI in a Designated Record Set to an Individual or the County to meet the requirements of 45 Code of Federal Regulations section 164.524.

7. Amendments to Designated Record Sets

The Contractor shall make any amendment(s) to PHI in a Designated Record Set that the County directs or at the request of the Individual, and in the time and manner designated by the County in accordance with 45 Code of Federal Regulations section 164.526.

8. Documentation of Uses and Disclosures

The Contractor shall document such disclosures of PHI and information related to such disclosures as would be required for the County to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528. Contractor agrees to implement a process that allows for an accounting to be collected and maintained by Contractor and its agents or subcontractors for at least six years prior to the request, but not before the compliance date of the Privacy Rule.

9. Accounting of Disclosure

The Contractor shall provide to the County or an Individual, in the time and manner designated by the County, information collected in accordance with 45 Code of Federal Regulations section 164.528, to permit the County to respond to a request by the Individual for an accounting of disclosures of PHI in accordance with 45 Code of Federal Regulations section 164.528.

10. Records Available to Covered Entity and Secretary

The Contractor shall make available records related to the use, disclosure, security and privacy protection of PHI received from the County, or created or received by the Contractor on behalf of the County, to the County or to the Secretary of the United State Department of Health and Human Services for purposes of investigating or auditing the County's compliance with the HIPAA privacy and security regulations, in the time and manner designated by the County or the Secretary.

11. Destruction of PHI

a. Upon termination of the underlying Agreement for any reason, the Contractor shall:

- (1) Return all PHI received from the County, or created or received by the Contractor on behalf of the County required to be retained by the Privacy Rule; or
- (2) Return or destroy all other PHI received from the County, or created or received by the Contractor on behalf of the County.

This provision also shall apply to PHI in possession of subcontractors or agents of the Contractor. The Contractor, its agents or subcontractors shall retain no copies of the PHI. However, Contractor, its agents or subcontractors shall retain all protected information throughout the term of the underlying Agreement and shall continue to maintain the information required under Section 8 of this Exhibit for a period of six years after termination of the underlying Agreement.

b. In the event the Contractor determines that returning or destroying the PHI is not feasible, the Contractor shall provide the County notification of the conditions that make return or destruction not feasible. If the County agrees that the return of the PHI is not feasible, the Contractor shall extend the protections of this Exhibit to such PHI and limit further use and disclosures of such PHI for so long as the Contractor, or any of its agents or subcontractors, maintains such PHI.

12. Amendments

(Co of SB Std Terms Ver 03-15-05)

The Parties agree to take such action as is necessary to amend the underlying Agreement as necessary for the County to comply with the requirements of the Privacy Rule and its implementing regulations.

13. Mitigation of Disallowed Uses and Disclosures

The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the underlying Agreement or the Privacy Rule.

14. Termination of Agreement

The County shall terminate the underlying Agreement upon knowledge of a material breach by the Contractor of which the Contractor fails to cure.

15. Definitions

Terms used, but not otherwise defined, in this Exhibit shall have the same meaning as those in the Privacy Rule.

16. Interpretation

Any ambiguity in this Exhibit shall be resolved to permit County to comply with the Privacy Rule and Security Rule.

Contract Summary Form: Contract Number : _____ - _____ - _____ - _____

D1. Fiscal Year : FY07/08; FY 08/09
D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) : 044
D3. Requisition Number :
D4. Department Name : Social Services
D5. Contact Person : Judy Doughty
D6. Phone : 346-7302

K1. Contract Type (check one): Personal Service Capital Project/Construction
K2. Brief Summary of Contract Description/Purpose :
K3. Original Contract Amount : \$370,944
K4. Contract Begin Date : 3/11/07
K5. Original Contract End Date : 9/30/08
K6. Amendment History (leave blank if no prior amendments):

Seq# EffectiveDate ThisAmndtAmt CumAmndtToDate NewTotalAmt NewEndDate Purpose
(2-4 words)

\$ \$ \$

K7. Department Project Number :

B1. Is this a Board Contract? (Yes/No) : Yes
B2. Number of Workers Displaced (if any): N/A
B3. Number of Competitive Bids (if any) : 1
B4. Lowest Bid Amount (if bid) : N/A
B5. If Board waived bids, show Agenda Date :
B6. ... and Agenda Item Number : #
B7. Boilerplate Contract Text Unaffected? (Yes / or cite ¶¶) :

F1. Encumbrance Transaction Code : 1701
F2. Current Year Encumbrance Amount : \$
F3. Fund Number : 0055
F4. Department Number : 044
F5. Division Number (if applicable) : 5810
F6. Account Number : 7322
F7. Cost Center number (if applicable) :
F8. Payment Terms : Net 30

V1. Vendor Numbers (A=uditor; P=urchasing) :
V2. Payee/Contractor Name : Solutions West Consulting
V3. Mailing Address : 1819 K Street
V4. City State (two-letter) Zip (include +4 if known) : Sacramento, CA 95814
V5. Telephone Number : 916 326 5252
V6. Contractor's Federal Tax ID Number (EIN or SSN) : 94-3282484
V7. Contact Person : Rene Carter
V8. Workers Comp Insurance Expiration Date : 2/1/09
V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) : 12/6/08
V10. Professional License Number : N/A
V11. Verified by (name of County staff) : Judy Doughty

V12. Company Type (Check one): Individual Sole Proprietorship Partnership Corporation

I certify: information complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date : Authorized Signature : _____