

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and **Arbor E & T, LLC**, having its principal place of business at **901 S. Mopac Expressway, Bldg II, Ste 450, Austin, Texas 78746** (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

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

1. **DESIGNATED REPRESENTATIVE.** **Maria Gardner, Division Chief** at phone number **(805) 346-8289** is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. **Diane Rath, Senior Vice President** at phone number **(610) 891-5504** 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: **Maria Gardner, Division Chief, Dept of Social Services, 2125 S. Centerpointe Pkwy, Santa Maria, CA 93455**

To CONTRACTOR: **Patrick Kelly, President and Manager, 901 S. Mopac Expressway, Bldg II, Ste 450, Austin, TX 78746**

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 on **July 1, 2010** and end performance upon completion, but no later than **June 30, 2013** unless otherwise directed by COUNTY or unless earlier terminated.

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

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

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement. Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement,

shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. Permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

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

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

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

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

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

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

In accordance with Federal Government Accounting Standards, Contractor will only seek reimbursement from County for expenses that are allowable under the provisions of the specific Federal cost principles appropriate to their entity: OMB A-21 (Educational Institutions), OMB A-87 (State, Local, or Indian Tribe Governments), OMB A-122 (Non-Profit Organizations), 45 CFR part 74 Appendix E (Hospitals), and Federal Acquisition Regulation (FAR) at 48 CFR part 31 (commercial organizations and non-profit organizations listed in Attachment C to Circular A-122).

Additionally, Contractor is required to comply with all all requirements and responsibilities in Circular A-133 *Audits of State, Local Governments, and Non-Profit Organizations* from the Office of Management & Budget (OMB A-133), as applicable to their specific entity and expenditures of federal funds. Such requirements and responsibilities that may apply to the Contractor include Single Audits, program-specific audits, and/or pass-through entity responsibilities including identifying and monitoring subrecipients and vendors, as defined within OMB A-133. Contractor

will substantiate to County annual compliance with those portions of OMB A-133 which apply to the Contractor.

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

14. **NONDISCRIMINATION.** COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CONTRACTOR agrees to comply with said ordinance.

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

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

17. **TERMINATION.**

A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part at any time, whether for COUNTY's convenience or because of the failure of CONTRACTOR to fulfill the obligations herein. 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 to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not effect any right or remedy which COUNTY may have in law or equity.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

30. **NONAPPROPRIATION CLAUSE.** Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state, or County governments, or funds are not otherwise available for payments in fiscal year(s) covered by the term of this Agreement, then COUNTY will notify CONTRACTOR of such occurrence and COUNTY may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.

In the event that funds have been appropriated or budgeted, CONTRACTOR understands that monies paid to CONTRACTOR by COUNTY are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this agreement in the event that such curtailment, reduction, or cancellation occurs.

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.

//
//

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and **Arbor E & T, LLC**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on July 1, 2010.

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

By: _____
Deputy

Date: _____

APPROVED AS TO FORM:
DENNIS MARSHALL
COUNTY COUNSEL

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

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO
RISK MANAGEMENT

By: _____
Risk Management

Agreement for Services of Independent Contractor between the **County of Santa Barbara** and Arbor E & T, LLC.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective July 1, 2010.

CONTRACTOR

By: _____

Date: _____

EXHIBIT A

STATEMENT OF WORK

Arbor E & T, LLC (Arbor) will provide services pursuant to the County of Santa Barbara Department of Social Services California Work Opportunities & Responsibilities to Kids (CalWORKs) Welfare-To-Work (WTW) Employment Support Services Request for Proposal (RFP) and CONTRACTOR response to the RFP dated March 30, 2010. The applicable components of the proposal have been incorporated into this Exhibit A. In the event of conflict between the provisions contained in the proposal and the provisions contained in this Exhibit A, the provisions of this Exhibit A shall prevail over those in the proposal.

I. Program Management

Corporate Structure - Corporate headquarters for Arbor E & T, LLC are located at 901 S. Mopac Expressway, Bldg II, Ste 450 in Austin, Texas. The local Project Director will work closely with both resource offices, which assist in human resources procedures, budgets, and invoicing; provide participant products; process paperwork; and support and train staff. Arbor will use the management systems currently in place, which has operated within Santa Barbara County Department of Social Services (DSS) since 1998.

Span of Supervisory Control – Supervisory control will be maintained within an effective management framework. A qualified Project Director will oversee the contract with services delivered in Santa Barbara, Santa Maria, and Lompoc. An experienced Program Manager is responsible for day-to-day operations in each location. The Program Manager will ensure that service delivered by line staff to participants is of the highest quality. The Project Director oversees the Program Manager and ensures contract performance standards. The Regional Vice President supervises the Project Director by visiting the project site regularly to make sure that DSS needs are being met, contract services are meeting all compliance issues, quality services are being delivered, and needed resources are available for effective leadership.

Staff Training – Arbor will continue to train and motivate staff with up to date job search and advancement tools. The staff will be trained on up-to-date job search and advancement techniques, so they may better assist participants. Arbor's staff development includes skill enrichment training, written objectives, goal setting, and appropriate and meaningful feedback while promoting opportunities for personal and professional growth.

Bilingual Services – Arbor will provide translation services to participants with limited or non-English speaking abilities using the following concepts:

- **Current and proposed bilingual staff capabilities** – Arbor has a standard practice to recruit and hire staff that represent the ethnic and cultural backgrounds of the participants that are served. Currently 67% of Arbor staff in Santa Barbara County is bilingual. Currently, 16% percent of Santa Barbara County's CalWORKs adults are monolingual Spanish-speaking.
- **Cultural sensitivity training** – Arbor's training program creates sensitivity and awareness to concerns and cultural attributes of the participant populations served daily. Through cultural awareness training and daily interactions, enhanced employee understating and sensitivity to participants is developed.
- **Translation capabilities and products** – Arbor uses training and translation resources, such as bilingual staff, to assist participants who speak Spanish. The training materials immerse participants in the English language and assist them in learning workplace vocabulary.

Performance Monitoring – Arbor uses different methods, such as attending DSS meetings to monitor performance and implementing corrective actions plans when challenges arise. Monthly statistical reports, performance reviews, file reviews, and formal complaint procedures will be used if needed. Close attention will be paid to the customer service surveys conducted by the County and by Arbor. In

addition, the presence of the Regional Vice President's office in California provides another method of monitoring project performance. The Project Director will be supervised by a Regional Director.

II. Summary of Activities/Performance Highlights

The DSS is responsible for determining eligibility of Welfare-To-Work applicants and recipients for services. Arbor will provide orientation, appraisals, job services/job club, assessment testing, and career advancement/job bridging and training support for Work Experience and community services to Welfare-to-Work (WTW) applicants and recipients in Santa Barbara County. Arbor will follow the service flow that was outlined in the RFP.

Orientation

To assist participants in their success throughout their Employment Services participation, Arbor will ensure that orientation maintains the following guidelines:

- Inform participants of their rights and responsibilities associated with WTW participation establishing a positive climate
- Sell the importance of an employed lifestyle
- Explain the program requirements thoroughly and carefully
- Give ownership to participants, empowering them to gain self sufficiency
- Use the power of groups if and when appropriate
- Encourage immediate action

Arbor will provide WTW orientations for both applicants and recipients using materials provided and/or approved by the County. The orientation will provide participants with eligibility requirements, time limits, program requirements, program overview, and services available. Group orientations will be scheduled and facilitated up to five times per week for applicants and recipients in both English & Spanish as needed at each site. Arbor staff will remain available to conduct after hours and weekend individual orientations as needed to accommodate employed participants.

The Career Services Consultants (CSC) will conduct the following duties:

- Record attendance on a roster form and indicate no shows
- Follow a County approved Orientation script
- Distribute and gather all necessary paperwork, and route paperwork to appropriate DSS workers or individuals for next component
- Update the County computer system (CalWIN) with necessary information
- Arbor staff will follow all County policies and procedures related to orientation flow/process.

Appraisals

Arbor will use appropriate County forms and follow all County policies and procedures to conduct appraisals on potential "Job Ready" applicants and recipients. During the appraisal process, using all approved County material, Arbor will determine if participant is "Job Ready" or if he or she is experiencing barriers that preclude employment. Arbor will use a successfully proven interview method called R.E.A.C.H. Participants with barriers that prevent them from looking for employment, working, enrolling in school, or those that have Welfare-To-Work employment plans will be sent to the WTW/DSS staff member for appraisal. Appraisals will be scheduled and facilitated up to five times per week at each individual site for applicants and recipients both in English and in Spanish.

The CSC is responsible for signing any necessary contracts with participants when job search is the assigned activity, making referrals to the Career Employment Specialists for supportive services, and entering data into CalWIN, as needed, to complete the appraisal appointment and schedule the next component assignment needed.

Job Services/Job Club

Upon completion of appraisal, all applicants and recipients that are determined to be job ready are referred to Job Services/Job Club (JCL). Arbor will continue to follow Santa Barbara County policies and procedures for WTW participants in JCL. JCL runs up to twenty (20) days and consists of five days of

workshop facilitating Arbor's job search/life skills curriculum (*VantEDGE—Principles of Success™*). The remaining fifteen days are comprised of intensive job search (Network Center) from 8:30 AM to 4:00 PM Monday through Friday.

This interactive VantEDGE agenda gives participants a sense of urgency to become self-sufficient through a positive, motivational environment and up-to-date job seeking, job retention, and job progression techniques. Through an emphasis on strengths and personal responsibility, participants experience an increased level of self-esteem, building on successes in the curriculum. This agenda also delivers a personal development program to equip participants with the skills and tools they need to improve their life skills and achieve self-sufficiency. During this workshop, participants learn to work, brainstorm solutions to everyday life challenges, explore employment opportunities, set and achieve goals, and learn time management.

Arbor engages local employers as a key component of the participants' job search success. Participants are trained in interview techniques and local employers are invited to meet with the workshop participants to discuss employment-related topics. Participants practice their newly acquired interview skills with the attending employers, receiving immediate, constructive feedback. Arbor continually updates local job leads, both advertised and unadvertised, which include information about the state and local labor markets, job seeking tips, and an up-to-date list of community resources to help participants find and retain employment. As participants obtain employment during the JCL component, Arbor celebrates their success through their "job celebration" ceremony. This ceremony highlights the participants' successes, acknowledging their accomplishments in front of their JCL peers, to motivate fellow JCL participants. Arbor gathers pertinent work information and routes JCL packets to the WTW/DSS staff member assigned to each job seeker for continued case management.

Staff members providing Job Services/Job Club services will have a Bachelor's degree and one to three years of experience in government service to consumers, particularly workforce development, or an equivalent combination of education and experience.

Assessment Testing

Each Arbor office will have staff available to proctor and score the Santa Barbara County WTW assessment testing (COPEs, COPS, CAPS, and CASAS testing). Arbor will provide the testing in English or in Spanish, as needed. Staff will perform assessment testing on all participants who are referred for testing from their WTW case manager. In addition, any participant who completes the job club component without successfully obtaining employment will complete the Assessment Testing and scored tests will be routed back with the JCL packet.

Staff members providing assessment testing and proctoring services will have a Bachelor's degree and one to three years of experience in government service to consumers, particularly workforce development, or an equivalent combination of education and experience.

Career Advancement/Job Bridging

Arbor will provide the Career Advancement Program (CAP) for participants who are working or preparing for work training activities to succeed in employment or training experience. CAP will be available for those participants that are working part-time and are not meeting the mandatory participation hours. For employed participants, CAP can be tailored to meet the needs of the participant and provide extra hours to meet participation requirements. Arbor realizes that working with employed participants will require flexibility in the hours that they must be available via the CAP program. Arbor staff will be available to work evenings and weekends and can meet with the participant during work hour breaks, if needed. CAP activities will mostly occur on a one-on-one basis. The CSCs will use the R.E.A.C.H. interview method when working with participants.

Arbor uses bilingual-available tools to assist participants to exceed their own expectations, while maintaining mandatory participation hours in WTW through Arbor's proprietary curricula:

- *Your Employment Success Series (Y.E.S.)*
- *Jump Start Your Career*
- *Guide to Employment Success*

Your Employment Success is a set of ten workbooks designed to assist participants at any level who want to sharpen their employment and/or life skills. These workbooks cover a variety of topics including Stress Management; Money Management; Self-Improvement; Teamwork; Work Culture; Problem Solving and more. *Jump Start* curriculum is a series of 12 workbooks customized to an individual's Job Search, Career Advancement, Life Skills & Job Retention needs. Further, *Arbor's Guide to Employment Success* offers 12 modules to assist participants in restructuring their thought patterns and making connections between effort and success. Additionally, Arbor uses the program, "Thirty Ways to Shine," a thirty-segment employment enhancement booklet geared to help individuals add value on-the-job, and increase confidence and productivity. The CSC refers participants with barriers to the JCL workshops, to assist the participant in overcoming the issues, and Arbor supports other programs as needed.

In addition to the curricula above, Arbor has designed a program very similar to CAP to be individually tailored to deliver a program that can 'bridge' WTW components. The objective of the Bridges Program is to provide a short-term, intensive and engaging activity resulting in participation hours for those who are transitioning between approved WTW components. Supplementing the curriculum offered via the CAP program, "Bridges" offers activities that include the Employability Skills Training and Implementation Program (ES-TIP). This program is an interactive, self-paced computer program that focuses on developing employability skills, offering eight topics: Money Matters; Your Job Search; Applying for a Job; Interviewing; Good Work Habits; Getting Along; Getting Ahead and Choosing a Career.

Staff members providing CAP/Job Bridging services will have a Bachelor's degree and one to three years of experience in government service to consumers, particularly workforce development, or an equivalent combination of education and experience.

Training Support for Work Experience/Community Service and Subsidized Employment (PWEX)

Arbor will provide Training Support, as requested, for participants involved in Subsidized Employment (PWEX), Work Experience or Community Service. Arbor will work closely with the County by attending case meetings and maintaining open communication regarding the participant's progress and needs. Arbor provides orientations and assists in completing paperwork, explaining various topics, and preparing participants for interviews with the prospective site training supervisors. Arbor conducts regular employer contacts with local businesses and organizations in an effort to maintain a positive relationship with the community and identify possible employment opportunities. Arbor provides coaching using the various curricula offered through Job Club, the Career Advancement Program, and the Bridges Program. Arbor works to prepare individuals to answer questions and participate in real-life simulations to enhance their understanding of the key principles of job success.

There is, at minimum, one staff member in each of the Regional offices who is the dedicated primary point of contact to facilitate this activity. This service mirrors those provided to CAP and Bridges Participants.

Strategies to engage clients

Arbor will implement the following methods to engage clients in WTW, and will explore other innovative methods to engage clients:

- Telephone Calls – Calls to participants are made prior to JCL, CAP/Bridges, and any other assigned component as appropriate, to confirm the appointment and ensure that participants have secured support services necessary to attend the assigned activity. By conducting outreach to confirm attendance, participants feel a greater responsibility to attend. Telephone calls are also used as a screening tool to determine if client has barriers precluding participation in the assigned activity such as mental health, alcohol/drug abuse, domestic violence, etc. In such cases, clients are directed to the appropriate agency/DSS worker.

- Telephone Outreach – Outreach is made to participants who are a ‘no-show’ or ‘no-call’ for an assigned activity. Arbor calls participants for each absence and encourages them to continue participation. Arbor updates DSS workers on outreach progress as they work to engage participants.
- Letters, Fliers, County Notices of Action, and Other Correspondence – Correspondence is mailed prior to the beginning of an assigned activity which serves as a reminder of WTW obligations, following all County of Santa Barbara policies concerning specific mail timeframes. All postal correspondence is mailed with ample time for the participant to make arrangements and secure supportive services, and/or contact the office to discuss barriers precluding participation. Copies of all correspondence are kept in the participants Job Club/CAP/Bridges folder, which will be routed to DSS at completion of component.
- Extended Hours – The purpose of extended hours is to afford working clients the opportunity to schedule appointments and attend assigned activities without creating undue hardship on their employment, childcare, or other scheduled appointments. Arbor’s flexible extended office hours allow clients to schedule or reschedule appointments at convenient times, including evenings or weekends as needed.
- Childcare – To prevent a missed appointment due to childcare issues, participants without childcare will have the option of bringing their children to the appointments; particularly the CAP/Bridge Program appointments. Activities such as videos, tutorial assistance, and toys for the children are provided so the participant can focus on accomplishing program goals. This service will be provided during regular and extended service hours.

III. Performance Objectives

1. Place 55% of participants attending at least one day of Job Services into unsubsidized employment;
2. Ensure 55% of those starting employment will be working 32 or more hours a week and earning minimum wage or above; and
3. Ensure 60% of participants scheduled for Job Services must attend within the first week.

IV. General Contract Provisions

1. Provide reports in a form and manner as mutually agreed upon as determined reasonably necessary by the County to the County’s contract liaison.
2. Obtain prior approval from DSS before moving any computer line.
3. Return to County upon expiration or termination of this contract any equipment or furniture loaned to Contractor as well as any other equipment purchased or provided to Contractor under this Agreement.
4. Obtain the expressed written consent from the County for any variation in the provision of services described in this Agreement.
5. Comply with facility management direction when in County buildings.
6. “Subrecipient vs. VENDOR: Pursuant to the OMB A-133 definitions of subrecipients and vendors, and the resulting responsibilities for the COUNTY, for the purposes of this Agreement the relationship (of Contractor to COUNTY) is that of VENDOR.”

Catalog of Federal Domestic Aid (CFDA) Number: Not applicable, as the relationship between COUNTY and CONTRACTOR is that of VENDOR.” Contractor will only seek reimbursement from County for expenses allowable under the provisions of Federal Acquisition Regulations-Contracts with Commercial Organizations found at 48 CFR 31.2.

7. Budget Variances-Contractor shall obtain the expressed written consent from the County for any variation in which any line item expenditure exceeds its budget as detailed in Exhibit B of this Agreement by 10% or more. Reasonable and necessary changes will be considered, but in no event will the overall budget amount be exceeded without a formal amendment to the contract.
8. In connection with the end of the contract, County will perform both a programmatic and a fiscal closeout to determine Contractor’s final compliance with contract provisions.

V. Payment Considerations

1. Contractor will submit a monthly report with the monthly invoice by the 10th of each month that details services rendered and level of attainment of the performance objectives.
2. Monthly, Contractor will be reimbursed for costs associated with performing services pursuant to this contract in accordance with the approved budget and cost policy statement specified in Attachment B1 and in accordance with 48CFR 31.2.
3. Liquidated Damages – Contractor will be responsible for any costs the County incurs as a result of Contractor not performing duties specified in this agreement. Such costs will be presented to the Contractor in writing and the Contractor will have 30 days to rebut the assessment prior to the COUNTY deducting the costs from the current invoice. If the liquidated damages are assessed after the final invoice has been paid, the Contractor will be sent an invoice and payment will be remitted within 30 days of the date of the invoice.

EXHIBIT B

PAYMENT ARRANGEMENTS
Periodic Compensation at Selected Milestones

A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$ 1,081,911 for year one, \$1,113,671 for year two, and \$1,147,651 for year three. The maximum amount for the original three year contract term is \$3,343,233.

B. Payment for services and/or reimbursement of costs shall be based upon Contractor's satisfactory performance of the Services set forth herein, based upon the scope and methodology contained in **Exhibit A** as determined by the County. Payment for services and/or reimbursement of costs shall be based upon the annual budgets included in **Attachment B1** (Schedule of Fees), subject to Exhibit A, Page 5, General Contract Provisions. Invoices submitted for payment that are based upon **Attachment B1** must contain sufficient detail *and documentation* to enable County's evaluation of the amounts Contractor submits to County for payment. Upon request, Contractor will provide any additional relevant supporting documentation as requested by the County.

C. Upon completion of the work for each milestone and/or delivery to COUNTY of item(s) specified below, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed in accomplishing each milestone. These invoices or certified claims must cite the assigned Board Contract Number. COUNTY REPRESENTATIVE shall evaluate the quality of the service performed and/or item(s) delivered and if found to be reasonably satisfactory in accordance with the terms of this Agreement and within the cost basis of **Attachment B1**, shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of presentation.

Percentage of Total Contract Amount or Maximum Amount Chargeable	Milestone Description
3.33%	Measure 1: Place 55% of participants attending at least one day of Job Services into unsubsidized employment;
3.33%	Measure 2: Ensure 55% of those starting employment will be working 32 or more hours a week and earning minimum wage or above; and
3.33%	Measure 3: Ensure 60% of participants scheduled for Job Services must attend within the first week.

Monthly, contractor will be eligible for a potential incentive payment based on the attainment of the agreed upon performance objectives. Contractor will track and invoice achieved performance objectives monthly.

The overall incentive potential is 10% of the contract total. The incentive is calculated by applying 10% to the total costs incurred including indirect costs. The incentive is paid on a monthly basis as part of the monthly invoicing process. The incentive is reconciled on a quarterly basis, 90 days after the close of the quarter.

The eligible incentive is divided among 3 performance measures and the value of each measure may vary from month to month based on the amount of incentive available for the particular month.

The contractor is paid on a monthly basis for each measure that has been demonstrated to have been achieved during that invoicing period. If data is not yet available to demonstrate a measure was met at the time the invoice was submitted, the contractor shall include billing for that "met" measure on the Quarterly Reconciliation of Incentive Statement. The unbilled measures will be for the amount established for the month in which the measure was achieved and met.

This quarterly incentive reconciliation affords the contractor 90 days after the close of the quarter to recoup unbilled but earned incentive measures. It allows the Contractor and the County the opportunity to utilize the CalWIN data system to demonstrate whether the performance measures were met or not.

D. Each year, the June estimated invoice and outstanding quarterly estimated incentive statements will be due by June 20th. Due to differences between estimates and actuals, any necessary reconciliation will be done in subsequent months as part of the normal invoicing process, or as a final contract closeout activity.

E. 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 B-1
LINE ITEM BUDGET**

Name of Applicant Agency: Arbor E&T, LLC
 Beginning 07/01/2010 Ending 06/30/2011

A. SALARIES AND EMPLOYEE BENEFITS

1) Salaries - List each position to be funded by this award.

Position(s)	Full-Time Equivalent (FTE) ¹	Budget for Contract Term
Direct Service Positions		
Project Director (1)	100%	\$ 63,128
Program Manager (1)	100%	\$ 54,912
Career Services Consultants (12)	100%	\$ 483,600
Administrative Positions		
Project Accountant (.5)	50%	\$ 26,557
Senior Administrative Assistant (.6)	60%	\$ 22,052
	%	\$
	%	\$
Sub-Total Salaries:		\$ 650,249

¹ FTE = Amount of time employee works on this program. State as a percentage based upon a 40 hour work week.

2) Employee Benefits - List type of employee benefit(s) and amount budgeted.

Type of Employee Benefit	Budget for Contract Term
Direct Service Staff	
FICA & Medicare	\$ 46,025
FUTA/SUTA	\$ 6,972
Medical Insurance	\$ 120,328
401K Retirement	\$ 3,008
Workers Compensation	\$ 18,591
Administrative Staff	
FICA & Medicare	\$ 3,719
FUTA/SUTA	\$ 548
Medical Insurance	\$ 9,722
401K Retirement	\$ 243
Workers Compensation	\$ 1,502
<i>(Note: Benefits levels are reviewed and potentially adjusted every year)</i>	
Sub-Total Employee Benefits	\$ 210,658
Percentage Benefits	32.40%
TOTAL SALARIES AND EMPLOYEE BENEFITS	\$ 860,907

B. SERVICES AND SUPPLIES

1) Services - List any consultant(s) or contract services

Name of Consultant(s)/Contract Services	Budget for Contract Term
Independent Audit	\$ 2,069
	\$
	\$

	\$
	\$
	\$
Sub-Total Services	\$ 2,069

2) Supplies

Item	Budget for Contract Term
Office Expense*	\$ 6,270
Program Expense*	\$ 2,500
	\$
	\$
	\$
Telephone*	\$ 1,440
Mileage*	\$ 6,000
Other*	\$ 0
Sub-Total Supplies	\$ 16,210
TOTAL SERVICES AND SUPPLIES	\$ 18,279

C. OPERATING EXPENSES

Item*	Budget for Contract Term
Facility Lease/Rental*	\$ 0
Equipment Lease/Rental*	\$ 6,600
Furnishings*	\$ 0
Maintenance	\$ 0
Utilities	\$ 432
Insurance (Refer to General Contract Provisions for Insurance Requirements)	\$ 0
Other*	\$
Facility Cost of Admin Support Staff	\$ 2,280
General Liability Insurance	\$ 3,246
ADP Payroll Processing Fee	\$ 1,625
Newspaper Subscriptions/Periodicals for Customers	\$ 240
Postage	\$ 360
Courier (overnight)	\$ 660
Provisional Indirect Costs	\$ 88,926
Incentive Potential	\$ 98,356
	\$
	\$
	\$
	\$
	\$
	\$
Total Operating Expenses	\$ 202,725
GRAND TOTAL LINE ITEM BUDGET	\$1,081,911
Minus Revenue	
TOTAL BEING REQUESTED	\$1,081,911

**EXHIBIT B-2
LINE ITEM BUDGET**

Name of Applicant Agency: Arbor E&T, LLC
Beginning 07/01/2011 **Ending** 06/30/2012

A. SALARIES AND EMPLOYEE BENEFITS

1) Salaries - List each position to be funded by this award.

Position(s)	Full-Time Equivalent (FTE) ¹	Budget for Contract Term
Direct Service Positions		
Project Director (1)	100%	\$ 64,075
Program Manager (1)	100%	\$ 55,736
Career Services Consultants (12)	100%	\$ 490,854
Administrative Positions		
Project Accountant (.5)	50%	\$ 26,955
Senior Administrative Assistant (.6)	60%	\$ 22,383
	%	\$
	%	\$
Sub-Total Salaries:		\$ 660,003

¹ FTE = Amount of time employee works on this program. State as a percentage based upon a 40 hour work week.

2) Employee Benefits - List type of employee benefit(s) and amount budgeted.

Type of Employee Benefit	Budget for Contract Term
Direct Service Staff	
FICA & Medicare	\$ 46,716
FUTA/SUTA	\$ 6,972
Medical Insurance	\$ 134,346
401K Retirement	3,053
Workers Compensation	\$ 18,870
Administrative Staff	
FICA & Medicare	\$ 3,774
FUTA/SUTA	\$ 548
Medical Insurance	\$ 10,854
401K Retirement	\$ 247
Workers Compensation	\$ 1,525
<i>(Note: Benefits levels are reviewed and potentially adjusted every year)</i>	
Sub-Total Employee Benefits	\$ 226,905
Percentage Benefits	34.38%
TOTAL SALARIES AND EMPLOYEE BENEFITS	\$ 886,908

B. SERVICES AND SUPPLIES

1) Services – List any consultant(s) or contract services

Name of Consultant(s)/Contract Services	Budget for Contract Term
Independent Audit	\$ 2,160
	\$
	\$
	\$

	\$
	\$
Sub-Total Services	\$ 2,160

2) Supplies

Item	Budget for Contract Term
Office Expense*	\$ 6,035
Program Expense*	\$ 2,500
	\$
	\$
Telephone*	\$ 1,560
Mileage*	\$ 6,000
Other*	\$ 0
Sub-Total Supplies	\$ 16,093
TOTAL SERVICES AND SUPPLIES	\$ 18,253

C. OPERATING EXPENSES

Item*	Budget for Contract Term
Facility Lease/Rental*	\$ 0
Equipment Lease/Rental*	\$ 6,600
Furnishings*	\$ 0
Maintenance	\$ 0
Utilities	\$ 480
Insurance (Refer to General Contract Provisions for Insurance Requirements)	\$ 0
Other*	\$
Facility Cost of Admin Support Staff	\$ 2,400
General Liability Insurance	\$ 3,341
ADP Payroll Processing Fee	\$ 1,649
Newspaper Subscriptions/Periodicals for Customers	\$ 240
Postage	\$ 360
Courier (overnight)	\$ 660
Provisional Indirect Costs	\$ 91,537
Incentive Potential	\$ 101,243
	\$
	\$
	\$
	\$
	\$
	\$
Total Operating Expenses	\$ 208,510
GRAND TOTAL LINE ITEM BUDGET	\$1,113,671
Minus Revenue	
TOTAL BEING REQUESTED	\$1,113,671

**EXHIBIT B-3
LINE ITEM BUDGET**

Name of Applicant Agency: Arbor E&T, LLC
Beginning 07/01/2012 **Ending** 06/30/2013

A. SALARIES AND EMPLOYEE BENEFITS

1) Salaries - List each position to be funded by this award.

Position(s)	Full-Time Equivalent (FTE)¹	Budget for Contract Term
Direct Service Positions		
Project Director (1)	100%	\$ 65,036
Program Manager (1)	100%	\$ 56,572
Career Services Consultants (12)	100%	\$ 498,216
Administrative Positions		
Project Accountant (.5)	50%	\$ 27,360
Senior Administrative Assistant (.6)	60%	\$ 22,719
	%	\$
	%	\$
Sub-Total Salaries:		\$ 669,903

¹ FTE = Amount of time employee works on this program. State as a percentage based upon a 40 hour work week.

2) Employee Benefits - List type of employee benefit(s) and amount budgeted.

Type of Employee Benefit	Budget for Contract Term
Direct Service Staff	
FICA & Medicare	\$ 47,417
FUTA/SUTA	\$ 6,972
Medical Insurance	\$ 149,998
401K Retirement	\$ 3,099
Workers Compensation	\$ 19,153
Administrative Staff	
FICA & Medicare	\$ 3,831
FUTA/SUTA	\$ 548
Medical Insurance	\$ 12,119
401K Retirement	\$ 250
Workers Compensation	\$ 1,546
<i>(Note: Benefits levels are reviewed and potentially adjusted every year)</i>	
Sub-Total Employee Benefits	\$ 244,933
Percentage Benefits	36.56%
TOTAL SALARIES AND EMPLOYEE BENEFITS	\$ 914,836

B. SERVICES AND SUPPLIES

1) Services – List any consultant(s) or contract services

Name of Consultant(s)/Contract Services	Budget for Contract Term
Independent Audit	\$ 2,261
	\$
	\$
	\$

	\$
	\$
Sub-Total Services	\$ 2,261

2) Supplies

Item	Budget for Contract Term
Office Expense*	\$ 6,035
Program Expense*	\$ 2,500
	\$
	\$
	\$ 1,560
Telephone*	\$ 6,000
Mileage*	\$ 0
Other*	\$ 0
Sub-Total Supplies	\$ 16,095
TOTAL SERVICES AND SUPPLIES	\$ 18,356

C. OPERATING EXPENSES

Item*	Budget for Contract Term
Facility Lease/Rental*	\$ 0
Equipment Lease/Rental*	\$ 6,600
Furnishings*	\$ 0
Maintenance	\$ 0
Utilities	\$ 480
Insurance (Refer to General Contract Provisions for Insurance Requirements)	\$ 0
Other*	\$
Facility Cost of Admin Support Staff	\$ 2,400
General Liability Insurance	\$ 3,442
ADP Payroll Processing Fee	\$ 1,675
Newspaper Subscriptions/Periodicals for Customers	\$ 240
Postage	\$ 360
Courier (overnight)	\$ 600
Provisional Indirect Costs	\$ 94,330
Incentive Potential	\$ 104,332
	\$
	\$
	\$
	\$
	\$
	\$
Total Operating Expenses	\$ 214,459
GRAND TOTAL LINE ITEM BUDGET	\$1,147,651
Minus Revenue	
TOTAL BEING REQUESTED	\$1,147,651

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS for contracts REQUIRING professional liability insurance

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

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

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), judgments 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.

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 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 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:

"Such insurance as is afforded by this policy shall be primary and non-contributory to the full limits stated in the declarations, and if the COUNTY has other valid and collectible insurance for a loss covered by this policy, that other insurance shall be excess only."

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

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

CONTRACTOR shall submit to the office of the designated COUNTY representative certificate(s) of insurance documenting the required insurance as specified above prior to this Agreement becoming effective. COUNTY shall maintain 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 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 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" ("E PHI")².

2. Requirement to Train Own Employees

The Contractor has a responsibility to provide effective training for all members of its workforce (including its own employees, management, staff, volunteers and independent contractors) who will or who are likely to have any access to or exposure to PHI or E PHI. Members of the Contractor's workforce who use, disclose, handle, view, process, distribute, access, audit, create, receive or have any exposure to PHI or E PHI must receive training on both the HIPAA Privacy Rule and the HIPAA Security Rule. Privacy Rule Training shall meet the requirements of 45 Code of Federal Regulations Section 164.530 (b). Security Rule Training shall meet the requirements of 45 Code of Federal Regulations Section 164.308 (a)(5).

3. 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.

4. 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 E PHI that Contractor creates, receives, maintains or transmits on behalf of County. The actions taken by the Contractor to safeguard E PHI shall include, but may not be limited to:

- a. Encrypting E PHI 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.

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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. Accounting of Disclosures

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.

11. 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.

12. 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 9 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.

13. Amendments

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.

14. 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.

15. 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.

16. Definitions

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

17. Interpretation

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

EXHIBIT F

CONFIDENTIALITY AGREEMENT

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that as an Independent Contractor and not an employee of the County of Santa Barbara for any purpose whatsoever and does not have and will not acquire any rights or benefits of any kind from the County of Santa Barbara by virtue of their performance of work under this agreement. Contractor understands and agrees that they do not have and will not acquire any rights or benefits from the County of Santa Barbara pursuant to any agreement between any person or entity and the County of Santa Barbara.

CONFIDENTIALITY AGREEMENT:

Contractor may be involved with work pertaining to services provided by the County of Santa Barbara and, if so, may have access to confidential data and client protected information pertaining to persons and/or entities receiving services from the County. This information includes but is not limited to client name, address, Social Security Number, date of birth, driver's license number, identification number, or any other information that identifies the individual. In addition, Contractor may also have access to proprietary information supplied by the County of Santa Barbara or by other vendors doing business with the County of Santa Barbara. The County has a legal obligation to protect all such confidential data and client protected information in its possession, especially data and information concerning health, mental health, criminal and public assistance records. Should a Contractor be involved in County work, the County must ensure that the Contractor will protect the confidentiality of such data and client protected information. Consequently, Contractor must enter into this agreement as a condition of their work for the County.

Contractor hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to this agreement with the County of Santa Barbara. Contractor agrees to forward all requests for the release of any data or client protected information received to the County Designated Representative.

Contractor agrees to keep confidential all financial, health, criminal and public assistance records and all data and client protected information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, County proprietary information and all other original materials produced, created or provided to or by Contractor under this agreement. Contractor agrees to protect these confidential materials against disclosure to other than County employees who have a need to know the information. Contractor agrees that if proprietary information supplied by the County or by other County vendors is provided to them during this engagement, Contractor shall keep such information confidential.

Contractor agrees to report to the County Designated Representative any and all violations of this contract by Contractor and/or by any other person of which they have become aware. Contractor agrees to return all confidential materials to the County Designated Representative upon completion of termination of this contract.

Contractor acknowledges that violation of this agreement may subject me to civil and/or criminal action and that the County of Santa Barbara may seek all possible legal redress.

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

D1. Fiscal Year : FY 10/11 \$1,081,911 FY11/12 \$1,113,671 FY12/13 \$1,147,651
D2. Budget Unit Number (plus -Ship/-Bill codes in paren's) : 044
D3. Requisition Number :
D4. Department Name : Social Services
D5. Contact Person : Linda Rodriguez
D6. Phone : 346-7294

K1. Contract Type (check one): Personal Service Capital Project/Construction
K2. Brief Summary of Contract Description/Purpose : Employment Support Services

K3. Original Contract Amount : \$3,343,233
K4. Contract Begin Date : 7/1/10
K5. Original Contract End Date : 06/30/13

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) : 0
B3. Number of Competitive Bids (if any) : 1
B4. Lowest Bid Amount (if bid) : \$3,343,233
B5. If Board waived bids, show Agenda Date :
B6. ... and Agenda Item Number : #
B7. Boilerplate Contract Text Unaffected? (Yes / or cite ¶/¶) :

F1. Encumbrance Transaction Code : 1701
F2. Current Year Encumbrance Amount : \$
F3. Fund Number : 0055
F4. Department Number : 044
F5. Division Number (if applicable) : 5810
F6. Account Number : 7510
F7. Cost Center number (if applicable) : 5210
F8. Payment Terms : Net 30

V1. Vendor Numbers (A=uditor; P=urchasing) :
V2. Payee/Contractor Name : Arbor E & T, LLC
V3. Mailing Address: 901 S. Mopoc Expressway, Bldg II, Suite 450
V4. City State (two-letter) Zip (include +4 if known) : Austin, TX 78746
V5. Telephone Number : (512) 344-4000
V6. Contractor's Federal Tax ID Number (EIN or SSN) :
V7. Contact Person : Karen Ramage, (323) 352-5100
V8. Workers Comp Insurance Expiration Date : 7/1/10
V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) : 7/1/10
V10. Professional License Number : #
V11. Verified by (name of County staff) : Linda Rodriguez
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: _____