

SANTA BARBARA COUNTY BOARD AGENDA LETTER



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

Agenda Number:

Prepared on: 02/01/2005
Department Name: District Attorney
Department No.: 021
Agenda Date: 02/22/2005
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Thomas W. Sneddon, Jr.
District Attorney

STAFF CONTACT: Marnie B. Pinsker
DA Assistant Director

SUBJECT: Renewal of Agreement with Computer Support Services for Non-Sufficient Fund
Bad Check Collection Services

Recommendation(s):

That the Board of Supervisors:

a) Execute a three year agreement with Computer Support Services, Inc. to continue operation of the Non-Sufficient Fund (NSF) Bad Check Collection and Restitution Program on behalf of the District Attorney, effective February 1, 2005 through January 31, 2008.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with our organizational values regarding economy in government.

Executive Summary and Discussion:

The District Attorney's Check Restitution / Recovery Program was initiated in the mid-80s to address merchant losses due to bad checks by providing an alternative approach to handling bad checks while promoting public and community awareness of this problem. Our Office formed one of the State's first Bad Check Restitution / Prosecution Units. The program was designed to accept bad checks directly from merchants and obtain recovery of their losses at no cost to the merchants, while diverting offenders from prosecution through alternative measures for recovering funds. Case referrals for prosecution were limited to offenders who violated the provisions of Penal Code 476a and did not respond to other collection efforts.

The unit was supported by a data base program developed by Computer Support Services, Inc. (CSSI) that provided an automated system to perform case tracking and accounting functions. In 1995 the District Attorney's Office began exploring the option of privatizing the enterprise. Based on the cost-effectiveness of

their services, the Board of Supervisors authorized the District Attorney to contract with CSSI for full services. Under the contract, CSSI assumed responsibility for the actual processing, handling and investigation of the bad check referrals to the office. Since that time, Computer Support Services, Inc. has provided effective delivery of service to the merchants of Santa Barbara County and twenty four other counties. They continue to enhance their services by providing online access to law enforcement. By continuing to do outreach, their responsiveness to merchants and to the District Attorney remains strong.

From 2002-2004, over 14,000 checks were collected on, recovering \$889,600 in restitution to merchants, a 9.5% increase over the \$805,000 obtained during the prior term. Another measure of the program's success has been an 11% decrease in the number of checks referred to the program. By sending check writers to attend diversion classes, our recidivism is less than 1%. CSSI has also sustained a steady revenue stream for the District Attorney's office. The \$60,000 generated annually has financed DA costs to coordinate the NSF Check Program and to review and file roughly 75% of the 150 cases returned annually by CSSI for criminal prosecution. Based on the continuing effectiveness of the program in providing this service, extension of this agreement for a new three-year term is recommended.

Mandates and Service Levels:

No change to service level is anticipated.

Fiscal and Facilities Impacts:

Continuation of this service agreement has a positive fiscal impact by providing the District Attorney's Office with an estimated \$60,000 in annual revenue included in the District Attorney's budget account 5739, while continuing to provide merchants with recovery of losses experienced due to bad checks. This also relieves local law enforcement agencies of the burden to accept bad checks for investigation unless they exceed \$2,000.00.

Special Instructions: Please return an executed copy of agreement to District Attorney, ATT: Marnie Pinsker

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

Complete data below, print, obtain signature of authorized departmental representative, and submit this form (and attachments) to the Clerk of the Board (>\$25,000) or Purchasing (≤\$25,000). See also "Contracts for Services" policy. Form not applicable to revenue contracts.

D1. Fiscal Year: FY 2005-2008
 D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) : 021
 D3. Requisition Number:
 D4. Department Name.....: District Attorney
 D5. Contact Person: Marnie Pinsker
 D6. Phone: 568-2304

K1. Contract Type (check one): Personal Service Capital Project/Construction
 K2. Brief Summary of Contract Description/Purpose : NSF Check Collection & Restitution Service
 K3. Original Contract Amount: n/a
 K4. Contract Begin Date.....: February 1, 2005
 K5. Original Contract End Date.....: January 31, 2008

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

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

K7. Department Project Number:

B1. Is this a Board Contract? (Yes/No).....: yes
 B2. Number of Workers Displaced (if any).....: n/a
 B3. Number of Competitive Bids (if any).....: n/a
 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:
 F2. Current Year Encumbrance Amount: n/a
 F3. Fund Number.....: 0001
 F4. Department Number.....: 021
 F5. Program Number (if applicable).....:
 F6. Account Number.....:
 F7. Cost Center number (if applicable).....:
 F8. Payment Terms: n/a. Contractor provides % of restitution fees to County.

V1. Vendor Numbers (A=uditor; P=urchasing).....:
 V2. Payee/Contractor Name.....: Computer Support Services
 V3. Mailing Address.....: 8139 Sunset Avenue, PMB 262
 V4. City State (two-letter) Zip (include +4 if known): Fair Oaks, CA 95628
 V5. Telephone Number.....:
 V6. Contractor's Federal Tax ID Number (EIN or SSN) : (on file)
 V7. Contact Person.....:
 V8. Workers Comp Insurance Expiration Date.....: n/a
 V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl): n/a
 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 _____ :

NON-SUFFICIENT FUNDS SERVICE CONTRACT

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 District Attorney Technical Services, Ltd., DBA: Computer Support Services, having its principal place of business at 6060 Sunrise Vista Drive, Suite 2500, Citrus Heights, California 95610 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

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

1. DESIGNATED REPRESENTATIVE. The District Attorney at (805) 568-2304 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. De Anna Bingham 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: 1112 Santa Barbara Street, Santa Barbara, California 93101

TO CONTRACTOR: 8139 Sunset Avenue, PMB 262, Fair Oaks, California 95628

or such address or to such person that the parties may from time to time designate. Notices and consents under this section that 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 B** attached hereto and incorporated herein by reference. In consideration of the mutual promises, conditions and covenants herein contained, COUNTY engages CONTRACTOR as an independent contractor to furnish Non-Sufficient funds **recovery** services as a direct representative of COUNTY, and to conduct COUNTY's legally authorized restitution recovery procedures in accordance with State of California Penal Code 476(a).

4. TERM. CONTRACTOR shall commence performance on February 1st, 2005 and end performance upon completion, but no later than January 31, 2008 unless otherwise directed by COUNTY or unless earlier terminated.

5. COMPENSATION OF COUNTY. COUNTY shall be paid in accordance with the terms of **Exhibit A** attached hereto and incorporated herein by reference. Unless otherwise specified on **Exhibit A**, payment to COUNTY shall be made on a monthly basis.

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 in accordance with the terms of **Exhibit B** attached hereto and incorporated herein by reference. 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.

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/or 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 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 in accordance with the terms of **Exhibit C** attached hereto and incorporated herein by reference.

11. OWNERSHIP OF DOCUMENTS. COUNTY shall be the owner of the items in accordance with **Exhibit D** attached hereto and incorporated herein by reference.

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

12. RECORDS, AUDIT AND REVIEW. CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon giving reasonable notice.

If this Agreement exceeds Ten Thousand and No/100 Dollars (\$10,000.00), CONTRACTOR shall be subject to the examination and audit of the Auditor General for a period of three (3) years after final payment under contract (Government Code Section 10532). If in the judgment of COUNTY it is necessary to determine the services completed by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not affect any right or remedy, which CONTRACTOR may have in law or equity.

13. INDEMNIFICATION AND INSURANCE. CONTRACTOR shall agree to defend, indemnify and save harmless COUNTY and to procure and maintain insurance in accordance with the provisions of **Exhibit E** attached hereto and incorporated herein by reference. CONTRACTOR shall provide evidence of insurance prior to contract execution.

14. NON-DISCRIMINATION. COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of 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. **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 ground for termination of this Agreement.

16. **CHANGES.** Any matters of this Agreement herein contained may be modified by written agreement of both parties, effective only upon approval of the Board of Supervisors of the County of Santa Barbara, without the modifications in any way affecting the remainder.

17. **TERMINATION.** CONTRACTOR agrees to Termination with COUNTY in accordance with **Exhibit F** attached hereto and incorporated herein by reference.

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 herein or now or hereafter existing at law or in equity or otherwise.

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

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

23. **ENTIRE AGREEMENT.** In conjunction with the matters considered herein, this Agreement constitutes the entire understanding and agreement 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 agreement, course of conduct, waiver or estoppel.

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

25. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at his sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of

CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY be a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

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

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

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

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

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Computer Support Services**.

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

AGREED and ACCEPTED this _____ day of _____, 20_____.

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

ATTEST:

Clerk of The Board

By: _____
Deputy

CONTRACTOR

De Anna Bingham
District Attorney Technical Services, Ltd.
DBA: Computer Support Services

By: _____

APPROVED AS TO FORM:

Stephen Shane Stark
County Counsel

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Robert W. Geis, C.P.A.
Auditor-Controller

By: _____
Deputy

EXHIBIT A

COMPENSATION OF COUNTY

Three Thousand Five Hundred and No/100 Dollars (\$3,500.00) or disburse 30% of all administrative and diversion fees monthly if greater than \$3,500.00 to COUNTY with a detail voucher of each NSF check writer's payment for each victim/merchant.

EXHIBIT B

STANDARD OF PERFORMANCE

In fulfillment of this contract, CONTRACTOR AGREES TO:

1. Promote the availability of the NSF program within COUNTY's legal jurisdiction in an on-going public awareness program, to include regular dissemination of press releases and/or public service announcements to various local media, working directly with local Chambers of Commerce and other Merchant groups including presentations and training seminars on proper check acceptance procedures, etc.
2. Provide printed Memorandum of Understanding and Non-Sufficient Program guidelines for distribution to victims enrolling in the NSF Program.
3. Provide Victims with proper training of bad check recognition and the programs' legal requirements.
4. Maintain, as direct representative of COUNTY, a businesslike relationship with the victim.
5. Process NSF checks as received from the victim and verify the NSF checks compliance within the authority of the State of California Penal Code 476(a).
6. Conduct mailings and related collection efforts to the NSF check writer within the authority of the State of California Penal code 476(a).
7. Conduct a regularly scheduled diversion class program for those NSF check writers who qualify for diversion as authorized by the State of California Penal Code 476(a), Section 1001.61.
8. Collect payments from the NSF check writer for restitution to the victim, as well as administrative fees for NSF collection services and diversion fees when applicable. These funds will be deposited daily in a Federally insured depository and a daily accounting ledger made for audit purposes.
9. Keep current daily the NSF check writer's account balance with any new NSF check entries and payments.
10. Disburse collected funds monthly to the victims with a detail voucher of each NSF check writers' payment by NSF check writer.
11. Provide to COUNTY a monthly audit report of all collections at time of disbursement of funds.
12. Deliver to COUNTY's office the files of non-responding and delinquent NSF check writers after notification efforts have failed.
13. Keep confidential all information received by CONTRACTOR in the course of rendering the services herein.

EXHIBIT C

RESPONSIBILITY OF COUNTY

In fulfillment of this Contract COUNTY AGREES TO:

1. Assist CONTRACTOR, where appropriate, with preparation of materials and promotions of COUNTY's NSF Services to the victims.
2. Assign to CONTRACTOR designated coordinators for the orderly performance of the NSF program.
3. Notify CONTRACTOR of any NSF related materials, mailings, Penal Code changes or other like items received by COUNTY that CONTRACTOR requires in order to perform the necessary functions of the NSF program in a legal and businesslike manner.

EXHIBIT D

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, (expressly excluding any aforementioned PC and software in this or any previous Contract between CONTRACTOR and COUNTY), whether or not performance under this Agreement is completed or terminated prior to completion.

CONTRACTOR shall not release any materials under this section (with the exception of bad checks returned to the bad check writer after restitution has been made or to the victim after all reasonable attempts for restitution have been unsuccessful), except after prior written approval of COUNTY.

EXHIBIT E

INDEMNIFICATION

Indemnification pertaining to other than Professional Services:

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

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

Indemnification pertaining to Professional Services:

CONTRACTOR shall indemnify and save harmless the COUNTY, its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney's fees), judgements or liabilities arising out of the negligent performance or attempted performance of the provisions hereof; including any willful or negligent act or omission to act on the part of the CONTRACTOR or his agents or employees or other independent contractors directly responsible to him to the fullest extent allowable by law.

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

INSURANCE

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

1. Workers' Compensation Insurance. Statutory Workers' Compensation and Employers Liability Insurance shall cover all CONTRACTOR's staff while performing any work incidental to the performance of this Agreement. The policy shall provide that no cancellation, or expiration or reduction of coverage shall be effective or occur until at least thirty (30) days after receipt of such notice by the COUNTY. In the event CONTRACTOR is self-insured, it shall furnish a copy of Certificate of Consent to Self-Insure issued by Department of Industrial Relations for State of California. This provision does not apply if CONTRACTOR has no employees as defined in Labor Code Section 3350 et seq. during the entire period of this Agreement and CONTRACTOR submits a written statement to the COUNTY stating that fact.
2. General and Automobile Liability Insurance. The general liability insurance shall include bodily injury, property damage and personal injury liability coverage, shall afford coverage for all premises,

operations, products and completed operations of CONTRACTOR and shall include contractual liability coverage sufficiently broad so as to include the insurable liability assumed by the Contractor in the indemnity and hold harmless provisions [above] of the Indemnification Section of this Agreement between COUNTY and CONTRACTOR. The automobile liability insurance shall cover all owned, non-owned and hired motor vehicles that are operated on behalf of CONTRACTOR pursuant to CONTRACTOR's activities hereunder. CONTRACTOR shall require all subcontractors to be included under its policies or furnish separate certificates and endorsements to meet the standards of these provisions by each subcontractor. COUNTY, its officers, employees, and agents shall be Additional Insured status on any policy. A cross liability clause, or equivalent wording, stating that coverage will apply separately to each named or additional insured as if separate policies had been issued to each shall be included in the policies. A copy of the endorsement evidencing that the policy has been changed to reflect the Additional Insured status must be attached to the certificate of insurance. The limit of liability of said policy or policies for general and automobile liability insurance shall not be less than \$1,000,000 per occurrence and \$1,000,000 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:

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

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

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

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

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

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

EXHIBIT F

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 failure of CONTRACTOR to fulfill the obligations herein. Upon receipt of notice, all files received by CONTRACTOR prior to contract cancellation date will remain in CONTRACTOR'S program to be worked through to completion of processing procedures. CONTRACTOR shall 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, as requested by COUNTY.

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

2. For Cause: Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions where COUNTY has previously notified CONTRACTOR of these breaches and contractor has not made good faith effort to correct the problem within ninety (90) days, COUNTY may, at COUNTY's sole option, terminate this Agreement by written notice which shall be effective upon receipt by CONTRACTOR.

Either party may terminate this Agreement with cause upon ninety (90) days written notice given one to the other, if either party fails to perform any of the terms of this Agreement. This Agreement is terminated ninety (90) days after receipt of notice by the allegedly breaching party if the alleged breach has not been cured within that time, or if the alleged breach cannot be cured within ninety (90) days. Termination notice shall be deemed served five (5) days from the date when written and deposited in the U.S. Mail, certified return-receipt requested.

Upon termination of this contract, the information pertaining to COUNTY that is contained in CONTRACTOR's Master file will be the property of COUNTY.

It is expressly agreed to and understood that any and all current and future systems and programs in use and/or developed by CONTRACTOR necessary to fulfill the NSF service Contract will remain the sole property of CONTRACTOR.

Upon receiving written notice of termination, CONTRACTOR shall do the following:

1. Comply with termination instructions provided by the District Attorney in a manner that is consistent with recognized standards of prudent business practice.
2. Obtain immediate clarification from the District Attorney, whether by meeting or in writing, on any unsettled issue of Agreement performance during the remaining term.
3. Until date of termination, continue to provide the same level of service required by Agreement.
4. If records are to be transferred, such records shall be packed and labeled in accordance with directions provided by the District Attorney. Compensation and revenues to both parties will

continue until termination date in the same manner as when the Contract was in effect.

This Contract shall remain in full force for thirty-six (36) full months from the date of acceptance with renewal review at the beginning of each fiscal year. CONTRACTOR will contact COUNTY three (3) months in advance to initiate contract renewal. At the end of the thirty-six (36) month period, this Contract shall remain in full force and effective until written notice of termination due to failure to perform or cessation of the Bad Check Program is delivered by one party hereto to the other, which notice shall become effective ninety (90) days following the month in which the notice is received. In the event of such termination, the District Attorney may proceed with the work in any manner deemed proper by the District Attorney.