

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

CAK

DEPT: Community Services Agency

BOARD AGENDA # *B-8

Urgent

Routine

AGENDA DATE May 19, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval to Award the Agreement to Aspiranet for the Provision of Scattered Sites Services to Former Foster Youth Participating in the Transitional Housing Program-Plus (THP-Plus) Program-Community Services Agency

STAFF RECOMMENDATIONS:

1. Approve the award of agreement by the Community Services Agency for Scattered Sites Services with Aspiranet. Agreement is not to exceed a total of \$147,854.
2. Authorize the Director of the Community Services Agency or her Designee to finalize and execute the agreement and any amendments, not to exceed the agreement amount of \$147,854.

FISCAL IMPACT:

The agreement totals \$147,854 for the period May 19, 2009 through June 30, 2010. Appropriations and estimated revenues in the amount of \$73,927 to support this agreement have been included in the Agency's Fiscal Year 2008-2009 Mid-Year budget for CSA-Public Economic Assistance. The ongoing appropriations and revenues for the awarded contract are included in Agency's Fiscal Year 2009-2010 Proposed budget for CSA-Public Economic Assistance.

(FISCAL IMPACT continued on page 2)

BOARD ACTION AS FOLLOWS:

No. 2009-327

On motion of Supervisor Grover, Seconded by Supervisor Monteith

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Approval to Award Agreement for the Provision of Scattered Sites Services to Former Foster Youth Participating in the Transitional Housing Program-Plus (THP-Plus) Program-Community Services Agency

FISCAL IMPACT: Continued

Funding for THP Plus is provided through an annual State allocation that reimburses 100% of allowable program expenses. There is no additional cost to the General Fund associated with these agreements.

DISCUSSION:

In 2001, Assembly Bill 427 established the Transitional Housing Program-Plus (THP-Plus) program, to address the needs of a growing group of at-risk youth who age-out or emancipate from the foster care system. In Stanislaus County, approximately 40 youth emancipate from foster care and the probation system annually. The in-depth Aging Out Study by California State University, Stanislaus (Garcia et al., 2004) indicated the lack of housing and employment assistance as major challenges for youth emancipating from the foster care system. Nearly all the interviewed youth experienced multiple housing changes and drifted between part-time and full-time “service” industry jobs, particularly fast food. Unemployment and/or low wage entry level jobs are contributing factors for homelessness of former foster youths. The goal of the THP-Plus program is that every youth participant has secure, stable housing after graduation from the program and is progressing with his/her life goals in the area of education, physical/mental well-being, connections to the community, employment and self-sufficiency.

CSA in partnership with the General Services Agency issued Request for Qualifications #09-04-TRS on January 23, 2009 for the provision of Scattered Site Services to Former Foster youth participating in the Transitional Housing Program-Plus (THP-Plus) Program. The agreement will provide a range of services to prepare the THP-Plus program youth participant for independence and self sufficiency, including case management, educational and job readiness services, life skills and housing services. Three (3) provider qualifications were received. CSA interviewed all three (3) providers. On March 17, 2009, the three (3) agencies were notified in writing of the agencies intent to award.

The Agency is recommending that the Board of Supervisors award the agreement for THP-Plus Scattered Site Services to Aspiranet.

POLICY ISSUES:

Approval to award the agreement supports the Board’s priorities of *A healthy community, Effective partnerships and Efficient delivery of public services* by providing services needed to enhance the lives of former foster youth in our community.

STAFFING ISSUES:

There is no staffing impact associated with this request.

**COUNTY OF STANISLAUS
COMMUNITY SERVICES AGENCY
AGREEMENT TO PROVIDE
SCATTERED SITES SERVICES FOR
THE TRANSITIONAL HOUSING PROGRAM PLUS (THP+) PROGRAM
MAY 19, 2009 THROUGH JUNE 30, 2010**

BOARD OF SUPERVISORS

MAY 22, 2009 A 8:24

This AGREEMENT FOR INDEPENDENT CONTRACTOR SERVICES (the "Agreement") is made and entered into by and between the COUNTY OF STANISLAUS ("County") and ASPIRANET ("Contractor"), a California non-profit corporation on May 19, 2009.

The mission of Stanislaus County to children is to promote family responsibility. It is our commitment to provide children and their families with access to essential resources and effective strategies to become contributing and interdependent members of the community. Collaboration between agencies in partnership with the community is the most effective means of providing services. These services are to be provided in a manner that is culturally sensitive, promotes a sense of self-worth, and protects the safety of children, families and community.

RECITALS

WHEREAS, the County has a need for scattered sites transitional housing services for foster youth ages 18-24; and,

WHEREAS, the Contractor is specially trained, experienced and competent to perform and has agreed to provide such services; and

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF WORK

- 1.1 The Contractor shall furnish to the County upon execution of this Agreement or receipt of the County's written authorization to proceed, those services and work set forth in EXHIBIT A, attached hereto and, by this reference, made a part hereof.
- 1.2 All documents, drawings and written work product prepared or produced by the Contractor under this Agreement, including without limitation electronic data files, are the property of the Contractor; provided, however, the County shall have the right to reproduce, publish and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so. If any such work is copyrightable, the Contractor may copyright the same, except that, as to any work which is copyrighted by the Contractor, the County reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, and use such work, or any part thereof, and to authorize others to do so.
- 1.3 Services and work provided by the Contractor at the County's request under this Agreement will be performed in a timely manner consistent with the requirements and standards established by applicable federal, state and County laws, ordinances, regulations and resolutions.

2. CONSIDERATION

- 2.1 County shall pay Contractor as set forth in Exhibit A.

- 2.2 Except as expressly provided in Exhibit A of this Agreement, Contractor shall not be entitled to nor receive from County any additional consideration, compensation, salary, wages or other type of remuneration for services rendered under this Agreement. Specifically, Contractor shall not be entitled by virtue of this Agreement to consideration in the form of overtime, health insurance benefits, retirement benefits, disability retirement benefits, sick leave, vacation time, paid holidays or other paid leaves of absence of any type or kind whatsoever.
- 2.3 County will not withhold any Federal or State income taxes or Social Security tax from any payments made by County to Contractor under the terms and conditions of this Agreement. Payment of all taxes and other assessments on such sums is the sole responsibility of Contractor. County has no responsibility or liability for payment of Contractor's taxes or assessments.
- 2.4 Pursuant to Penal Code section 484b and to Business and Professions Code section 7108.5, the Contractor must apply all funds and progress payments received by the Contractor from the County for payment of services, labor, materials or equipment to pay for such services, labor, materials or equipment. Pursuant to Civil Code section 1479, the Contractor shall direct or otherwise manifest the Contractor's intention and desire that payments made by the Contractor to subcontractors, suppliers and materialmen shall be applied to retire and extinguish the debts or obligations resulting from the performance of this Agreement.
- 2.5 Payments of all services provided in accordance with the provisions of this Agreement are contingent upon the availability of County, State and Federal funds.

3. TERM

- 3.1 The term of this Agreement shall be from the date of approval of this Agreement until completion of the agreed upon services unless sooner terminated as provided below or unless some other method or time of termination is listed in Exhibit A.
- 3.2 Should either party default in the performance of this Agreement or materially breach any of its provisions, the other party, at that party's option, may terminate this Agreement by giving written notification to the other party.
- 3.3 This Agreement shall terminate automatically on the occurrence of (a) bankruptcy or insolvency of either party, (b) sale of Contractor's business, (c) cancellation of insurance required under the terms of this Agreement, and (d) if, for any reason, Contractor ceases to be licensed or otherwise authorized to do business in the State of California, and the Contractor fails to remedy such defect or defects within thirty (30) days of receipt of notice of such defect or defects.
- 3.4 The County may terminate this Agreement upon thirty (30) days prior written notice to the Contractor. Termination of this Agreement shall not affect the County's obligation to pay for all fees earned and reasonable costs necessarily incurred by the Contractor as provided in Paragraph 2 herein, subject to any applicable setoffs.
- 3.5 County shall notify Contractor in writing within thirty (30) days of any potential Federal or State audit exception. Where findings indicate program requirements are not being met and Federal and/or State participation in this program may be imperiled, written notification will constitute County's intention to terminate this Agreement in the event corrections are not accomplished within thirty (30) days.

- 3.6 This Agreement may be terminated by County upon the giving of thirty (30) days notice of such termination because the services as determined by the Director of Stanislaus County Community Services Agency are inadequate, poorly performed, or improperly supervised. Within the thirty (30) day period, Contractor may appeal the decision of the Director of the Community Services Agency to the Board of Supervisors of Stanislaus County. The determination by the Board as to the termination shall be final.
- 3.7 Notwithstanding any other provisions of this Agreement, County may terminate the Agreement immediately:
- A. Upon receipt of evidence of probable unsafe and/or hazardous practice in the provision of services; or,
 - B. Upon loss of any license(s) required for lawful operation of Contractor's business; or,
 - C. Upon an unauthorized decrease in the required insurance in force; or,
 - D. Upon failure to make payroll payments; or,
 - E. Failure to remit payroll deductions in a timely manner to the appropriate State and Federal government; or,
 - F. Upon failure to substantially meet other financial obligations; or,
 - G. Upon service or a writ of attachment by creditors of Contractor.
- 3.8 Either party without cause may terminate this Agreement when a thirty (30) day written notice is provided to the other party.

4. WORK SCHEDULE

Contractor is obligated to perform in a timely manner those services and work identified in Exhibit A. It is understood by Contractor that the performance of these services and work will require the Contractor to perform the services and work in conformance with the schedule set forth in Exhibit A, if any, and, if there is no schedule, the hours and times for completion of said services and work are to be set by the Contractor; provided, however, that such schedule is subject to review by and concurrence of the County.

5. REQUIRED LICENSES, CERTIFICATES AND PERMITS

Any licenses, certificates or permits required by the federal, state, county or municipal governments for Contractor to provide the services and work described in Exhibit A must be procured by Contractor and be valid at the time Contractor enters into this Agreement. Further, during the term of this Agreement, Contractor must maintain such licenses, certificates and permits in full force and effect. Licenses, certificates and permits may include but are not limited to driver's licenses, professional licenses or certificates and business licenses. Such licenses, certificates and permits will be procured and maintained in force by Contractor at no expense to the County.

6. OFFICE SPACE, SUPPLIES, EQUIPMENT, ETC.

Unless otherwise provided in Exhibit A, Contractor shall provide such office space, supplies, equipment, vehicles, reference materials and telephone service as is necessary for Contractor to provide the services identified in Exhibit A to this Agreement. County is not obligated to reimburse or

pay Contractor for any expense or cost incurred by Contractor in procuring or maintaining such items. Responsibility for the costs and expenses incurred by Contractor in providing and maintaining such items is the sole responsibility and obligation of Contractor.

7. INSURANCE

7.1 Contractor shall take out, and maintain during the life of this Agreement, insurance policies with coverage at least as broad as follows:

7.1.1 General Liability: Comprehensive general liability insurance covering bodily injury, personal injury, property damage, products and completed operations with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to any act or omission by Contractor under this Agreement or the general aggregate limit shall be twice the required occurrence limit.

7.1.2 Automobile Liability Insurance: If the Contractor or the Contractor's officers, employees, agents, representatives or subcontractors utilize a motor vehicle in performing any of the work or services under this Agreement, owned/non-owned automobile liability insurance providing combined single limits covering bodily injury, property damage and transportation related pollution liability with limits of no less than One Million Dollars (\$1,000,000) per incident or occurrence.

7.1.3 Workers' Compensation Insurance: Workers' Compensation insurance as required by the California Labor Code. In signing this Agreement, the Contractor certifies under section 1861 of the Labor Code that the Contractor is aware of the provisions of section 3700 of the Labor Code which requires every employer to be insured against liability for workmen's compensation or to undertake self-insurance in accordance with the provisions of that code, and that the Contractor will comply with such provisions before commencing the performance of the work of this Agreement.

7.2 Any deductibles, self-insured retentions or named insureds must be declared in writing and approved by County. At the option of the County, either: (a) the insurer shall reduce or eliminate such deductibles, self-insured retentions or named insureds, or (b) the Contractor shall provide a bond, cash, letter of credit, guaranty or other security satisfactory to the County guaranteeing payment of the self-insured retention or deductible and payment of any and all costs, losses, related investigations, claim administration and defense expenses. The County, in its sole discretion, may waive the requirement to reduce or eliminate deductibles or self-insured retentions, in which case, the Contractor agrees that it will be responsible for and pay any self-insured retention or deductible and will pay any and all costs, losses, related investigations, claim administration and defense expenses related to or arising out of the Contractor's defense and indemnification obligations as set forth in this Agreement.

7.3 The Contractor shall provide a specific endorsement to all required insurance policies, except Workers' Compensation insurance and Professional Liability insurance, if any, naming the County and its officers, officials and employees as additional named insured regarding: (a) liability arising from or in connection with the performance or omission to perform any term or condition of this Agreement by or on behalf of the Contractor, including the insured's general supervision of the Contractor; (b) services, products and completed operations of the Contractor; (c) premises owned, occupied or used by the Contractor; and (d) automobiles owned, leased, hired or borrowed by the Contractor. For Workers' Compensation insurance,

the insurance carrier shall agree to waive all rights of subrogation against the County and its officers, officials and employees for losses arising from the performance of or the omission to perform any term or condition of this Agreement by the Contractor.

- 7.4 The Contractor's insurance coverage shall be primary insurance regarding the County and County's officers, officials and employees. Any insurance or self-insurance maintained by the County or County's officers, officials and employees shall be excess of the Contractor's insurance and shall not contribute with Contractor's insurance.
- 7.5 Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the County or its officers, officials, employees or volunteers.
- 7.6 The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 7.7 Each insurance policy required by this section shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party except after thirty (30) days prior written notice has been given to County. The Contractor shall promptly notify, or cause the insurance carrier to promptly notify, the County of any change in the insurance policy or policies required under this Agreement, including, without limitation, any reduction in coverage or in limits of the required policy or policies.
- 7.8 Insurance shall be placed with California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide acceptable to the County; provided, however, that if no California admitted insurance company provides the required insurance, it is acceptable to provide the required insurance through a United States domiciled carrier that meets the required Best's rating and that is listed on the current List of Eligible Surplus Line Insurers maintained by the California Department of Insurance. A Best's rating of at least A-VII shall be acceptable to the County; the County must approve lesser ratings in writing.
- 7.9 Contractor shall require that all of its subcontractors are subject to the insurance and indemnity requirements stated herein, or shall include all subcontractors as additional named insureds under its insurance policies.
- 7.10 At least ten (10) days prior to the date the Contractor begins performance of its obligations under this Agreement, Contractor shall furnish County with certificates of insurance and with original endorsements effecting coverage required by this Agreement, including, without limitation, those effecting coverage for subcontractors of the Contractor. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements shall be received and, in County's sole and absolute discretion, approved by County. County reserves the right to require complete copies of all required insurance policies and endorsements, at any time.
- 7.11 The limits of insurance described herein shall not limit the liability of the Contractor and Contractor's officers, employees, agents, representatives or subcontractors.
- 7.12 If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor agrees to maintain the required insurance coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. Contractor may maintain the required post agreement coverage by renewal of purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonably affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this

requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed to be reasonable.

8. DEFENSE AND INDEMNIFICATION

- 8.1 To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend the County and its agents, officers and employees from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorneys' fees, arising out of, resulting from, or in connection with the performance of this Agreement by the Contractor or Contractor's officers, employees, agents, representatives or subcontractors and resulting in or attributable to personal injury, death, or damage or destruction to tangible or intangible property, including the loss of use. Notwithstanding the foregoing, Contractor's obligation to indemnify the County and its agents, officers and employees for any judgment, decree or arbitration award shall extend only to the percentage of negligence or responsibility of the Contractor in contributing to such claim, damage, loss and expense.
- 8.2 Contractor's obligation to defend, indemnify and hold the County and its agents, officers and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Contractor to procure and maintain a policy of insurance.
- 8.3 To the fullest extent permitted by law, the County shall indemnify, hold harmless and defend the Contractor and its officers, employees, agents, representatives or subcontractors from and against all claims, damages, losses, judgments, liabilities, expenses and other costs, including litigation costs and attorney's fees, arising out of or resulting from the negligence or wrongful acts of County and its officers or employees.

9. STATUS OF CONTRACTOR

- 9.1 All acts of Contractor and its officers, employees, agents, representatives, subcontractors and all others acting on behalf of Contractor relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers or employees of County. Contractor, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of County. Except as expressly provided in Exhibit A, Contractor has no authority or responsibility to exercise any rights or power vested in the County. No agent, officer or employee of the County is to be considered an employee of Contractor. Both Contractor and County understand that this Agreement shall not be construed or considered under any circumstances to create an employer-employee relationship or a joint venture.
- 9.2 At all times during the term of this Agreement, the Contractor and its officers, employees, agents, representatives or subcontractors are, and shall represent and conduct themselves as, independent contractors and not employees of County.
- 9.3 Contractor shall determine the method, details and means of performing the work and services to be provided by Contractor under this Agreement. Contractor shall be responsible to County only for the requirements and results specified in this Agreement and, except as expressly provided in this Agreement, shall not be subjected to County's control with respect to the physical action or activities of Contractor in fulfillment of this Agreement. Contractor has control over the manner and means of performing the services under this Agreement.

Contractor is permitted to provide services to others during the same period services are provided to County under this Agreement. If necessary, Contractor has the responsibility for employing other persons or firms to assist Contractor in fulfilling the terms and obligations under this Agreement.

- 9.4 If, in the performance of this Agreement, any third persons are employed by Contractor, such persons shall be entirely and exclusively under the direction, supervision and control of Contractor. Contractor shall determine all terms of employment including hours, wages, working conditions, discipline, hiring and discharging or any other term of employment or requirements of law.
- 9.5 It is understood and agreed that as an independent Contractor and not an employee of County, the Contractor and the Contractor's officers, employees, agents, representatives or subcontractors do not have any entitlement as a County employee, and do not have the right to act on behalf of the County in any capacity whatsoever as an agent, or to bind the County to any obligation whatsoever.
- 9.6 It is further understood and agreed that Contractor must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Contractor's assigned personnel under the terms and conditions of this Agreement.
- 9.7 As an independent Contractor, Contractor hereby indemnifies and holds County harmless from any and all claims that may be made against County based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

10. RECORDS AND AUDITS

- 10.1 Contractor shall prepare and maintain all writings, documents, and records prepared or compiled in connection with the performance of this Agreement for a minimum of five (5) years from the termination or completion of this Agreement, or until such records and their supporting documentation are released due to closure of Federal/State audit, whichever is longer. This includes any handwriting, typewriting, printing, photostatic, photographing, and every other means of recording upon any tangible thing, any form of communication or representation including letters, words, pictures, sounds, or symbols or any combination thereof.
- 10.2 Records shall be destroyed in accordance with California Department of Social Services (CDSS) Manual of Policy and Procedures (MPP) Division 23, Section 350.
- 10.3 Any authorized representative of County shall have access to any writings as defined above for the purposes of making audit, evaluation, examination, excerpts, and transcripts during the period such records are to be maintained by Contractor. Further, County has the right at all reasonable times to audit, inspect, or otherwise evaluate the work performed or being performed under this Agreement.
- 10.4 County shall have the right to audit all billings and records of the Contractor related to this Agreement as required by State law. County can appoint an independent public accountant.
- 10.5 Contractor agrees that its financial records shall contain itemized records of all costs and be available for inspection in Stanislaus County within three (3) working days of the request by the County, State or Federal agencies.
- 10.6 Monitoring by County may be accomplished by the following means: field reviews, audit claims, monthly review of records, etc.

- 10.7 Contractor shall be responsible for the procurement and performance of a fiscal and compliance audit annually. Entities receiving in excess of \$500,000 in Federal funds must comply with the Single Audit Act of 1984, PL 98-502 and the Single Audit Amendments of 1996, P.L. 104-156. All audits must be performed in accordance with Government Audit standards as set forth in the Guidelines for Financial and Compliance Audits for Federally Assisted Programs, Activities, and Functions, and the provisions of OMB Circular A-133 as this applies to the auditing of states, local governments, institutions of higher education and non-profits.
- 10.8 The annual audit requirement is replaced with a biennial audit covering the most recent fiscal year if all of the following apply:
- A. The total County Agreement expenditures, from all funding sources, during the fiscal year, are less than \$100,000.
 - B. The contractor is in compliance with all other Agreement requirements.
 - C. An audit was performed on one of the preceding two years in accordance with Government Auditing Standards and a copy of the report and any management letter has been submitted to County.
 - 1. The auditor's opinion on the financial statement and the schedule of federal awards (if applicable) were unqualified.
 - 2. There were no deficiencies in internal control over financial reporting that were identified as material weaknesses under the requirements of Government Auditing Standards.
 - 3. None of the state or federal programs had audit findings in the preceding year that were classified as:
 - a. Material weaknesses in the internal control over compliance.
 - b. Noncompliance with the provisions of laws, regulations, contracts, or grant agreements that had a material effect on the program.
 - c. Known or likely questioned costs.
 - D. The audit must be conducted in accordance with Government Auditing Standards and the statements must be prepared in conformity with generally accepted accounting principles.
- 10.9 Contractor shall include in all fiscal audit reports an opinion which indicates whether program expenditures are allowable pursuant to the provisions of 45 CFR, Part 74, and all applicable State and Federal guidelines, policies and procedures.
- 10.10 Expenses incurred by Contractor to provide for the performance of an audit to satisfy said requirements are an allowable Agreement cost. Contractor is responsible for ensuring that the appropriate portion of audit costs are included with its total executed Agreement funds.
- 10.11 Contractor is responsible for submitting to County an audit report, prepared in accordance with said requirements, within one hundred twenty (120) days of the end of the Contractor's fiscal year.

11. CONFIDENTIALITY

Contractor shall comply and require its officers and employees to comply with the provisions of Section 10850 of the Welfare and Institutions Code (WIC) and Division 19 of the California Department of Social Services Manual of Policies and Procedures to assure that:

- 11.1 Any and all information pertaining to the administration of public social services, for which grants in aid are received will be confidential and will not be open to examination for any purpose not directly connected with the administration of public social services.
- 11.2 No person will publish or disclose, or use or permit, or cause to be published, disclosed or used, any confidential information pertaining to an applicant or recipient.
- 11.3 Contractor shall inform all of its employees, agents, subcontractors and partners of the above provision and that any person knowingly and intentionally violating the provisions of said state law is guilty of misdemeanor.
- 11.4 Contractor, as an agent of Stanislaus County, shall adhere to the privacy and security safeguards contained in EXHIBIT B called Medi-Cal Data Privacy and Security Agreement between the California Department of Health Care Services and the County of Stanislaus, Community Services Agency.

12. NONDISCRIMINATION

- 12.1 During the performance of this Agreement, Contractor and its officers, employees, agents, representatives or subcontractors shall not unlawfully discriminate in violation of any federal, state or local law, rule or regulation against any employee, applicant for employment or person receiving services under this Agreement because of race, religion, color, national origin, ancestry, physical or mental handicap, medical condition (including genetic characteristics), marital status, age, political affiliation or sex. Contractor and its officers, employees, agents, representatives or subcontractors shall comply with all applicable Federal, State and local laws and regulations related to non-discrimination and equal opportunity, including without limitation the County's nondiscrimination policy; the Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, 1102 and 1102.1; the Federal Civil Rights Act of 1964 (P.L. 88-352), as amended; and all applicable regulations promulgated in the California Code of Regulations or the Code of Federal Regulations. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements.
- 12.2 Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.
- 12.3 Contractor shall provide a system by which recipients of service shall have the opportunity to express and have considered their views, grievances, and complaints regarding Contractor's delivery of services.

13. ASSIGNMENT

- 13.1 This is an agreement for the services of Contractor. County has relied upon the skills, knowledge, experience and training of Contractor and the Contractor's firm, associates and employees as an inducement to enter into this Agreement. Contractor shall not assign or

subcontract this Agreement without the express written consent of County. Further, Contractor shall not assign any monies due or to become due under this Agreement without the prior written consent of County.

13.2 Any working agreements, memoranda of understanding, or subcontracts let as a result of this Agreement shall adhere to the terms contained in this Agreement and shall be submitted to County prior to their commencement.

14. WAIVER OF DEFAULT

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver or breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided below.

15. NOTICE

Any notice, communication, amendment, addition or deletion to this Agreement, including change of address of either party during the term of this Agreement, which Contractor or County shall be required or may desire to make shall be in writing and may be personally served or, alternatively, sent by prepaid first class mail to the respective parties as follows:

To County: County of Stanislaus
Community Services Agency
Attention: Contracts Manager
PO Box 42
Modesto, CA 95353

To Contractor: Aspiranet
Attention: Vernon Brown, CEO
400 Oyster Point Blvd., Suite 501
South San Francisco, CA 94080

16. CONFLICTS

Contractor agrees that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the work and services under this Agreement.

17. SEVERABILITY

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction or if it is found in contravention of any federal, state or county statute, ordinance or regulation the remaining provisions of this Agreement or the application thereof shall not be invalidated thereby and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

18. AMENDMENT

This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

19. ADVICE OF ATTORNEY

Each party warrants and represents that in executing this Agreement, it has received independent legal advice from its attorneys or the opportunity to seek such advice.

20. CONSTRUCTION

Headings or captions to the provisions of this Agreement are solely for the convenience of the parties, are not part of this Agreement, and shall not be used to interpret or determine the validity of this Agreement. Any ambiguity in this Agreement shall not be construed against the drafter, but rather the terms and provisions hereof shall be given a reasonable interpretation as if both parties had in fact drafted this Agreement.

21. GOVERNING LAW AND VENUE

This Agreement shall be deemed to be made under, and shall be governed by and construed in accordance with, the laws of the State of California. Any action brought to enforce the terms or provisions of this Agreement shall have venue in the County of Stanislaus, State of California.

22. GENERAL ACCOUNTABILITY

22.1 In the event of an audit exception or exceptions, the party responsible for not meeting the program requirement or requirements shall be responsible for the deficiency.

22.2 In the event of any State hearings, cash grant award or lawsuit award resulting from Contractor's failure to perform as required by this Agreement, Contractor shall make reimbursement to the damaged party.

22.3 Additional costs to County for maintaining any portion of the Agreement as a result of Contractor's failure to perform, as required by this Agreement, are subject to recoupment by County through withholding from billings or any other form of legal action.

23. CODE OF ETHICS

Contractor shall uphold the following Code of Ethics:

- Professional Conduct: Employees of Contractor will abide by all applicable laws, regulations, policies and procedures in the delivery of all services. Professional staff of Contractor will also abide by specific codes of ethics prescribed by the professional organizations, which set standards for their profession.
- Quality of Service: Employees of Contractor will promote the goals of the program, which includes enhancement of participant self esteem, by providing quality service which demonstrates knowledge of the respect for participant needs.
- Respect and Courtesy: Employees of Contractor will conduct all activities with respect and courtesy for participants.
- Propriety: Employees of Contractor will not make use of their position or relationship with clients for personal gain.
- Positive Representation: Employees of contractor will not behave in any manner that will bring discredit to his/her professional status and reputation or to the program.

24. STATE ENERGY CONSERVATION PLAN

Contractor agrees to recognize the mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan Title 23, California Administrative Code, as required by the U.S. Energy, Policy and Conservation Act (P.L. 94-165).

25. COPYRIGHT ACCESS

County, CDSS, and the United States Department of Health and Human Services shall have a royalty free nonexclusive and irrevocable license to publish, translate, or use, now or hereafter, all material developed under this Agreement including those covered by copyright.

26. CONVICTION OF CRIME

26.1 Contractor shall immediately notify County concerning the arrest and/or subsequent conviction, for other than minor traffic offenses, of any paid employee and/or volunteer staff assigned to provide services under this Agreement, when such information becomes known to Contractor.

26.2 Contractor agrees not to knowingly employ any person convicted of any crime involving abuse, neglect, violence, or sexual conduct involving or perpetrated upon a minor, or an adult person or who has been convicted of any felony.

26.3 Contractor shall establish a procedure acceptable to County to ensure that all employees or agents performing services under this Agreement report child abuse or neglect to a child protective agency as defined in Penal Code Section 11165.1 through 11165.6. Contractor shall require each employee, volunteer, consultant, subcontractor or agency to sign a statement that he or she knows of the reporting requirements as defined in Penal Code Section 11166(a) and will comply with the provisions of the code section.

27. MATCHING FUNDS

These funds are not available for matching unless certified by County.

28. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION-LOWER TIER COVERED TRANSACTIONS

28.1 County and Contractor recognize that Federal assistance funds will be used under the terms of this Agreement. For purposes of this paragraph, Contractor will be referred to as the "prospective recipient".

28.2 This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

A. The prospective recipient of Federal assistance funds certifies by entering this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

B. The prospective recipient of funds agrees by entering this Agreement, that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred,

suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Federal department or agency with which this transaction originated.

- C. Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.
- D. The prospective recipient shall provide immediate written notice to County if at any time prospective recipient learns that its certification in paragraph 28, of this Agreement was erroneous when submitted or has become erroneous by reason of changed circumstances.
- E. The prospective recipient further agrees that by entering this Agreement, it will include a clause identical to paragraph 28 of this Agreement and titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions", in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- F. The certification in paragraph 28 of this Agreement is a material representation of fact upon which County placed reliance when this transaction was entered into.

29. COMPLIANCE WITH FALSE CLAIMS ACT

29.1 Contractor shall notify County immediately upon discovery of any employee of Contractor, any subcontractor, agent or other persons providing services, on behalf of Contractor who are placed on the State's Medi-Cal Suspended and Ineligible Provider List. Any employee of Contractor, any subcontractor, agent or other persons providing services on behalf of Contractor, who is placed on the Medi-Cal Suspended and Ineligible Provider List shall not provide services to County under this Agreement. This list is available on the Internet at www.medi-cal.ca.gov.

29.2 Pursuant to Section 6032 of the Deficit Reduction Act of 2005, Contractor shall communicate to its employees, subcontractors, agents and other persons providing services on behalf of Contractor the policies and procedures related to the Federal and State False Claims Act. Contractor agrees that it has received a copy of the False Health Care Claims Policy approved by the Stanislaus County Board of Supervisors on May 8, 2007 and that it and its employees, subcontractors, agents and other persons providing services on behalf of Contractor will adhere to these policies and procedures.

30. ENTIRE AGREEMENT

This Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein, and that no other agreement, statement or promise not contained in this Agreement shall be valid or binding.

//

This Agreement has been signed by the parties or their duly authorized representatives to become effective as of the date referenced on the first page.

IN WITNESS WHEREOF, the parties have executed this Agreement in duplicate on the day and year first hereinabove written.

**APPROVED AS TO CONTENT:
COUNTY OF STANISLAUS
COMMUNITY SERVICES AGENCY**

ASPIRANET

By: Christine C. Applegate
Christine C. Applegate

By: V. Br

Title: Director

Title: CEO

Dated: 6/3/09

Dated: 5/27/09

Tax Payer Identification Number:

94-2442955

**APPROVED AS TO FORM:
COUNTY COUNSEL
JOHN P. DOERING**

COUNTY PURCHASING DEPARTMENT

By: [Signature]

By: [Signature]
Per Julie Wofford
Title: Purchasing Agent

Title: Deputy County Counsel

Dated: 6-10-09

Dated: 5/21/09

COUNTY OF STANISLAUS

Approved per BOS Item #: 2009-304

Dated: May 5, 2009

**ASPIRANET
AGREEMENT TO PROVIDE
SCATTERED SITES SERVICES FOR
THE TRANSITIONAL HOUSING PROGRAM PLUS (THP+) PROGRAM
MAY 19, 2009 THROUGH JUNE 30, 2010**

I. SCOPE OF WORK:

Contractor shall provide the following scattered sites services to County Transitional Housing Program Plus (THP+) Program participants for up to three (3) former foster youth ages 18-24 as referred by County.

A. Enrollment

- Contractor will enroll participants in the Scattered Sites Services program within ten (10) days of referral. Enrollment includes contact with the County After Care Social Worker and the participant to gather background data and completion of enrollment documents. Contractor will send copies of enrollment documentation to the County.

B. Case Management

- Contractor will coordinate with the Independent Living Program (ILP)/After Care program to meet the goals outlined in the Transitional Independent Living Plan (TILP) and the THP+ plan. Contractor will complete the THP+ Assessment and Service Plan within two (2) weeks of program enrollment.
- Contractor will work with ILP/After Care Program to complete the Ansell-Casey Assessment and THP+ assessment for the Efforts to Outcome (ETO) data base. Contractor will receive assistance from the County After Care Social Worker to complete the assessments and the data entry into the ETO.
- Contractor will spend a minimum of one (1) hour per month with each participant to provide support and guidance to address ongoing needs, group counseling as appropriate, educational advocacy, assistance to pursue college or other post high school training, job readiness training and support, mentoring, help in building relationships to community, family neighbors and employers and other relationship areas.
- Contractor will spend a minimum of two (2) hours weekly with each participant on plan follow through, goals and ambitions to provide encouragement, motivation, tutoring and linkage to academic, vocational and support services.

C. Educational and Job Readiness Services

- Contractor will provide educational advocacy and support including linkages to other Independent Living Skills (ILS) services with the goal for the participant to obtain a high school diploma, General Educational Development (GED), or High School Proficiency prior to graduation from the program.
- Contractor will work closely with colleges and vocational programs to facilitate participant's research of options for higher education to include enrollment, financial assistance, tutoring or other needed assistance.

- Contractor will collaborate with local agencies that provide job readiness training and education services for each participant.

D. Economic Stabilization

- Contractor will work with the participant to establish checking accounts, budgets, and calendars for paying bills on time. The participant will be responsible for telephone services.
- Contractor will provide monthly allotments to the participant once Contractor and County determine the participant is ready. Participant will place monthly allotment into a checking account. Contractor will create a statement for the participant listing the total monthly bills to include their share of the rent and utilities. Participant will pay these bills timely using their established checking account.
- Contractor will provide an allowance of \$335 per month to the participant for utilities, laundry, food, cleaning supplies, transportation, and personal necessities.
- Contractor will pay participant's rent of \$433 per month initially. The responsibility for payment will transition to the participant upon approval of the Contractor and the County.
- Contractor will establish an emancipation savings fund for the participant of \$50 per month. The emancipation fund will be held in a Federal Deposit Insurance Corporation (FDIC) insured interest bearing savings account. This fund will not be accessible until the participant is ready to leave the program unless the participant petitions the Contractor to access the fund. The petition must promote emancipation to be considered. The petition must be approved by the Contractor and the County. Any funds retained by the Contractor on behalf of the participant, shall be distributed including principal and interest to the participant when he/she leaves the program or earlier if permitted by the THP+ program guidelines.

E. Life Skills

- Contractor will provide mentoring to the participant to develop life long family like relationships. Contractor may work with adults in the community who can become participant mentors through local mentoring programs.
- Contractor will work with participant to identify, maintain, encourage and strengthen family ties.
- Contractor will provide life skills assistance in budgeting, identifying needed resources and teaching independent living skills. Living skills may include: menu preparation, shopping, cooking, cleaning, grooming, job and college application, banking, identification of appropriate leisure activities and social supports, relationship guidance, substance use, transportation and linkage to medical services, mental health services, and dental appointments and other necessary services.
- Contractor will provide the participant with individual and group support directly and provide referrals for counseling therapy as needed.

F. Housing Services

- Contractor will inform the participant of living options to include rental location and potential roommates. The Contractor will invite the participant to see the rental and meet the prospective roommate.

- Contractor will provide apartment furnishings when Agreement funds are available. Contractor will explore donations through various community services and existing local vendor partnerships to assist with apartment furnishings.
- Contractor will secure participant housing and utilities in Contractor's name initially. Contractor will make rent and utility payments, with the exception of telephone services.
- Contractor will do a site visit of the participant's apartment initially a minimum of two (2) visits per week in the first month of participation. After the first month, Contractor will do a site visit once per week until the participant leaves the program.
- Contractor will gradually transfer the rental agreement and utilities into the participant's name as greater responsibility is demonstrated by the participant.

G. 24-Hour Crisis Intervention

- Contractor will provide twenty-four (24) hour crisis intervention and support. Participants will have access to twenty-four (24) hour on-call services seven (7) days per week via an after hours service. Participants will be provided with an emergency card with access instructions. Contractor will provide verbal instructions to the participant on when and how to use the service.

II. COMPENSATION:

A. Costs:

1. The maximum amount of this Agreement for the period May 19, 2009, through June 30, 2010, shall not exceed \$147,835. The maximum per fiscal year is as follows:

May 19, 2009 through June 30, 2009 shall not exceed \$73,927

July 1, 2009 through June 30, 2010 shall not exceed \$73,908

2. The maximum amount of the unit of service is \$2,053 per month per enrolled participant. This is a fixed rate, per unit of service Agreement. One unit of service equals one (1) month.
3. Apartment furnishings for participants will be reimbursed, with the necessary backup information, for the time period May 19, 2009 through June 30, 2009.

B. Contractor shall make no charge to the recipient and shall collect no share of cost.

C. This Agreement shall be effective May 19, 2009, through June 30, 2010.

D. Contractor agrees that the costs to be charged to County for contracted services for the term of this Agreement includes all allowable Contractor costs, both indirect and direct, relative to this Agreement.

E. Costs must conform with Federal costs, regulation: OMB Circular A-87, A Guide for State and Local Government Agencies, 48 CFR, Part 31, Subpart 31.2 (for profit agencies), and OMB Circular A-122 (for nonprofit agencies). All equipment purchased by Contractor must be depreciated in accordance with 45 CFR 95.705. All equipment, materials, supplies or property of any kind purchased from funds reimbursed or furnished by County under the terms of this Agreement shall be fully consumed or aged out in the course of the Agreement/program.

County reserves the right to physically reclaim any/all such property at the conclusion of the Agreement in accordance with 45 Code of Federal Regulations, Part 74, Administration of Grants.

F. County shall not be required to purchase any definite amount of services nor does County guarantee to Contractor any minimum amount of funds or hours.

G. Billings:

1. Contractor shall submit billings, in County specified format, as follows:

May 2009 is due June 5, 2009
June 2009 is due June 12, 2009

Billing requirements are subject to change and the Contractor will be notified in writing.

2. Billings will be submitted to:

Stanislaus County Community Services Agency
Attention: Accounts Payable Supervisor, F3A
P.O. Box 42
Modesto, CA 95353-0042
(209) 558-2217

3. Invoice will include the following: - for unit of service: participant name, month served and total due, for cost reimbursement items: itemized receipt, participant name and signature of participant receiving furnishings.

H. Payments:

1. If the conditions set forth in this Agreement are met County shall pay, on or before the thirtieth (30th) day after receipt of the billing, the sum of money claimed by the approved billings, (less any credit due County for adjustments of prior billings). If the conditions are not met, County shall pay when the necessary processing is completed.

2. County will not pay for unauthorized services rendered by Contractor or for the claimed services which County monitoring shows have not been provided as authorized.

3. County retains the right to withhold payment on disputed claims.

**MEDI-CAL DATA PRIVACY AND SECURITY
AGREEMENT BETWEEN
The California Department of Health Care Services
and the County of Stanislaus, Community Services Agency.**

PREAMBLE

The California Department of Health Care Services (DHCS) and the County of Stanislaus, Community Services Agency enter into this Medi-Cal Data Privacy and Security Agreement ("Agreement") in order to ensure the privacy and security of Medi-Cal Personally Identifiable Information (PII).

DHCS receives federal funding to administer the Medi-Cal program. DHCS provides funding to the County Department in exchange for the County Department's assistance in administering the Medi-Cal program.

This Agreement covers the County of Stanislaus, Community Services Agency workers that assist in the administration of the Medi-Cal program; and access, use, or disclose Medi-Cal PII. For the purpose of this Agreement, the following terms mean:

1. "Assist in the Administration of the Medi-Cal Program" is performing an administrative function on behalf of Medi-Cal, such as determining eligibility or case managing IHSS (In-Home Supportive Services) clients; and
2. "Medi-Cal PII" is information directly obtained in the course of performing an administrative function on behalf of Medi-Cal, such as determining Medi-Cal eligibility or conducting IHSS operations, that can be used alone, or in conjunction with any other information, to identify a specific individual. PII includes any information that can be used to search for or identify individuals, or can be used to access their files, such as name, social security number, date of birth, driver's license number or identification number. PII may be electronic or paper.

AGREEMENTS

NOW THEREFORE, DHCS and the County Department mutually agree as follows:

I. PRIVACY AND CONFIDENTIALITY

- A. County Department workers covered by this Agreement ("County Workers") may use or disclose Medi-Cal PII only to perform functions, activities or services directly related to the administration of the Medi-Cal program in accordance with Welfare and Institutions Code section 14100.2 and 42 Code of Federal Regulations section 431.300 et.seq, or as required by law. For example, County Workers performing eligibility determinations may generally only use or disclose Medi-Cal PII to

determine eligibility for individuals applying for Medi-Cal. County Workers assisting in the administration of In-Home Supportive Services (IHSS) program may generally use or disclose Medi-Cal PII only to perform administrative functions essential to the operation of the IHSS program. Disclosures which are required by law, such as a court order, or which are made with the explicit written authorization of the Medi-Cal client, are allowable. Any other use or disclosure of Medi-Cal PII requires the express approval in writing of DHCS. No County Worker shall duplicate, disseminate or disclose Medi-Cal PII except as allowed in this Agreement.

- B. Access to Medi-Cal PII shall be restricted to only County Workers who need the Medi-Cal PII to perform their official duties in connection with the administration of the Medi-Cal program.
- C. County Workers who access, disclose or use Medi-Cal PII in a manner of for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions contained in applicable federal and state statutes.

II. EMPLOYEE TRAINING AND DISCIPLINE

The County Department agrees to advise County Workers who have access to Medi-Cal PII of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable federal and state laws. For that purpose, the County Department shall:

- A. Train and use reasonable measures to ensure compliance with the requirements of this Agreement by County Workers who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII; and take corrective action against such County Workers who intentionally violate any provisions of this Agreement, up to and including by termination of employment. In complying with this requirement, the County Department agrees to:
 - 1. Provide privacy and security awareness training to each new County Worker within 30 days of employment and thereafter provide ongoing reminders of the privacy and security safeguards in this Agreement to all County Workers who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII.
 - 2. Maintain records indicating each County Worker's name and the date on which the initial privacy and security awareness training was completed.
 - 3. Retain training records for inspection for a period of three years after completion of the training.

III. MANAGEMENT OVERSIGHT AND MONITORING

The County Department agrees to:

- A. Establish and maintain ongoing management oversight and quality assurance for monitoring workforce compliance with the privacy and security safeguards in this Agreement when using or disclosing Medi-Cal PII.
- B. Ensure that ongoing management oversight includes periodic self-assessments and randomly sampling work activity by County Workers who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII. DHCS shall provide the County Department with information on MEDS usage indicating any anomalies for investigation and follow-up.
- C. Ensure that these management oversight and monitoring activities are performed by County Workers whose job functions are separate from those who use or disclose Medi-Cal PII as part of their routine duties.

IV. CONFIDENTIALITY STATEMENT

The County Department agrees to ensure that all County Workers who assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII sign a confidentiality statement. The statement shall include at a minimum, General Use, Security and Privacy Safeguards, Unacceptable Use, and Enforcement Policies. The statement shall be signed by the County Worker prior to access to Medi-Cal PII.

V. PHYSICAL SECURITY

The County Department shall ensure that Medi-Cal PII is used and stored in an area that is physically safe from access by unauthorized persons during working hours and non-working hours. The County Department agrees to safeguard Medi-Cal PII from loss, theft, or inadvertent disclosure and, therefore, agrees to:

- A. Secure all areas of County Department facilities where County Workers assist in the administration of the Medi-Cal program and use or disclose Medi-Cal PII. The County Department shall ensure that these secure areas are only accessed by authorized individuals with properly coded key cards, authorized door keys or access authorization; and access to premises is by official identification.
- B. Ensure that there are security guards or a monitored alarm system with or without security cameras 24 hours a day, 7 days a week at County Department facilities and leased facilities where a large volume of Medi-Cal PII is stored.
- C. Issue County Workers who assist in the administration of the Medi-Cal program identification badges and require County Workers to wear these badges at County Department facilities where Medi-Cal PII is stored or used.
- D. Store paper records with Medi-Cal PII in locked spaces, such as locked file cabinets, locked file rooms, locked desks or locked offices in facilities which are multi-use,

meaning that there are County Department and non-County Department functions in one building in work areas that are not securely segregated from each other. The County Department shall have policies which indicate that County Workers are not to leave records with Medi-Cal PII unattended at any time in vehicles or airplanes and not to check such records in baggage on commercial airplanes.

- E. Use all reasonable measures to prevent non-authorized personnel and visitors from having access to, control of, or viewing Medi-Cal PII.

VI. COMPUTER SECURITY SAFEGUARDS

The County Department agrees to comply with the general computer security safeguards, system security controls, and audit controls in this section.

General Computer Security Safeguards

In order to comply with the following general computer security safeguards, the County Department agrees to:

- A. Encrypt portable computer devices, such as laptops and notebook computers that process and/or store Medi-Cal PII, with a solution using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution. One source of recommended solutions is specified on the California Strategic Sourced Initiative (CSSI) located at the following link: www.pd.dgs.ca.gov/masters/EncryptionSoftware.html. The County Department shall use an encryption solution that is full-disk unless otherwise approved by DHCS.
- B. Encrypt workstations where Medi-Cal PII is stored using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- C. Ensure that only the minimum necessary amount of Medi-Cal PII is downloaded to a laptop or hard drive when absolutely necessary for current business purposes.
- D. Encrypt all electronic files that contain Medi-Cal PII when the file is stored on any removable media type device (i.e. USB thumb drives, floppies, CD/DVD, etc.) using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- E. Ensure that all emails sent outside the County Department's e-mail environment that include Medi-Cal PII are sent via an encrypted method using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.
- F. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have a commercial third-party anti-virus software solution and are updated when a new anti-virus definition/software release is available.

- G. Ensure that all workstations, laptops and other systems that process and/or store Medi-Cal PII have current security patches applied and up-to-date.
- H. Ensure that all Medi-Cal PII is wiped from systems when the data is no longer legally required. The County Department shall ensure that the wipe method conforms to Department of Defense standards for data destruction.
- I. Ensure that any remote access to Medi-Cal PII is established over an encrypted session protocol using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI. The County Department shall ensure that all remote access is limited to minimum necessary and least privilege principles.

System Security Controls

In order to comply with the following system security controls, the County Department agrees to:

- J. Ensure that all County Department systems containing Medi-Cal PII provide an automatic timeout after no more than 20 minutes of inactivity.
- K. Ensure that all County Department systems containing Medi-Cal PII display a warning banner stating that data is confidential, systems are logged, and system use is for business purposes only. User shall be directed to log off the system if they do not agree with these requirements.
- L. Ensure that all County Department systems containing Medi-Cal PII log successes and failures of user authentication and authorizations granted. The system shall log all data changes and system accesses conducted by all users (including all levels of users, system administrators, developers, and auditors). The system shall have the capability to record data access for specified users when requested by authorized management personnel. A log of all system changes shall be maintained and be available for review by authorized management personnel.
- M. Ensure that all County Department systems containing Medi-Cal PII use role based access controls for all user authentication, enforcing the principle of least privilege.
- N. Ensure that all County Department data transmissions over networks outside of the County's control are encrypted end-to-end using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI, when transmitting Medi-Cal PII. The County Department shall encrypt Medi-Cal PII at the minimum of 128 bit AES or 3DES (Triple DES) if AES is unavailable.

- O. Ensure that all County Department systems that are accessible via the Internet or store Medi-Cal PII actively use either a comprehensive third-party real-time host based intrusion detection and prevention program or be protected at the perimeter by a network based IDS/IPS solution.

Audit Controls

In order to comply with the following audit controls, the County Department agrees to:

- P. Ensure that all County Department systems processing and/or storing Medi-Cal PII have at least an annual system security review. The County Department review shall include administrative and technical vulnerability assessments.
- Q. Ensure that all County Department systems processing and/or storing Medi-Cal PII have an automated audit trail, which includes the initiator of the request, along with a time and date stamp for each access. These logs shall be read-only and maintained for a period of at least three (3) years. There shall be a routine procedure in place to review system logs for unauthorized access. The County Department shall investigate anomalies identified by interviewing County Workers and witnesses and taking corrective action, including by disciplining County Workers, when necessary.
- R. Maintain an automated audit trail record identifying either the individual worker or the system process that initiated a request for information from the Social Security Administration (SSA) for its systems, such as IEVS. Individual audit trail records shall contain the data needed to associate each query transaction to its initiator and relevant business purpose (that is, the client record for which SSA data was accessed) and each transaction shall be time and date stamped. Access to the audit file shall be restricted to authorized users with a need to know and the audit file data shall be unalterable (read only) and maintained for a minimum of three years.
- S. Investigate anomalies in MEDS usage identified by DHCS and report conclusions of such investigations and remediation to DHCS.
- T. Exercise management control and oversight, in conjunction with DHCS, of the function of authorizing individual user access to SSA data and MEDS and over the process of issuing and maintaining access control numbers and passwords.
- U. Ensure that all County Department systems processing and/or storing Medi-Cal PII have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

VII. PAPER DOCUMENT CONTROLS

In order to comply with the following paper document controls, the County Department agrees to:

- A. Dispose of Medi-Cal PII in paper form through confidential means, such as cross cut shredding and pulverizing.
- B. Not remove Medi-Cal PII from the premises of the County Department except for identified routine business purposes or with express written permission of DHCS.
- C. Not leave faxes containing Medi-Cal PII unattended and keep fax machines in secure areas. The County Department shall ensure that faxes contain a confidentiality statement notifying persons receiving faxes in error to destroy them. County Workers shall verify fax numbers with the intended recipient before sending.
- D. Use a secure, bonded courier with signature of receipt when sending large volumes of Medi-Cal PII. The County Department shall ensure that disks and other transportable media sent through the mail are encrypted using a vendor product that is recognized as an industry leader in meeting the needs for the intended solution, such as products specified on the CSSI.

VIII. NOTIFICATION AND INVESTIGATION OF BREACHES

The County Department agrees to:

- A. Notify DHCS immediately by telephone call or e-mail upon the discovery of a breach of security of Medi-Cal PII in computerized form if the PII was, or is reasonably believed to have been, acquired by an unauthorized person; or within 24 hours by telephone call or e-mail of discovery of any other suspected security incident, intrusion, loss or unauthorized use or disclosure of PII in violation of this Agreement or the law. The County Department shall submit the notification to the DHCS Privacy Officer and the DHCS Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves electronic PII, the County Department shall notify DHCS by calling the DHCS ITSD Help Desk.

DHCS Privacy Officer	DHCS Information Security Officer
Privacy Officer c/o: Office of Legal Services Department of Health Care Services P.O. Box 997413, MS 0011 Sacramento, CA 95899-7413 Email: privacyofficer@dhcs.ca.gov Telephone: (916) 445-4646	Information Security Officer DHCS Information Security Office P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413 Email: iso@dhcs.ca.gov Telephone: ITSD Help Desk (916) 440-7000 (800) 579-0874

- B. Ensure that the initial notification includes contact and component information; a description of the breach or loss with scope, numbers of files or records, type of equipment or media, approximate time and location of breach or loss; description of how the data was physically stored, contained, or packaged (e.g. password protected, encrypted, locked briefcase, etc.); whether any individuals or external organizations have been contacted; and whether any other reports have been filed.
- C. Take prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment.
- D. Investigate the breach and produce a written breach report within ten working days of the incident, detailing what data elements were involved; a description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PII; a description of where PII is believed to have been improperly transmitted, sent, or used; a description of the probable causes of the breach; a detailed corrective action plan including measures that were taken to halt and/or contain the breach. The County Department shall submit the breach report to the DHCS Privacy Officer and Information Security Officer.
- E. Notify individuals of the breach or unauthorized use or disclosure of Medi-Cal PII maintained by the County Department when notification is required under state or federal law. The County Department shall obtain the approval of the DHCS Privacy Officer for the time, manner and content of any such required notifications. County Department shall be responsible for the cost of such notification to the extent that such breach or unauthorized use or disclosure is due to the negligence or intentional misconduct of County Department. To the extent such breach or unauthorized use or disclosure is due to the negligence or intentional misconduct of DHCS, DHCS shall be responsible for notifying individuals and the County Department shall not be responsible for any costs of notification. If there is any question as to whether DHCS or the County Department is responsible for the breach, DHCS shall issue the notice and DHCS and the County Department shall subsequently determine responsibility for purposes of allocating the costs of such notices.

IX. COMPLIANCE WITH SSA AGREEMENT

The County Department agrees to comply with substantive privacy and security requirements in the Agreement between the Social Security Administration and DHCS, known as the 1137 Agreement, which is appended to and hereby incorporated into this Agreement (Exhibit A). The specific sections of the 1137 Agreement which contain substantive privacy and security requirements which are to be complied with by County Department are as follows: XI. Procedures for Security; XII. Safeguarding and Reporting Responsibilities for Personally Identifiable Information (PII); XIII. Procedures for Records Usage, Duplication, and Redisclosure Restrictions; and Attachment C, Information System Security Guidelines for Federal, State and Local Agencies Receiving Electronic Information from the Social Security Administration. If there is any conflict between a privacy and security standard in these sections of the 1137 Agreement and a standard in this Agreement, the most stringent standard shall apply. The most stringent standard means that standard which provides the greatest protection to data.

X. COMPLIANCE BY COUNTY DEPARTMENT AGENTS

The County Department shall require that any agents, including subcontractors, which assist the County Department in its Medi-Cal functions and to which the County Department provides PII, agree to the same privacy and security safeguards as are contained in this Agreement; and to incorporate, when applicable, the relevant provisions of this Agreement into each subcontract or sub-award to such agents or subcontractors.

XI. ASSESSMENTS AND REVIEWS

In order to enforce this Agreement and ensure compliance with its provisions, the County Department agrees to allow DHCS to inspect the facilities, systems, books and records of the County Department, with reasonable notice from DHCS, in order to perform assessments and reviews. Such inspections shall be scheduled at times that take into account the operational and staffing demands of the county. The County Department agrees to promptly remedy any violation of any provision of this Agreement and certify the same to the DHCS Privacy Officer and Information Security Officer in writing, or to enter into a written corrective action plan with DHCS containing deadlines for achieving compliance with specific provisions of this Agreement.

XII. DEADLINE FOR SUBSTANTIAL COMPLIANCE

- A. The County Department shall be in substantial compliance with this Agreement by no later than July 1, 2010.
- B. If, at any time, the county is unable to meet the security and privacy requirements imposed in this Agreement in the manner specified therein due to a lack of funding;

DHCS will work with the county to develop a Corrective Action Plan which can be implemented within the resources provided by the state for this purpose and which is intended to substantially meet those security and privacy requirements even if such requirements are met utilizing alternative or different methods than those specified in this Agreement.

- C. DHCS shall monitor corrective action plans which County Department develops to remediate gaps in security compliance under this Agreement and reassess compliance.

XIII. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

In the event of litigation or administrative proceedings involving DHCS based upon claimed violations by the County Department of the privacy or security of Medi-Cal PII, or federal or state laws or agreements concerning privacy or security of Medi-Cal PII, the County Department shall make all reasonable effort to make itself and any subcontractors, agents, and County Workers assisting in the administration of the Medi-Cal program and using or disclosing Medi-Cal PII available to DHCS at no cost to DHCS to testify as witnesses. DHCS shall also make all reasonable efforts to make itself and any subcontractors, agents, and employees available to County Department at no cost to County Department to testify as witnesses, in the event of litigation or administrative proceedings involving the County Department based upon claimed violations by DHCS of the privacy or security of Medi-Cal PII, or state or federal laws or agreements concerning privacy or security of Medi-Cal PII.