



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

A-79

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 055
For Agenda Of: 7/1/2008
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

REPLACEMENT # 1
DATE 6/26 TIME 3:40

TO: Board of Su

FROM: Department Kathy Gallagher, 681-4451
Director(s)
Contact Info: Lauren Moore, 681-4529

SUBJECT: Approval of NEC Contract for Labor and Materials to install telephone lines & equipment for the Medi-Cal and Food Stamp Benefit Service Center (BSC)

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

Approve and authorize the Chair to execute a sole source agreement with NEC Unified Solutions, Inc (NEC) (a local vendor) in the amount of \$340,000 to provide labor and equipment for the installation of telephone-related tenant improvements at the new Benefit Service Center (BSC). The contract will commence June 1, 2008 and end September 30, 2008.

Summary Text:

Under an existing contract with Information Technology's Telephone Services program, Information Technology Department, NEC provides county-wide telephone system maintenance and support. This contract will address specific technology requirements and services related to the new Medi-Cal Food Stamp Benefit Service Center. The equipment and services include, but are not limited to, telephony installation, hardware and software acquisitions that will accommodate scheduling, call monitoring and call routing. All services and acquisitions under the contract are scheduled to be completed by September 30, 2008.

The BSC is designed to improve customer service, achieve greater efficiency by staff, and increase accountability by establishing a Medi-Cal and Food Stamp Benefit Service Center equipped with state of the art call center processes and technologies. The center is expected to go live September 2008.

Background:

On October 16, 2007, the Board authorized the Department of Social Services to establish a Medi-Cal and Food Stamps Benefits Service Center equipped with state of the art call center processes and technologies. On March 18, 2008, the Board approved a budget adjustment in the amount of \$1,144,707 to recognize revenue and increase appropriations to cover one-time start up costs in FY 07-08 associated with the Medi-Cal and Food Stamp Benefit Service Center (BSC).

Performance Measure:

Execution of this contract supports the following performance measure:

1. Establish a Benefit Service Center with a start-up date on or before 9/24/08

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis: This request has no General Fund impact. Approval and execution of this contract will result in total expenditures of no more than \$340,000.

DSS is taking advantage of available current year funds which expire at fiscal year end. Funding comes from Medi-Cal and Food Stamps revenue. Funding for the BSC is approximately 49% Federally funded, 41% State funded through the California Department of Health Services and 10% State funded through the California Department of Social Services.

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$ 173,400		\$ 173,400
Federal	\$ 166,600		\$ 166,600
Fees			
Other:			
Total	\$ 340,000		\$ 340,000

Narrative:

No additional funds are being requested to execute this contract. Funding and spending authority has been previously granted and the contract will be funded in accordance with BSC Board Letters approved on 10/16/07 and 03/18/2008.

Staffing Impacts: N/A

Legal Positions:

0

FTEs:

0

Special Instructions: After execution by the Chair, please return, along with (1) copy of the minute order to:

Judy Doughty-Contracts Coordinator
 2125 S Centerpointe Parkway, 3rd floor
 Santa Maria, CA 93455

Attachments: NEC Agreement & BSC Board Letters dated 10/9/07 and 03/18/2008

Authored by: Victor Zambrano

Contract Summary Form: Contract Number: PC08 - 118

Complete data below, print, obtain signature of authorized departmental representative, and submit this form (and attachments) to the Clerk of the Board (>\$100,000). If less than (<\$100,000) submit a Purchasing Requisition to the Purchasing Division of General Services. See "online purchasing manual" under General Services, Purchasing, Policies and Procedures. Form not applicable to revenue contracts.

D1. Fiscal Year : FY 07/08
D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) :
D3. Requisition Number : N/A
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 : \$340,000
K4. Contract Begin Date : 6/24/08
K5. Original Contract End Date : 9/30/08

K6. Amendment History (leave blank if no prior amendments):

<u>Seq#</u>	<u>EffectiveDate</u>	<u>ThisAmndtAmt</u>	<u>CumAmndtToDate</u>	<u>NewTotalAmt</u>	<u>NewEndDate</u>	<u>Purpose</u>
(2-4 words)						

K7. Department Project Number :

B1. Is this a Board Contract? (Yes/No) : Yes
B2. Number of Workers Displaced (if any) :
B3. Number of Competitive Bids (if any) :
B4. Lowest Bid Amount (if bid) : \$
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 : 0001
F4. Department Number : 044
F5. Division Number (if applicable) :
F6. Account Number : 7455,8300
F7. Cost Center number (if applicable) :
F8. Payment Terms : Net 30

V1. Vendor Numbers (A=uditor; P=urchasing) :
V2. Payee/Contractor Name : NEC Unified Solutions, Inc
V3. Mailing Address : 6555 North State Highway 161, 8th Floor
V4. City State (two-letter) Zip (include +4 if known) : Irving, Texas 75039-2402
V5. Telephone Number :
V6. Contractor's Federal Tax ID Number (EIN or SSN) :
V7. Contact Person :
V8. Workers Comp Insurance Expiration Date : 4/1/09
V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) : 4/1/09
V10. Professional License Number : #
V11. Verified by (name of County staff) :
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 :  6/19/08

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 NEC Unified Solutions Inc having its principal place of business at 6535 N State Highway 161, Irving Texas 75039-2402 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein. This Agreement and attached Statement of Work supersedes the previous Agreement and Statement of Work for the implementation of the Social Services Call Center (the "Project"), dated 5/9/2008 and the Statement of Work for the implementation of a NEAX Mail AD-64, dated June 13, 2008 as governed by Contract #BC-04-167 ("Previous Contract"). For purposes of providing the services required to complete the Project, this Agreement and Statement of Work shall control the terms and conditions of performance, and the Previous Contract shall be of no force and effect with respect to the Project. **NOW, THEREFORE**, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** Lauren Moore at phone number 805-681-4529 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Paul Desmond at phone number 714-484-6230 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: Lauren Moore, IT Manager Sr., 234 Camino del Remedio, Santa Barbara, CA 93110

To CONTRACTOR: NEC Corporation of America c/o NEC Unified Solutions Inc
6535 N. State Highway 161
Irving, TX 75039
Attn: Legal Division – Contract Administration Department

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 6/1/08, 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.

Notwithstanding the foregoing or any other provision of this Agreement to the contrary, all pre-existing practices, procedures, materials, development tools and reusable components, including, but not limited to the CONTRACTOR's or its vendors' library of generic, reusable software code, procedures, manuals and business practices as well as any modification or extension of them are and remain the sole property of the CONTRACTOR and the COUNTY will have no interest in or claim to them except to the limited extent that may be necessary to exercise its rights under this Agreement. CONTRACTOR is free to use any ideas, concepts or know-how developed or acquired by CONTRACTOR during the performance under this Contract, to the extent obtained and retained by CONTRACTOR'S, or its vendor's, personnel as impressions and general learning.

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. Except that CONTRACTOR shall have the right to assign this Agreement to a parent, subsidiary or affiliate without the COUNTY'S consent.

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. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services effected (unless the notice directs otherwise), 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, plus any reasonably documented, non-recoverable costs, authorized by the COUNTY and imposed on CONTRACTOR by third parties, such as local exchange carriers or third party equipment/service providers incurred solely in preparation for and in furtherance of implementation of the Agreement 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 affect 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 if such failure is not remedied by CONTRACTOR within thirty (30) days of written notice, to 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 either party 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 either party shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of the party to whom the right is given.

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

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 NEC Unified Solutions, Inc.

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

COUNTY OF SANTA BARBARA

By: _____
Salud Carbajal, Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

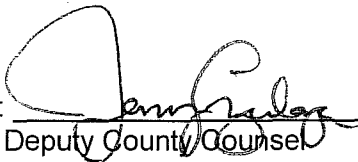
CONTRACTOR

By: _____
Deputy

By: _____ SEE ATTACHED _____
SocSec or TaxID Number: _____

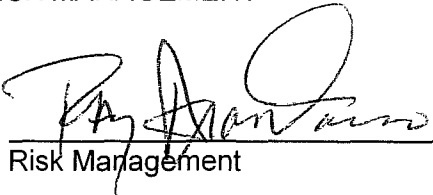
APPROVED AS TO FORM:
DANIEL J. WALLACE
COUNTY COUNSEL

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

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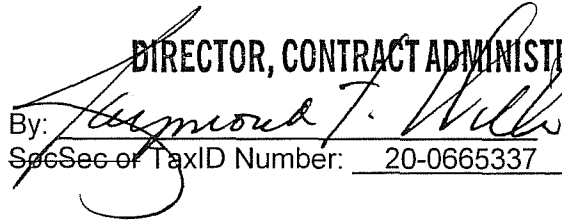
COUNTY OF SANTA BARBARA

By: SEE ATTACHED
Salud Carbajal, Chair, Board of Supervisors

Date: SEE ATTACHED

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CONTRACTOR **RAYMOND T. WILLIAMS**
DIRECTOR, CONTRACT ADMINISTRATION

By: 
Sec or TaxID Number: 20-0665337

By: SEE ATTACHED
Deputy

APPROVED AS TO FORM:
DANIEL J. WALLACE
COUNTY COUNSEL

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

By: SEE ATTACHED
Deputy County Counsel

By: SEE ATTACHED
Deputy

APPROVED AS TO FORM:
RISK MANAGEMENT

By: SEE ATTACHED
Risk Management

//
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COUNTY OF SANTA BARBARA

By: SEE ATTACHED
Salud Carbajal, Chair, Board of Supervisors

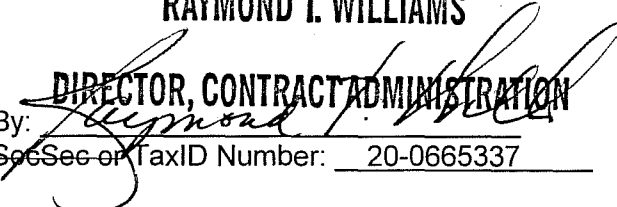
Date: SEE ATTACHED

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

By: SEE ATTACHED
Deputy

CONTRACTOR

RAYMOND T. WILLIAMS

DIRECTOR, CONTRACT ADMINISTRATION
By: 
SoSec or TaxID Number: 20-0665337

APPROVED AS TO FORM:
DANIEL J. WALLACE
COUNTY COUNSEL

By: SEE ATTACHED
Deputy County Counsel

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

By: SEE ATTACHED
Deputy

APPROVED AS TO FORM:
RISK MANAGEMENT

By: SEE ATTACHED
Risk Management

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COUNTY OF SANTA BARBARA

By: _____
Salud Carbajal, Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

CONTRACTOR

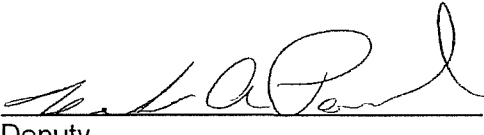
By: _____
Deputy

By: _____ SEE ATTACHED _____
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

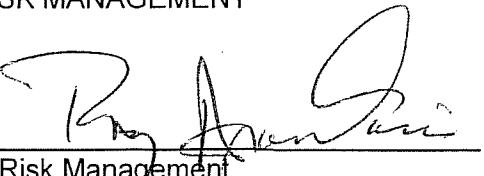
By:  _____
Risk Management

EXHIBIT A

STATEMENT OF WORK

This Statement of Work (SOW) outlines the responsibilities, deliverables, and acceptance criteria for the services that NEC Unified Solutions, Inc. (NEC) will perform for the County of Santa Barbara Department of Social Services (County) for the implementation of a Medi-Cal Benefits Service Center (BSC), as described below.

This SOW includes three additional Exhibits:

- Exhibit A1 - Service Responsibilities
- Exhibit A2 - Related Forms
- Exhibit A3- Equipment and Service List

PROJECT SUMMARY

Contractor will:

- Up-grade an existing NEAX 2400 IPX from R18 to R24 and adding a 50 agent Call Center including a Global Navigator, also we will be adding a Virtual Pim with 150 IP Dterms, 2 MCPRI's and a VS-32 for the Announcements and Conference Trunks. This will all be done at the County's WRC location at 1410 South Broadway in Santa Maria Our Site ID of NECCO 103964;74.
- Provide the Main Distribution Frame (MDF) build out and our on-site technicians will do the house cable (Under a Telephone Service Request and based on our MAC Pricing) and support for this.
- Provide labor of (16 Hours) to support The County's Network people on setting up the Network for the NEC Voice. (The County will be providing the Network and with Contractor support, establishing a VLAN and QOS for this site.)
- Ensure the NEAX 2400 is connected already to the County Voice network and voice mail using TDM CCIS.
- Have IP Access to their network for the administration and traffic and will need that going forward.
- Have A Class of Service for the IP Phones that will use the PRI Gateway for first choice inbound and outbound on the New MG-PRI's and VS-32 Second Choice will be the TDM Network that is in place already. The Call Center will be getting a new DID Bank that will come in on Contractor's new MG-PRI and a new 800 number to ride one of those new numbers. There are 16 Class of Service options. Contractor will choose one that is not in use for this application.
- Ensure the Call Center agent and supervisors be provided training for the Phones, Navigator and the GNAV Client.
- Support Verint on the Install and Testing to make sure that they are recording the

calls. Contractor has OAI in the up-grade for Verent to use for Start/Stop on the Recording of calls.

- Oversee the Verint representative's installation and training.
- Install a NEAXmail AD-64 to be used for Automated Attendant type DTMF (touch tone) IVR selection applications.
- Program "Decision Trees" provided by the County and will train the County's administrative staff to make routine changes to the system.
- Provide additional service responsibilities to be accomplished via the detailed Contractor Service Responsibilities included in Exhibit A1.

DELIVERABLES

Deliverables for the Benefits Service Center implementation include:

- Installation of all items contained in the Equipment List except those identified as spares.
- Services specified in the Services List
- Site survey report and recommendations, if any
- A completed Services Completion checklist (Exhibit A2)
- Implementation plan
- Installation/configuration documentation, as applicable
- Training documentation, as applicable

PROJECT SCHEDULING

The project is scheduled to start effective upon execution of the contract with the anticipated Cutover Date to be determined. For voice installations, the final Cutover Date is the date the switching equipment is connected to the public telephone network, activated and providing basic telephone service to place and receive telephone calls, substantially in accordance with manufacturer's published specifications.

ASSUMPTIONS AND LIMITATIONS

The Agreement and the rates/price are based on the following key assumptions ("Assumptions"). Parties agree that any changes in the Assumptions may result in an adjustment in the rates/price.

- Delays caused by lack of completed site preparation or failure to meet any responsibilities as specified on the part of the County will be billed at Contractor's time and materials rates plus expenses. Any additional costs incurred by the County as a result of delays shall be the sole responsibility of the County.

- Services required by the County to be performed outside of normal business hours (8 a.m. to 5 p.m. Monday through Friday local time, excluding Contractor-observed holidays), unless otherwise planned for and agreed to in writing, shall incur additional charges in accordance with, and will be billed at Contractor's prevailing labor rates.
- The County's network architecture design shall not change between the date of the County's execution of this Agreement and the completion of all Services contemplated within.
- The County is responsible for any facility issues that may arise (i.e. bad or incorrect cabling, not meeting cable plant, environmental or power specifications, lack of rack space, etc.) and will correct any issues as quickly as possible. The County may contract with Contractor for resolution of these issues.
- Unless purchased through Contractor, the County is responsible for ordering and verifying availability of any required Telco circuits.
- County will schedule and inform users of any required systems outage.
- Contractor requires a minimum lead-time of fourteen (14) calendar days from County's execution of the Agreement to begin work. Contractor will make commercially reasonable efforts to meet the requested installation date.
- Contractor shall require a schedule extension of thirty (30) calendar days for any personnel change requests made by County.

Services not covered under this Agreement:

- Support or replacement of Product that is altered, modified, mishandled, destroyed, or damaged by natural causes or damaged due to a negligent or willful act or omission by County or use by County other than as specified in the applicable Contractor or manufacturer-supplied documentation.
- Services, software, or hardware required for software or hardware problem resolution resulting from third-party products or unforeseen circumstances.
- Any hardware upgrades required to run new or updated software.
- Any additional network audit, network assessment, network design, consulting, and/or training services that are offered under a separate Statement of Work.

NOTE: When an "overtime" or "off hours" System Cutover is purchased, the cost is calculated based on a 5 p.m. start time. Additional overtime charges may apply if a Cutover start time later than 5 p.m. is requested. The same basis would apply for other "off hours" work performed within the contract or requested additionally.

COMPLETION OF SERVICES

Upon completion of all work, Contractor shall submit to the customer a Services Completion Checklist for their review and signature. County shall ensure that the proper personnel are scheduled to review each completed Service or Deliverable upon receipt of this notification. The assigned County personnel shall indicate their acceptance of the Service or Deliverable by signing the Services Completion Checklist within five (5) days from the presentation of the completed Service or Deliverable. Services and Deliverables will be deemed accepted if the assigned Customer representative fails to respond within this five-day period. If a Service or Deliverable is not complete *for any reason*, Customer shall provide written *notification* to Contractor. Contractor shall *have ten (10) days* after the

receipt of such notice from the County to correct the error, given it is within Contractor's scope to do so. Such time period to correct the error may be extended by mutual consent. The Services Completion Checklist is provided in Exhibit A2.

EXHIBIT A1
SERVICE RESPONSIBILITIES

PHASE 1: SITE READINESS/EQUIPMENT DELIVERY

1. SITE READINESS

Contractor will:

- Provide a Project Manager to serve as Contractor's contact in all aspects of this engagement, including scheduling, defining requirements, change control, escalation, implementation planning and acceptance.
- Conduct site survey to determine network and site readiness prior to implementation and deliver recommendations to County.

County will:

- Provide a single contact for all aspects of this engagement, including scheduling, defining requirements, ensuring delivery of necessary information and access, ensure site readiness, change control, escalation, storage areas, implementation planning and acceptance. Any schedule changes must be made at least ten (10) business days prior to any scheduled activity.
- Make changes as recommended by site survey prior to implementation.
- Provide adequate environmental conditions as per manufacturer's specifications for all equipment to be installed.
- Provide proper access to the site for Product installation.
- Order, install, and test all data and voice circuits prior to scheduled installation date. Ensure that Telco demarcations and circuits are clearly identified (if not supplied or managed by NEC)
- Identify locations for Product, rack/cabinets, circuits, and any data connections that will be made to the system.
- Provide a Letter of Agency and contact information for each vendor where Contractor will act as the primary interface on behalf of the County (as applicable).
- Provide a PBX, Telco, network, and/or cabling technician to be available during installation and testing (if not supplied or managed by Contractor).
- Install and verify the operation of all County Provided Equipment (CPE) not provided by Contractor. Provide system documentation for CPE, if requested.
- Provide an On-Site Staging room per Site Readiness requirements. Provide a telephone line for use by the installation team.
- Provide information relative to available interfaces, dial plan and user directories, cable distances and routes between the phone system and other equipment.
- If requested, provide building layout for applicable locations (current floor plans, cabling and power locations).
- Establish an in-house routine to back up the system (as applicable).

2. DELIVERY OF EQUIPMENT

Contractor will:

- Deliver Equipment (hardware and/or software) per Equipment List to site(s) specified by County.
- Invoice County for 100% of equipment shipped to specified County site.

County will:

- Provide shipping addresses and contact names for each site.
- Provide secure storage area for equipment to be shipped.
- Submit payment for 100% of equipment shipped to County-specified site.
- Sign the proof of delivery form (POD) **at the time of delivery**, for the installation to continue.

PHASE 2: IMPLEMENTATION AND CUTOVER

1. INSTALLATION AND CONFIGURATION OF GLOBAL NAVIGATOR APPLICATION

Contractor will:

- Install and configure MIS software on the server, including Security Key installation.
- Input Agents, Agent Groups, Splits, Trunk Groups, Pilots and Tally Codes into configuration database.
- Connect system to ACD MIS data stream from CallCenterWorX ACD.
- Assist in County's development of a data backup procedure as shown in the administration manual.
- Install, configure and test Client-Term® supervisor (if requested)
- Install, configure and test GNAV Client application (if requested)
- Test connectivity to ACD system and functionality.

County will:

- Provide LAN network connectivity for the Server and Clients, as required.
- Provide Client-Term and GNAV Client hardware, as required.
- Provide data to Contractor for database input.
- Develop a schedule and procedure for database backup. Back up the database and maintain the backup files for at least one year.

2. DATABASE DESIGN-AUTOMATED ATTENDANT IVR

Contractor will:

- Work with County team to gather database information required to support County's planned implementation.
- Provide documentation and tools for developing System and user database.
- Recommend configuration of security safeguards for the System.
- Recommend configuration aspects to maximize System performance.
- Set Cutoff Date for any database changes (See Assumptions & Limitations).
- Submit database to County for review and approval.

- Provide operational features as defined per manufacturer's published specifications.
- Provide System Administrator with applicable System access passwords.

County will:

- Provide County's database information as required for System installation in a Contractor approved format.
- Provide user directories or lists, numbering plan, security levels, restrictions, and access privileges to be implemented on the System.
- Provide appropriate network accounts and privileges necessary to implement Voice Messaging solution.
- Approve System database for implementation. Database changes must be submitted in writing **by Cutoff Date**.

3. AUTOMATED ATTENDANT/IVR INSTALLATION

Contractor will:

- Assemble and install equipment rack (if supplied by Contractor) within the County's equipment room.
- Mount NEC-purchased equipment in the rack.
- Install UPS within the County's equipment room (if applicable).
- Power-up and test power system.
- Connect NEC-purchased equipment only to the UPS.
- Install circuit cards per Equipment List (if applicable).
- Determine status of any dial-up or LAN/WAN connections that will be made to the system for County access (if applicable).
- Connect remote maintenance access to support NEC service access to system for duration of warranty and maintenance period (per Equipment List)
- Input County-approved database into the server.

County will:

- Mutually identify the installation location.
- Ensure all power and cabling requirements are accessible to this location.
- If applicable, provide appropriately sized UPS.
- Adhere to cutoff date for database changes in Implementation Plan.

4. TELEPHONY INTEGRATION TO EXISTING COUNTY PBX

Contractor will:

- For Contractor-supplied or supported PBX systems, making the necessary system changes to accommodate the installation of the Voice Messaging System.
- Request documentation and/or support from County needed to facilitate integration of equipment to County's network, and on required changes to installed PBX system in order that such changes can be facilitated by the County's staff or PBX vendor (if system not being supplied or supported by Contractor). This information may include manufacturer system integration notes or other System documentation.
- Working with County contact or designated vendor to connect and test Voice Messaging telephony interface ports on the PBX.

County will:

- Arrange for County or designated vendor support for the proper configuration of the installed PBX per guidelines provided by Contractor.
- Ensure that necessary PBX hardware/software additions or changes, and that all applicable system programming, is completed in a timely manner in accordance with the project schedule (if work not being performed by Contractor).
- If PBX is not being supplied or supported by Contractor, provide PBX database information and other details that are relevant to the Automated Attendant IVR System installation (i.e., station numbering plan, directory listings, list of assigned extensions and locations, feature access codes, etc.).

5. CUTOVER SUPPORT

Contractor will:

- Provide a resource to assist users at the County's site upon cutover of the system.

County will:

- Provide a workspace for the Help Desk (as applicable).
- Provide any security clearances, escorts, special safety equipment, and access training as required to access the site for cutover coverage.

6. USER TRAINING

Contractor will:

- Develop a training plan with the County. All classes will be held during normal business hours (9 a.m. to 5 p.m.).
- Provide user guides as shown in attached Equipment List (if purchased).

County will:

- Work with Contractor to develop a training plan and training schedule.
- Provide a room at each site that can be used for user training. Ensure access to live production system and participation of County's staff.
- Schedule users for training and ensure participation.

Note: This training is non-accredited, and will not qualify County for technical support on this product.

7. SYSTEM ADMINISTRATOR ORIENTATION (2-4) HOURS

Contractor will:

- Identify functions and applications to be included in System Administrator training, per the County's system implementation.
- Provide operational features as defined per manufacturer's published specifications.
- Provide System Administrator with applicable System Administrator passwords.

- Provide two to four (2-4) hours of training on using System Administration interface to perform most commonly used functions. Training is provided prior to System cutover and during normal business hours.

Note: If County requires more in-depth training, Contractor will sponsor County representative in formal manufacturers training. County will be responsible for all associated expenses.

County will:

- Identify and schedule designated System Administrator (2) users for training if applicable.

Note: This training is non-accredited, and will not qualify County for technical support on this product.

8. PROJECT ACCEPTANCE

Contractor will:

- Complete and give the Services Completion checklist to County to sign.
- Provide all system installation documentation.
- Invoice County the remaining 50% of service price, upon signed County acceptance.
- Resolve all non-conforming issues identified by County in writing prior to the Cutover Date ("Acceptance Date").

County will:

- Sign Services Completion checklist indicating acceptance of all completed activities associated with this implementation. The system shall be accepted, for purposes of this SOW, 15 days after the Cutover Date (the "Acceptance Date"), unless County gives Contractor written notice prior to the Acceptance Date detailing how the System does not conform to the requirements of this SOW.
- Submit payment for remaining 50% of service price.

9. WARRANTY

ON-CALL WORKMANSHIP WARRANTY (DAYS 1-90 AFTER CUTOVER)

Contractor will:

- Provide on-call technicians during normal business hours. The technician's responsibilities include:
 1. Responding to alarm conditions and calls on Contractor-supplied equipment and perform corrective action
 2. Performing preventive maintenance on Contractor supplied equipment. Other duties may be performed at the prevailing Contractor time and materials rates.

County will:

- Report alarm conditions to the Contractor Remote Maintenance Facility by telephone as soon as the alarm occurs.
- Provide adequate access to the site.

**EXHIBIT A2
RELATED FORMS**

1. ESCALATION OF PERFORMANCE ISSUES

Unless specified otherwise in writing, the following escalation list will be used between County and Contractor. The contact information for those named is made available during the project.

Contractor Contacts	County Contacts
Area Operations Manager	Network Operations Manager
Director of Operations	IT Infrastructure Manager
VP / General Manager	Chief Information Officer

**2. SERVICES COMPLETION CHECKLIST – BENEFITS SERVICE CENTER
IMPLEMENTATION**

Contractor will submit this checklist to County for signature to indicate acceptance of this installation. The system shall be accepted, for purposes of this SOW, 15 days after the Cutover Date (the "Acceptance Date"), unless County gives Contractor written notice prior to the Acceptance Date detailing how the System does not conform to the requirements of this SOW.

IMPLEMENTATION TASK	COMPLETED?
1. Telco has been coordinated (if purchased).	<input type="checkbox"/> Yes <input type="checkbox"/> N/A
2. Contact center design developed.	<input type="checkbox"/> Yes
3. Contact center software installed and configured.	<input type="checkbox"/> Yes
4. System, database successfully tested.	<input type="checkbox"/> Yes
5. Training classes conducted (if purchased).	<input type="checkbox"/> Yes <input type="checkbox"/> N/A
6. A copy of the documentation has been provided.	<input type="checkbox"/> Yes

Acceptance Acknowledged:

By: _____
 Printed Name: _____
 Title: _____
 Date: _____

EXHIBIT A3

EQUIPMENT LISTS

PROJECT 1: NEAX 2400 UPGRADE WITH 50 AGENT CALL CENTER AND GLOBAL NAVIGATOR

DESCRIPTION	QUANTITY
NEC IPX MAT	1
PW RC100V-ULCSA-S-3M	2
SPA-16LCBJ-B	1
34PH EXCLK CA-B	2
UTP CTG5 ST CA-Y	1
UTP CTG5 ST CA-AO	3
NEAX2400 SOFT UPG FEE UP TO 16	1
UNIV2400 2 PIM CONFIGURATION 0	1
UNIV2400 350 PORT SOFTWARE CON	1
UNIV2400 CCISIFCCS NETWORK LIC	1
UNIV2400 ISDNISIG NETWORK LICE	1
UNIV2400 INTERNAL OAIACD OPTI	1
UNIV2400 50 ACD AGENTS OPTION	1
UNIV2400 VS32 (1) LICENSE	1
UNIV2400 MG-PRI (1) LICENSE	2
UNIV2400 DTERM 1P (1) LICENSE	150
50-103 UNIV2400 GENERICICONFIG	1
SN1734 CPRRS-A	2
IMG UNIV TOPU-B	1
FRONT COVER (UNIA) ASSEM	3
SPA-32IPPADA	1
SCA-VS32VA	1
SCA-24PRIA	2
UNIVERGE SV7000 1U-MPC	2
GLOBAL NAVIGATOR-50, SW ONLY	1
CCWX-ENTERPRISE MAT COMMANDS	1
GNAV NEC RG1 SRVR WRACK MOUNT	1
ITR-16D-3 (BK)	150
DESI DT(X)-16D-11IT(X)-16D-213	7
IP RediCheck License	1
ADTRAN T1-CSU-ACE (Rev D is 12 to 48 VDC)	2
Line Cord IP 7' Cat 5e (BK)	150
APC Smart-Ups 3000 120V for NAVIGATOR	1
Miscellaneous MDF Material	1
Surge Protector (15 AMPS)	1
Miscellaneous MDF Material	1

PROJECT 2: VERINT WORK FORCE MANAGEMENT SYSTEM

Operational WFM	50
System includes:	
<ul style="list-style-type: none"> • Forecasting and scheduling/Director Enterprise • Basic Adherence/RTAA Basic Adherence • Basic scorecards/Advisor 	

PROJECT 3: VERINT AUDIOLOG CALL RECORDING SYSTEM

Audiolog MAX-PRO/2X for VoIP with mirrored 10,000 RPM 150GB SATA HDD's, Windows 200315CAL, MSDE, 4 PC1-X slots, RoHS 5/6 exempt, no DVD-RAM drives, with MAX-PRO Standard Base licenses: <ul style="list-style-type: none"> • Audiolog Version 4 system license • 2 seat licenses for Audiolog Remote Player Client (ALRC) • 2 seat licenses for Audiolog Instant Recall Plus Client (ALIR) • 1 seat license for Audiolog 4-Channel Player Client • 2 concurrent licenses for Audiolog Interaction Review (AIR) • Audiolog Management Console server license • 1 seat license for Audiolog Management Console Client 	1
VoIP - 1 Audiolog Channel License	50
Upgrade PRO at time of order to Dual (mirrored, fixed-mount) 250GB Hard Drives	1
Intel-PRO/1000MT Single Port Server Adapter	1
Audiolog Virtual Media (AVM) Upload license	1
Free-Seating Software License	1
NEC NEAX2400 via OAI in Americas region (includes NEC2400 OpenworX Dongle)	1

PROJECT 4: NEAXMAIL AD-64

DESCRIPTION	QUANTITY
17 INCH FLAT PANEL COLOR MONIT	1
D/4PCIU4S	1
AD64, SERIAL INTEGRATION	1
AD-64 S/W LICENSE, 16 PORT	1
12 PORT - D/120JCT-LSU (PCI)	1
DELL UNIVERSAL VERSA SLIDING R	1
DELL PE2900 RACK	1
RAID FOR DELL 2900	1
USB MODEM (EXTERNAL)	1
AD64, 3RD PARTY SW (2003)	1
Surge Protector (15 AMPS)	1
Miscellaneous MDF Material	1

SERVICE LISTS

PROJECT 1:

Project Management Site Survey
IP RediCheck
PBX Database by NEC Telco Coordination
System Configuration Engineering
Import Database File
NEAX 2400 IPX Hardware Installation
Networking (FCCS, CCIS, ISDN & MCLAD Labor)
CSU Installation
Install MPC Shelf with Gateways
Install CCWX
Install Navigator
System Cutover
Cutover Coverage - First Business Day in-service
Station User Training (Normal Working Hours Only)
ACD Station User Training (Normal Working Hours Only)
Training Room Setup SubContractor
Workmanship Warranty (90 days after Cutover)

NEC Software Maintenance
MNT CCDESIGN SW PREMIUM NPS1 MNT 2412K SW PRM NPS1

PROJECT 2:

Complete installation and training in accordance with Item 1, Project Summary of these documents.

PROJECT 3:

Complete installation and training in accordance with Item 1, Project Summary of these documents.

PROJECT 4:

Project Management
VM/UM Database by Customer
Auto Attendant Design and Implementation
VM/UM Hardware Installation
Workmanship Warranty (90 days after Cutover)
NEC Equipment Maintenance
MNT UM/NEAXMAIL PREMIUM SW NPS
Labor-Only Maintenance (day 91 to 365)

PROJECT 1: SERVICE LIST

Project Management
Site Survey
IP RediCheck
PBX Database by Contractor
Telco Coordination
System Configuration Engineering
Import Database File
NEAX 2400 IPX Hardware Installation
Networking (FCCS, CCIS, ISDN & MCLAD Labor)
CSU Installation
Install MPC Shelf with Gateways
Install CCWX
Install Navigator
System Cutover
Cutover Coverage - First Business Day in-service
Station User Training (Normal Working Hours Only)
ACD Station User Training (Normal Working Hours Only)
Training Room Setup SubContractor
Workmanship Warranty (90 days after Cutover)

NEC Software Maintenance
MNT CCDESIGN SW PREMIUM NPS1 MNT 2412K
SW PRM NPS1

EXHIBIT B

PAYMENT ARRANGEMENTS Compensation Upon Completion

- A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$340,000.00
- B. Payment for services and /or reimbursement of costs shall be made upon CONTRACTOR's satisfactory performance, based upon the scope contained in **EXHIBIT A** as determined by COUNTY. Payment of 100% of each project shall be invoiced and paid by September 30, 2008. This will be processed on four invoices in keeping with the County's request.
- C. Upon completion of the work detailed in **EXHIBIT A** and/or delivery to COUNTY of item(s) specified therein, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed. This invoice or claim must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and/or the item(s) delivered 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.

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS for contracts NOT requiring professional liability insurance

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 directly 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 to the proportional extent that such claims, demands, damages, costs, expenses (including attorney's fees), judgments or liabilities result from the negligence or willful misconduct of the COUNTY.

IN NO EVENT WILL THE CONTRACTOR BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF THE CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CONTRACTOR'S LIABILITIES, WHETHER ARISING OUT OF CONTRACT, NEGLIGENCE, STRICT LIABILITY OR WARRANTY, WILL NOT EXCEED ANY AMOUNTS PAID OR DUE TO BE PAID BY THE COUNTY FOR THE PRODUCTS AND/OR SERVICES PROVIDED HEREUNDER.

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

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 coverage is 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 the company shall endeavor to provide at least thirty (30) days advance notice to the COUNTY in the event of cancellation of any of CONTRACTOR's insurance policies. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by the Department of Industrial Relations for the 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 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, agents, and employees 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 a severability of interest or cross liability clause or equivalent wording. Said policy or policies shall contain a provision of the following form:

" With respect to "bodily injury" or "property damage" claims arising out of the operations performed by or on behalf of the named insured, NEC Unified Solutions, such insurance as is afforded by this policy shall be primary and non-contributory with any other insurance carried by or for the benefit of the additional insured, the County of Santa Barbara, provided claims that give rise are from NEC Unified Solutions Inc.'s negligence and arising out of operations performed for the COUNTY. "

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 company shall endeavor to provide the COUNTY with thirty (30) days written notice prior to cancellation or expiration of the policy. CONTRACTOR shall provide the COUNTY with thirty (30) days written notice prior to any reduction in coverage.

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 current certificate(s) of insurance at 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 terminate this Agreement for cause upon prior written notice to the CONTRACTOR.

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 the concurrence of 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.



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 044
For Agenda Of: 10/9/07
Placement: Set Hearing
Estimated Tme: 20 Minutes on 10/16/07
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Kathy M. Gallagher, Director
Director(s) Department of Social Services
805 346-7101
Contact Info: Michael Dean, Deputy Director
805 681-4464

SUBJECT: Approval of Professional Consulting Services Contract with InTelegy Corporation to Design a Medi-Cal and Food Stamp Benefits Service Center

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

1. Set Hearing to consider an agreement to contract with InTelegy Corporation for consulting, training, and project management services in support of the County's goal of implementing a Medi-Cal and Food Stamp Benefits Service Center equipped with state of the art call center processes and technologies for the period of November 1st, 2007- December 31st, 2008, in the amount of \$334,040;
2. Authorize the Director of the Department of Social Services to approve amendments to the agreement provided that any such amendment is not in variance of ten percent (10%) of the contract's dollar amount and does not exceed a six month extension.
3. Authorize and approve a Budget Revision Request to increase appropriations and unanticipated revenue required in FY 2007/08 for the execution of this contract in the amount of \$187,800.

Summary Text: The Department of Social Services (DSS) is embarking on a project to develop a Benefits Service Center (BSC) to enhance the quality of services provided to our Medi-Cal (MC) and Food Stamps (FS) clients. The BSC project is highlighted on page A-6 of the adopted 2007/08 County budget book under Goal 1: An Efficient Professionally Managed Government Able to Anticipate and to Effectively Respond to the Needs of the Community. The BSC will help DSS achieve two key departmental strategic goals (*moving toward a paperless environment and reducing multiple eligibility*

workers assigned to each public assistance household), support the CEO's e-Government Initiative and Information Technology Strategic Plan and embrace the County's "ACE" Organizational Values.

Numerous MC recipients are aged and disabled and transportation is a barrier for them to access services at our existing regional offices. The FS recipients that will be served out of the BSC are essentially the working poor of the County. The FS recipients will not have to take time off of work to stand in line at regional offices to conduct business with DSS. The BSC provides an immediate connection with an eligibility worker during all business hours while reducing client visits to regional offices. In contrast, in the current business model, these types of clients and these types of activities are part of a caseload of several hundred cases in which clients must speak with their individual worker. If the worker is busy with another client or casework, the client must leave a message or wait, which can be very frustrating and time consuming. Centralizing work at the BSC will reduce employee travel along the Highway 101 corridor which is consistent with your Board's desire to reduce freeway congestion.

Having completed a feasibility study and determined that the BSC is a viable option for DSS, entering into this consulting contract with InTelegy Corporation is the critical first step in moving into the development and implementation phases of the project. InTelegy Corporation was selected through a competitive bidding opportunity. With the contractor's expertise, DSS will benefit from lessons learned and best practices across the state as InTelegy Corporation has guided each California County that has already successfully launched a BSC.

This letter will provide an overview of the project and its significance to the constituents and employees of the County. While there is no legal mandate for DSS to pursue implementation of a BSC, not doing so would put the County at risk for not being able to meet program mandates without adding additional staff. Investing now to build the infrastructure necessary to embrace BSC efficiencies positions DSS to be able to deliver higher quality customer service, improve staff morale, and handle projected caseload growth for approximately six years within the current staffing levels for these program areas.

Background: DSS has long been interested in exploring new client service strategies that maintain a high level of customer service within budget constraints while meeting MC and FS Performance Standards implemented by the State. With caseloads growing, allocations not keeping up with the cost of doing business, and the constraint of a finite number of eligibility worker positions, DSS knew that it needed a strategic plan to mitigate growing caseloads without adding a commensurate number of staff. In 2006, DSS began to assess whether a BSC would be a viable way of doing business in our county. Executive staff and line managers have done due diligence in visiting five call center counties, conducting statistical and procedural reviews, and performing a detailed cost benefit analysis. DSS has identified the key programs and program areas to be included in the BSC that leverage existing resources and technologies and provide for an efficient and effective staff and client experience. DSS is ready to rapidly move toward implementation of a MC and FS BSC to begin achieving BSC efficiencies as soon as possible.

Risks Under Current Business Model

Under the current business model, based on a projected 4% annual combined caseload growth for MC and FS, DSS would need to add a total of 32 FTEs by FY13/14 to serve the projected additional recipients in the two programs. Alternatively, maintaining the current staffing level into the future would mean that DSS would not be able to provide the required services to the MC and FS recipients, resulting in the following consequences:

- Failing audits and not meeting Performance Standards
- County General Fund penalties and/or decreased allocation
- Ineligible beneficiaries continuing to receive assistance
- Lower level of customer service
- Constituents not getting timely MC coverage and thus medical care
- More uninsured
- Increased use of Public Health Department clinics w/out MC reimbursement
- Reduced reimbursement for Alcohol, Drug, and Mental Health Services Department
- Workers compensation increases
- Contentious labor relations
- High turnover

BSC Overview

A Benefits Service Center is a public sector call center. Call centers are centralized offices which provide information and conduct transactions by telephone. Most major businesses today use call centers to interact with their customers. A call center can be viewed, from an operational point of view, as a queuing network. Increasingly, the voice and data pathways into the center are linked through a set of new technologies called computer telephony integration (CTI).

For the past five years, counties in California have begun establishing BSCs for MC and/or FS programs. Santa Cruz, San Mateo, Contra Costa, Alameda, Santa Clara, and Sonoma currently have call centers and others are in the process of implementing them including Tulare, San Francisco, and Fresno. This is because the MC program regulations allow for all case work to be conducted by mail and telephone. Current initiatives in the FS program include waiving the face-to-face requirement and utilizing online applications. The California Counties preceding DSS in implementing BSCs report improved customer service, greater efficiency, and better accountability. The BSC environment leverages state of the art technologies to reduce the number of staff it takes to administer MC and FS programs.

BSC Operations

The BSC is planned to be located in a leased facility in Santa Maria. Seventy percent of the staff designated to work at the BSC as well as 70% of the recipients served by the BSC currently reside in North County. BSC staff will be primarily bilingual and will have the ability to serve clients in-person, via appointments at regional offices, to ensure quality service delivery for clients who may not otherwise conduct business over the telephone. Only the routine ongoing case maintenance work for MC and FS will be conducted at the BSC, therefore there will be no walk-in client activity. The application, or intake, process for these programs, however, will remain at existing regional offices in Santa Maria, Santa Barbara, and Lompoc. Should a client desire or regulation require face-to-face appointments, BSC staff would meet with clients at the regional office closest to the client's home. The ongoing work is split into two types: phone work initiated by the client; and case maintenance work initiated by DSS staff to ensure program compliance.

Interactive voice response (IVR) telephone systems allows for a client to obtain standard information (e.g. directions, hours of operations, special information such as on the recent "cold weather freeze" or "Zaca Fire" events) or to be connected to a person to assist them with their specific needs. Counties operating BSCs state that as many as 30 – 40% of calls received are resolved within the IVR and do not proceed to speaking with a worker.

“ACE” Analysis

Accountability –

- Telephone workers follow a specific script and protocol so the same information is always given out.
- Standard office/clerical protocols are established as to how incoming mail is sorted and scanned and electronically filed and/or delivered.
- Task Management and Scheduling Software enhance supervisors’ abilities to oversee completion of assignments.
- Able to monitor calls for quality.
- Ensures that renewals and periodic reports are completed consistently and timely avoiding the possibility of inappropriate discontinuances.
- Quality assurance is built into business processes.
- Better able to achieve program-wide consistency.

Customer Focus –

- 84% of DSS clients recently surveyed indicated that they would like the ability to conduct business over the telephone.
- Standard information is available 24/7 via IVR in both English and Spanish.
- Clients can conduct business when it’s most convenient for them.
- A worker is always available to assist the client during business hours.
- Calls are answered promptly.
- Calls get directed to the person who can best assist the client.
- Clear and consistent information is provided.
- Eliminates the need for clients to travel to a DSS office which is especially meaningful for clients with transportation barriers or those who can’t take time off work to travel to regional offices.
- Counties who have implemented BSCs report an increase in customer service survey ratings.

Efficiency –

- Work is completed steadily on a flow basis according to organizational priorities rather than individual or unit decisions.
- Work gets done in prompt, priority order despite individual worker absences.
- Workload need determines staffing rather than individual caseload assignments or standards.
- IVR software can track volume and times of telephone calls and scheduling software can help match coverage to the volume of phone calls.
- Monitoring of calls allows for timely assistance when difficult questions/situations occur.
- On-site training and program support together with management oversight ensures more complete and consistent implementation of new regulations and procedures.
- Division of duties better matches worker skills and interests to their assignment.
- Certain tasks now done by eligibility workers as part of their caseload management tasks (e.g. filing) can be performed by clerical staff.

Additional Benefits -

- Increasing staff retention
- Expanding pool of applicants for Eligibility Worker positions
- Reducing the number of cars, traffic, and pollution by employees and clients.
- Reducing traffic on the Highway 101 corridor.

Future Board Action/Key BSC Project Milestones

This Board action is for the approval of the professional consulting contract which will commence on November 1, 2007. DSS will return with future BSC project items, including a request for increased appropriations and unanticipated revenue to cover other FY 2007/08 one time costs and approval of the lease agreement (January 2008). Other important dates:

October 16, 2007 – The Project Management Consultant Contract heard by the Board of Supervisors

November 1, 2007 – Consultants begin the Design & Build Phase

January 2008 – Lease is negotiated and presented by the Board of Supervisors

March 2008 – Tenant improvements for the leased facility begin

July 2008 - Facility ready for occupancy

August 2008 – Training of Staff conducted-ongoing

September 2008 – BSC opens

November 2008 – BSC meeting all service level targets

Performance Measure:

The InTelegy Agreement includes ten performance measures across the three phases of the contract. Payment is tied to these deliverables. Details are contained in Section V. of the Statement of Work as well as Exhibit A2. Contractor will be subject to a monthly hold-back provision and the hold-back amounts will be released at three points during the contract if performance measures are achieved.

Some key performance measures include:

1. By the end of November 2007, 100% of Committees are Formed and Recurring Meeting Schedule is Set.
2. By the end of December 2007, 100% of the Baseline Project Plan is Complete.
3. By May 2008, 50% of the Workflow Documentation for the Operations Manual will be complete.
4. The month prior to BSC launch, staff training will be completed with evaluation scores of 3.5 or better (scale 1 – 5).
5. The BSC will launch on or before 9/2/08.
6. BSC Service Level Targets will be met within 60 days of launch.

Fiscal and Facilities Impacts: The Department of Social Services is currently nearing 100% capacity in both their Santa Maria buildings. Adequate space does not currently exist for neither projected caseload increases in that area nor the implementation of a BSC. DSS and General Services are in the process of identifying space to lease in the Santa Maria area. We will return to your Board at a future date for the execution of a lease. Further, based on the ongoing changes in requirements from the state, it is recommended that the BSC be in leased space.

Budgeted: No

Fiscal Analysis: Approval and execution of this one year contract will result in total expenditures of no more than \$334,040.

These costs have been allocated as follows: \$187,800 in FY 2007/08 and \$146,240 in FY 2008/09. Appropriations and Funding for Fiscal Year 2007/08 are included in the attached Budget Adjustment. Appropriations and Funding for Fiscal Year 2008/09 will be included in the Department of Social Services requested budget under the Systems and Program Development division. Funding for this contract is approximately 50% federal funded, 25% State funded through the California Department of Health Services and 25% State funded through the California Department of Social Services.

Funding Sources	Current FY Cost:	Annualized On-going Cost:	Total One-Time Project Cost
General Fund			
State	\$ 93,900.00	\$ 317,087.00	\$ 1,468,872.00
Federal	\$ 93,900.00	\$ 317,087.00	\$ 1,468,872.00
Fees			
Other:			
Total	\$ 187,800.00	\$ 634,174.00	\$ 2,937,744.00

Narrative:

The start up costs of the BSC is projected to be approximately \$2.9 million, of which \$1.9 million is to be expended in FY 2007/08, \$471K in FY 2008/09, \$150K annually in Fiscal Years 2009/10-2011/12 and \$100K in FY 2012/13. This amount consists of the above contract, software, hardware, and costs to furnish and move into new space. 100% of these costs will be funded through the Department's current funding sources. On going overhead costs are projected to average \$634,173 annually. We have projected that these additional on going costs will also be funded through our current funding sources. It is also estimated that there will be no need for an increase in our general fund contribution due to the implementation of the BSC.

Staffing Impacts:

Legal Positions:

FTEs:

Special Instructions:

After execution by the Chair, please return one (1) originally signed agreement for the Contractor, the Department copies of the agreements and one (1) copy of the minute order, attention: Diana Klopp

Attachments:

Agreement for Services of Independent Contractor
Budget Revision Request

Authored by: Maria Gardner



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

A-33

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 044
For Agenda Of: 03/18/08
Placement: Administrative
Estimated Tme: 5 min.
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors

FROM: Department Kathy Gallagher, 681-4451
Director(s) *Ky NG*
Contact Info: Eddie Alanis, 681-4487

SUBJECT: Approval of Budget Appropriation for the Medi Cal and Food Stamp Benefit Service Center

County Counsel Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: No

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

Authorize and approve the Budget Revision Request to receive unanticipated revenue in the amount of \$1,144,707 from the State Department of Health Services and increase appropriations for the establishment of a Medi-Cal and Food Stamps Benefit Services Center in Fiscal Year 2007/08.

Summary Text: The Department of Social Services is requesting Board approval for a budget adjustment in the amount of \$1,144,707 to pay for the start-up costs in FY 2007/08 associated with the Benefit Service Center. The Center will be equipped with state-of-the-art call center processes and technologies and costs include call center technology and software, telephone equipment, furniture, and other infrastructure requirements. The full amount of \$1,144,707 is funded by the Department of Health Services and must be expended by June 30, 2008. The target implementation date of the Benefit Service Center is September 2008.

Background: On October 16, 2007, your Board approved an agreement to contract with InTelegy Corporation for consulting, training, and project management services for the implementation of a Medi-Cal and Food Stamp Benefits Service Center. This request for receipt of unanticipated revenue and increased appropriations will cover other one time costs in FY 2007/08.

Fiscal and Facilities Impacts: Budgeted: Not budgeted

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$ 822,386.60	\$ 317,087.00	\$ 1,122,000.00
Federal	\$ 855,953.40	\$ 317,087.00	\$ 1,078,000.00
Fees			
Other:			
Total	\$ 1,678,340.00	\$ 634,174.00	\$ 2,200,000.00

Narrative:

Start up costs for the BSC is projected to be approximately \$2.2 million, of which \$1,678,340 is to be expended in FY 2007/08 and \$521,660 in FY 2008/09. Approval of this budget adjustment will increase FY 2007/08 appropriations and unanticipated revenue by \$1,144,707, with the remainder of FY 2007/08 costs, \$533,633, funded through the Department's FY 2007/08 adopted budget. Ongoing overhead costs are projected at \$634,173 annually and will also be funded through the Department's State and Federal allocations. The establishment and operation of the Benefit Service Center will not require additional General Fund contribution.

Staffing Impacts: None

Special Instructions: After execution by the Chair, please return one (1) copy of the minute order, attention: Paula Haines

Attachments: Budget Revision Request

Authored by:

Eddie Alanis, 681-4487

Budget Revision Request

BJE 2007208
Budget Journal Entry #

Gov. Code Sec. 29125 & 29130

JE
Related Journal Entry #

Subject / Title: Provide a short description for this budget revision request. For example: "Designate funds for zoning ordinance amendments" or "Distribute proceeds from sale of 2005 COPS".

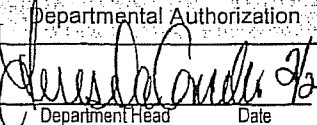

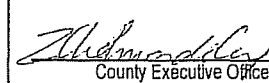
Department of Social Services: Appropriate \$1,144,707 of unanticipated revenue (\$555,764 Federal and \$588,943 State) to fund implementation costs required in support of the goal of implementing a Medi-Cal and Food Stamps Benefit Services Center.

Justification: For all changes: explain what the change is for and why it is needed. Attach additional justification, board Letters or spreadsheet, if appropriate. When moving Appropriation: explain why it's available. When Revenue is adjusted: explain the reason for the increase or decrease. For adjustments to General Fund Contingency: explain why no other alternative funding source is available.

This budget adjustment will provide the required appropriations and unanticipated revenue for telephone equipment, furniture, call center technology and software, and other infrastructure requirement in support of the County's goal of implementing a Medi-Cal and Food Stamps Benefit Services Center equipped with state of the art call center processes and technologies. Appropriations and funding for any implementation costs in FY 2008/09 will be included in the Department of Social Services requested budget under the Systems and Program Development division. Funding for this contract is approximately 49% federal funded, 41% State funded through the California Department of Health Services and 10% State funded through the California Department of Social Services.

Financial Summary

Increase or (Decrease) in Appropriation for / Uses:	Department / Fund 044 / 0055	Department / Fund /	Department / Fund /	Department / Fund /
Salaries & Benefits	00	00	00	00
Services & Supplies	582,207 00	00	00	00
Other Charges	192,500 00	00	00	00
Fixed Assets	370,000 00	00	00	00
Other Financing Uses	00	00	00	00
Intrafund Transfers	00	00	00	00
Reserve or Designation	00	00	00	00
Sources:				
Revenue	1,144,707 00	00	00	00
Other Financing Sources	00	00	00	00
Intrafund Transfers	00	00	00	00
Reserve or Designation	00	00	00	00
Effect on Contingency / RE	00	00	00	00

Departmental Authorization  Department Head _____ Date _____ Department Head _____ Date _____ Department Head _____ Date _____	Auditor-Controller Budget Journal Entry and Related Journal Entry if applicable. Approved as to Accounting Form.  Auditor-Controller	GEO's Recommendation <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Disapprove Date: 3-3-08 Transfer/Revision in Accordance with Board Policy dated 8/3/93.  County Executive Officer	Board of Supervisor's Action <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved Date _____ Agenda Item _____ Clerk of the Board of Supervisors
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Budget Journal Entry (On-Line)

Batch ID: 000-096-8206

Page # 1 of 1 Posting Date Audit Trail # Bd Lt 3/18 Document # BJE **2007208**

Fund	Department	GL Account	Line Item Account	Debit Amount	Credit Amount	Program	Org Unit	Project	Bdgt. Period	Descr ID
0055	044		8300		370,000.00	2502	5137	BSC	06/2008	A
0055	044		7347		436,200.00	2502	5137	BSC	06/2008	A
0055	044		7348		111,000.00	2502	5137	BSC	06/2008	A
0055	044		7455		210,000.00	2502	5137	BSC	06/2008	A
0055	044		7892		192,500.00	2502	5137	BSC	06/2008	A
0055	044		7450		15,840.00	2502	5137	BSC	06/2008	A
0055	044		7050		150,000.00	2502	5137	BSC	06/2008	A
0055	044		7200		5,000.00	2502	5137	BSC	06/2008	A
0055	044	2420	3633	472,764.00		2502	5137		06/2008	A
0055	044	2420	4383	472,764.00		2502	5137		06/2008	A
0055	044	2420	3637	83,000.00		2502	5137		06/2008	A
0055	044	2420	4384	116,179.00		2502	5137		06/2008	A
0055	044		7510	345,833.00		6346	5365		06/2008	A

1,490,540.00 1,490,540.00 Form Totals

Descr ID	Description		
A	Appropriates and Revenue for BSC		

Terrie Concellos
 Form Prepared By Phone # *mf* Departmental Authorized Signature Date Posted By Date