



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

SACHI A. HAMAI  
Chief Executive Officer

**DATE:** December 10, 2015  
**TIME:** 1:00 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Three (3) minutes are allowed for each item.

1. Call to order – James Blunt-Gevork Simdjian
  - A) **PRESENTATION – ANNUAL PRESENTATION TO THE BOARD BY THE COUNTY RISK MANAGER AND THE LITIGATION COST MANAGER REGARDING ACCOMPLISHMENTS OF THE PRIOR FISCAL YEAR AND GOALS FOR THE UPCOMING FISCAL YEAR**  
CEO/County Counsel – (Robles/Estabrook)
  - B) **BOARD LETTER - APPROVAL OF SOLE SOURCE AGREEMENT FOR EQUITY INVESTIGATION SERVICES WITH PUBLIC INTEREST INVESTIGATIONS, INC.**  
DHR - Lisa Garrett or designee

**NOTICE OF CLOSED SESSION**

**Debarment of Apex Waste Systems, Inc. and Anthony Uwakwe  
ISD**

2. Public Comment
3. Adjournment



# County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

SACHI A. HAMAI  
Chief Executive Officer

**DRAFT**

January 5, 2016

Board of Supervisors  
HILDA L. SOLIS  
First District  
MARK RIDLEY-THOMAS  
Second District  
SHEILA KUEHL  
Third District  
DON KNABE  
Fourth District  
MICHAEL D. ANTONOVICH  
Fifth District

To: Supervisor Hilda L. Solis, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Sachi A. Hamai  
Chief Executive Officer

## CHIEF EXECUTIVE OFFICE RISK MANAGEMENT ANNUAL REPORT, FISCAL YEAR 2014-15

Attached is the *Chief Executive Office Risk Management Annual Report, Fiscal Year 2014-15*, that:

- Contains summaries of the past three fiscal year losses and costs for the County of Los Angeles' (County) vehicle liability, general liability, law enforcement, employment, medical malpractice, and workers' compensation exposures;
- Will help departments recognize the nature and extent of their exposures and losses, with other reports provided throughout the year; and
- Will help departments' efforts to strengthen their return-to-work processes, loss control and prevention activities, and corrective action plans.

As contained in the report, the County realized an increase in the overall Cost of Risk for Fiscal Year (FY) 2014-15, as highlighted below:

- The County's total Cost of Risk broke its three-year downward trend and rose 2.26 percent of the County's operating budget.
- The County's Employment Liability broke its three-year downward trend and rose to 22.1 percent in frequency, and 50.5 percent in costs.
- The County's Vehicle Liability broke a three-year downward trend in frequency and rose 6.1 percent, while costs decreased by 17.3 percent.
- General Liability frequency decreased 7.5 percent, while the costs increased by 31.3 percent.
- Medical Malpractice Liability frequency continued a four-year downward trend in frequency, decreasing 27.1 percent, while severity increased 1.3 percent.
- Law Enforcement Liability frequency decreased 22.1 percent and costs increased by 43.4 percent.

*"To Enrich Lives Through Effective And Caring Service"*

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- Workers' Compensation expenses continue to rise with the passage of increasingly costly legislation. However, the County's efforts to prevent and manage claims have resulted in slight program changes with claims frequency remaining flat, while the costs of claims have increased 5.0 percent.

### **Countywide Risk Management Program**

Support of risk management activities is essential in reducing the County's Cost of Risk. Commitment towards this endeavor is demonstrated from the Board of Supervisors and Department Heads, as follows:

#### **Board of Supervisors**

1. Supporting the on-going efforts of the Legal Exposure Reduction Committee (LERC);
2. Developing corrective action plans;
3. Developing Countywide and departmental risk tolerance and reduction goals; and
4. Developing mandatory risk management-related performance goals for Department Heads.

#### **Department Heads**

1. Embracing risk management-related performance goals;
2. Supporting departmental risk management programs and coordinators;
3. Promoting safety and return-to-work activities; and
4. Taking a leadership role in prevention activities and embracing risk reduction activities.

Although these commitments contribute to improvements in the Countywide risk management program, continued support from Department Heads will further enhance it. An aggressive and effective loss control and prevention program requires each department to identify their primary costs of risk by:

- a. Evaluating risk components of business operations;
- b. Completing thorough incident investigations and reviews;
- c. Reviewing trend and loss data; and
- d. Selecting and implementing methodologies to address identified costs of risk.

Early development and implementation of corrective action plans will help reduce the potential for recurrence. The Chief Executive Office provides support for these efforts by:

- a. Consulting with department staff;
- b. Providing recommendations based on best practices and assisting with their implementation;
- c. Consulting and approving corrective actions plans;
- d. Developing and communicating Countywide corrective action plans;

- e. Providing training regarding risk management, safety, claims, and return-to-work subjects;
- f. Distributing monthly tort liability and workers' compensation loss data to each department; and
- g. Maintaining the Enterprise Risk Information Center dashboard.

This report represents the combined efforts of the entire Chief Executive Office Risk Management Branch team. Input and analysis was provided by staff of Loss Control and Prevention, Risk Management Inspector General, Workers' Compensation, Disability Programs, Claims Management, Occupational Health, and Risk Management Operations.

If you have any questions, please have your staff contact Steven T. Robles, Assistant Chief Executive Officer/County Risk Manager, at (213) 351-5346.

SAH:JJ  
STR:sg

Attachment

c: All Department Heads

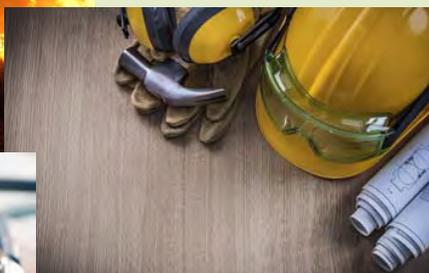


County of Los Angeles  
Chief Executive Office ♦ Risk Management Branch

# Inside County Risk

FY 2014-15 Annual Report

Steven T. Robles  
County Risk Manager





**Hilda L. Solis**  
First District



**Mark Ridley-Thomas**  
Second District



**Sheila Kuehl**  
Third District



**Don Knabe**  
Fourth District



**Michael D. Antonovich**  
Fifth District

**COUNTY OF LOS ANGELES**  
**BOARD OF SUPERVISORS**



CHIEF EXECUTIVE OFFICE

14-15

Inside  
County Risk

Risk Management Annual Report

# TABLE OF CONTENTS

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Risk Manager’s Message .....	Page 1
Cost of Risk.....	Page 2
Risk Financing .....	Page 4
Workers’ Compensation Program.....	Page 7
Disability Management Programs.....	Page 17
Liability Claims Management .....	Page 23
Trend Analysis.....	Page 25
Top Performing Departments .....	Page 34
Loss Control and Prevention .....	Page 35
Risk Management Inspector General .....	Page 38
Occupational Health Programs .....	Page 42
Statistics – FY 2012-13 to FY 2014-15.....	Page 48

## RISK MANAGER'S MESSAGE

The County of Los Angeles (County) Chief Executive Office (CEO) is pleased to provide its risk management annual report for Fiscal Year (FY) July 1, 2014 through June 30, 2015.

FY 2014-15 marked an increase in improved fiscal controls and early steps of significant technology and infrastructure improvements. As fiscal efforts become more sophisticated we will employ more advanced risk financing initiatives to better allocate costs to departments, hedge against catastrophic losses, and transfer existing losses. All of these efforts are focused on lowering the overall costs associated with long-term claims.

As the largest risk cost driver for the County, the Workers' Compensation system continues to be the main focus for this fiscal year. With the support from County leadership at the Board of Supervisors and Executive level, we were successful in establishing a comprehensive Workers' Compensation finance team which yielded immediate results; continued fraud initiatives with the District Attorney's office and associated parties; developed additional claims closure initiatives with County Counsel; and established the framework for comprehensive risk financing initiatives for unfunded liabilities.

This year's annual report includes the breakdown of General Liability into specific areas, including; 1) Law Enforcement; 2) Employment; 3) Medical Malpractice; 4) Vehicle Liability; and 5) General Liability. These five categories represent different exposures and will allow departments the ability to focus prevention efforts according to their risk.

Overall, the County experienced several challenges related to the cost of risk, as law enforcement costs continue to rise. The remainder of this report details specific data points; however, highlighted below is a summation of the key cost drivers:

- Total cost of risk, which is all liability and workers' compensation costs as a percentage of the County's operating budget, increased last year after a three-year downward trend. Total cost of risk rose from 2.15% to 2.26%.
- The County's Employment Practices Liability increased 22.1% after a three-year downward trend. The cost of claims also increased 50.5%.
- The County's Vehicle Liability broke its three-year downward trend in frequency, increasing by 6.1% while the costs decreased by 17.3%.
- Other General Liability frequency decreased 7.5% and costs increased by 46.4%.
- The Medical Malpractice Liability frequency continued a four-year downward trend, decreasing 27.1%, and costs increased 1.3%.
- The Law Enforcement Liability frequency decreased 22.1% and costs increased by 43.4%.
- Workers' Compensation expenses continue to rise with the passage of increasingly costly legislation. However, the County's efforts to prevent and manage occurrence have resulted in slight program changes with claims remaining flat while the costs have increased 5.0%.

Frequency increase or decrease in each category will impact future costs for the County. Therefore, as prior years' claims increased, we now see the affects with increased costs. Conversely, as we currently see downward trends in claims we can expect to see lower costs in the future.

Many opportunities to lower our overall costs remain. The remainder of this report outlines our key objectives for the upcoming fiscal year and the specific cost drivers impacting our overall Cost of Risk.

## **COST OF RISK**

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The Cost of Risk is a ratio of the expenditures for the County's various cost of claims paid divided by the County's Operating Budget in a specific fiscal year. The effectiveness of the County's risk management programs, policy decisions, and the effects of State and Federal regulations are reflected in the Cost of Risk since it includes paid workers' compensation claims, general liability claims, and the cost to defend a myriad of tort- and non-tort-related claims. The Cost of Risk also includes the costs associated with loss control and prevention programs, insurance premiums, and operational and administrative expenses.

During FY 2014-15, the County experienced an increase in the Cost of Risk of 5.38%. Prior to FY 2014-15, the County had decreased its Cost of Risk by 2.9% over the prior three years. The significant increase this fiscal year can be attributed to statutory increases in Workers' Compensation benefits and increased settlements and claim closures primarily in Law Enforcement Liability.

## **THE COUNTY'S OBJECTIVE IS TO MINIMIZE ITS TOTAL COST OF RISK**

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Detailed information is listed in the "Statistics" section of this report regarding the number of claims and expenses for each of the last three fiscal years, by department, for Workers' Compensation, State of California Labor Code 4850 and Salary Continuation, Vehicle Liability, General Liability, Employment Practices Liability, Law Enforcement Liability, and Medical Malpractice.

The table on next page illustrates the totality of all categories of risk as related to the County's Operating Budget.



## COST OF RISK<sup>1</sup>

Category	FY 2012-13	FY 2013-14	FY 2014-15
<b>Workers' Compensation</b>			
Labor Code 4850/Salary Continuation	\$66,978,802	\$72,529,272	\$68,383,159
<b>Workers' Compensation Expense Total</b>	<b>\$413,192,876</b>	<b>\$414,701,834</b>	<b>\$427,730,836</b>
<b>Liability</b>			
<b>Liability Expense Total</b>	<b>\$99,849,819</b>	<b>\$111,585,797</b>	<b>\$143,163,428</b>
Purchased Insurance (premiums and fees)	\$17,628,758	\$17,770,156	\$17,268,876
<b>Cost of Risk</b>	<b>\$530,671,453</b>	<b>\$544,057,777</b>	<b>\$588,163,140</b>
<b>Cost of Risk (excluding non-County agencies)</b>			
<b>Cost of Risk (excluding non-County agencies)</b>	<b>\$518,343,082</b>	<b>\$532,527,050</b>	<b>\$577,489,010</b>
<b>Total County Operating Budget (000)</b>	<b>\$24,228,102</b>	<b>\$25,333,757</b>	<b>\$25,988,192</b>
<b>Cost of Risk (excluding non-County agencies as percentage of the County's Operating Budget)</b>	<b>2.14%</b>	<b>2.10%</b>	<b>2.22%</b>

1. Detailed Cost of Risk information can be found in Exhibit G of this report.

## RISK FINANCING

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The County currently finances nearly all losses on a cash basis; therefore, any liability or workers' compensation claim that arises is subject to cash payment by the County regardless of size. Based on the nature and scope of County operations, natural disasters, and external influences, County departments will always be susceptible to large claims that significantly impact expenses. The results of FY 2014-15 illustrate this susceptibility; ten claims accounted for 36.7% of all General Liability expenses. The County has instituted several risk management techniques to manage the cost of large loss claims outside of litigation management. Minimizing the frequency of claims minimizes the potential of one of those claims becoming a large loss. The County currently utilizes loss control and prevention best practices specific to departments that are coordinated through the CEO as follow:

- Corrective Action Plans and/or Summary Corrective Action Plans are required for all settlements with an indemnity amount excess of \$100,000 and as requested by the Risk Management Inspector General. These plans summarize the nature of the claim and identify the root cause of the problem and corrective action steps to be taken by the department, or the County as a whole, to minimize the potential for similar events to occur.
- Risk Management Plans are developed by each department on an annual basis. These plans provide an overview of each department's risk management program, significant risk issues for that department, and mitigation measures or goals designed to prevent or minimize the given exposure.

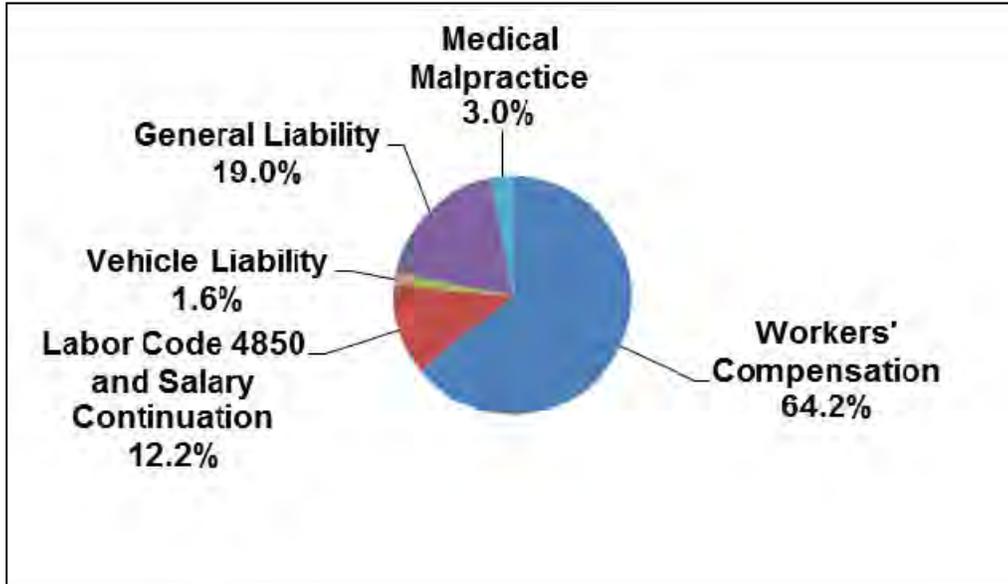
- Management Appraisal and Performance Plan (MAPP) goals are established by each Department Head on an annual basis. These goals are tracked and evaluated through the Department Head's performance evaluation.
- The CEO provides reporting and early trend analysis capabilities through departmental specific dashboards. This includes a drill-down capacity to identify the "Top 5 Causes of Concern" for each type of loss.
- Contractual risk transferring of large loss potential involves reviewing, recommending, and constructing departmental insurance contract language, including indemnification language and proper endorsement usage that is consistent throughout the County and formulated to provide protection to the various contractors and the County, should an adverse event occur. County Counsel and CEO Risk Management Branch collaborate with departments in this endeavor.

The CEO Risk Management Branch performs a myriad of training and education seminars throughout the year to further enhance department efforts to reduce all claims. The efforts of the CEO Risk Management Branch are reflected in the Accomplishments sections of this report.

## OVERALL COSTS

The overall Cost of Risk graph below illustrates that workers' compensation accounts for more than 64% of the Cost of Risk. For FY 2014-15, this represents approximately \$360 million.

### PERCENTAGE OF TOTAL COST PAID BY CLAIM TYPE – FY 2014-15



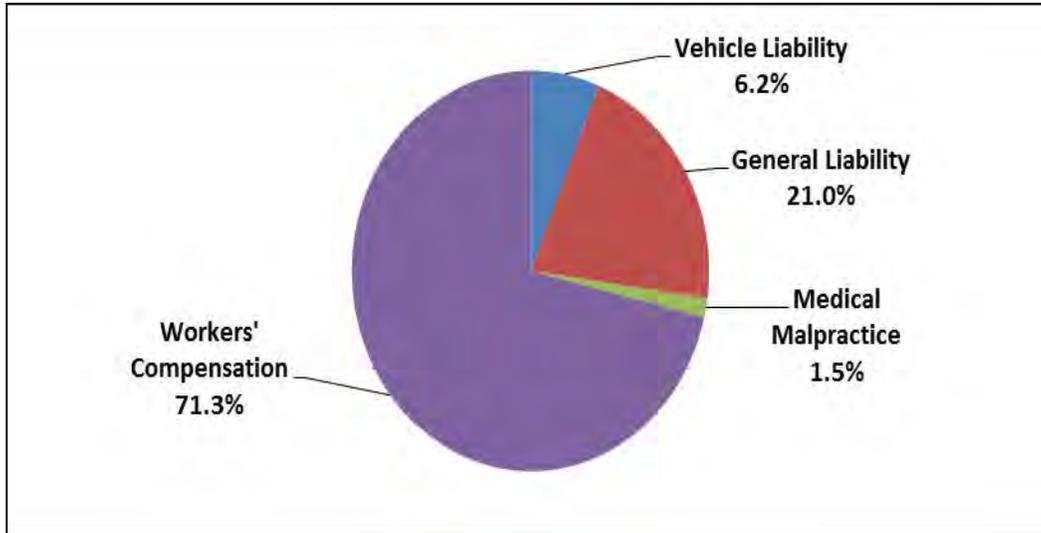
### CLAIM SEVERITY (TOTAL COST PAID) – ALL CLAIMS<sup>1,2,3</sup> – FY 2012-13 THROUGH FY 2014-15

Claim Type	FY 2012-13	FY 2013-14	FY 2014-15
Workers' Compensation <sup>4</sup>	\$346,214,074	\$342,172,562	\$359,347,677
Labor Code 4850 and Salary Continuation	\$66,978,802	\$72,529,272	\$68,383,159
Vehicle Liability	\$8,026,347	\$10,679,637	\$8,834,434
Law Enforcement Liability	\$32,891,442	\$33,702,361	\$48,318,840
Employment Liability	\$15,889,577	\$14,009,145	\$21,081,049
General Liability <sup>5</sup>	\$18,943,591	\$25,557,899	\$37,232,878
Medical Malpractice	\$12,821,794	\$16,479,158	\$16,696,689
<b>TOTAL</b>	<b>\$501,765,627</b>	<b>\$515,130,034</b>	<b>\$559,894,726</b>

1. Data does not include unemployment costs.
2. Data includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort claims.
3. Amount Paid is the total of the transactions paid by coverage code in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of occurrence date; does not include Reported But Not Paid (RBNP) or Incurred But Not Reported (IBNR) reserves.
4. Workers' compensation paid does not reflect State of California Labor Code 4850 and Salary Continuation payments, which are shown separately.
5. General Liability cost of claims increased due to the settlement of tax administration over-charge fees case in the amount of \$12,895,344.

**CLAIM FREQUENCY BY CLAIM TYPE – FY 2014-15**

In further demonstrating the impact of workers’ compensation on the total risk management program, the graph below shows that workers’ compensation accounts for almost three quarters of all claims.



**CLAIM FREQUENCY (TOTAL NUMBER OF CLAIMS FILED) BY CLAIM TYPE  
FY 2012-13 THROUGH FY 2014-15**

Claim Type <sup>1,2</sup>	FY 2012-13	FY 2013-14	FY 2014-15
Workers' Compensation	10,867	10,945	10,550
Vehicle Liability	894	863	916
Law Enforcement Liability	828	1,003	781
Employment	164	158	193
General Liability	2,789	3,470	3,109
Medical Malpractice	320	310	226
<b>TOTAL</b>	<b>14,870</b>	<b>15,588</b>	<b>14,801</b>

1. Total number of claims filed by fiscal year regardless of date of occurrence; count includes all suffixes.
2. Includes County Counsel tort claims, but not agencies that are not County departments, i.e., MTA, Foothill Transit, etc.

The methods and activities of managing the overall Cost of Risk are outlined in the remainder of the FY 2014-15 Annual Report.

## WORKERS' COMPENSATION PROGRAM

The County's Self-insured Workers' Compensation Claim Administration Program is the largest local governmental program in the State of California. As a mandated employer-funded social benefit program, it is responsible for administering over 27,500 open workers' compensation claims with approximately 11,000 new workers' compensation claims reported annually. Statutorily mandated benefits are delivered through partnerships with four Third Party Administrators (TPAs), three medical management and cost containment contractors (MMCCs), and a pharmacy benefit management company (PBM). The Workers' Compensation On-Site County Representatives (OSCRs), within the CEO Risk Management Branch, provide assistance to TPA staff, County departments, and injured workers. In addition, OSCRs authorize high value settlements and payment transactions, perform fiscal reconciliation services, and act as liaisons between departments, defense counsel, and TPAs. County Counsel staff and contracted defense attorneys provide legal support.

Workers' compensation expenses are generally separated into three categories: 1) allocated benefit expenses (ABE); 2) allocated loss adjustment expenses (ALAE); and 3) unallocated loss adjustment expenses (ULAE). ABE includes medical benefits, salary continuation and temporary disability benefits, permanent disability benefits, and death benefits. Such expenses are charged to the workers' compensation claim file. ALAE includes non-benefit payments to contract law firms, investigation firms, and other ancillary service providers.

Such expenses are also charged to the workers' compensation claim file. ULAE includes the cost of TPAs, MMCCs, County Counsel Workers' Compensation Division staff, CEO Risk Management Branch staff, State User Assessments, and other overhead charges required to administer the program. Such expenses are not charged or allocated to the workers' compensation claim file.

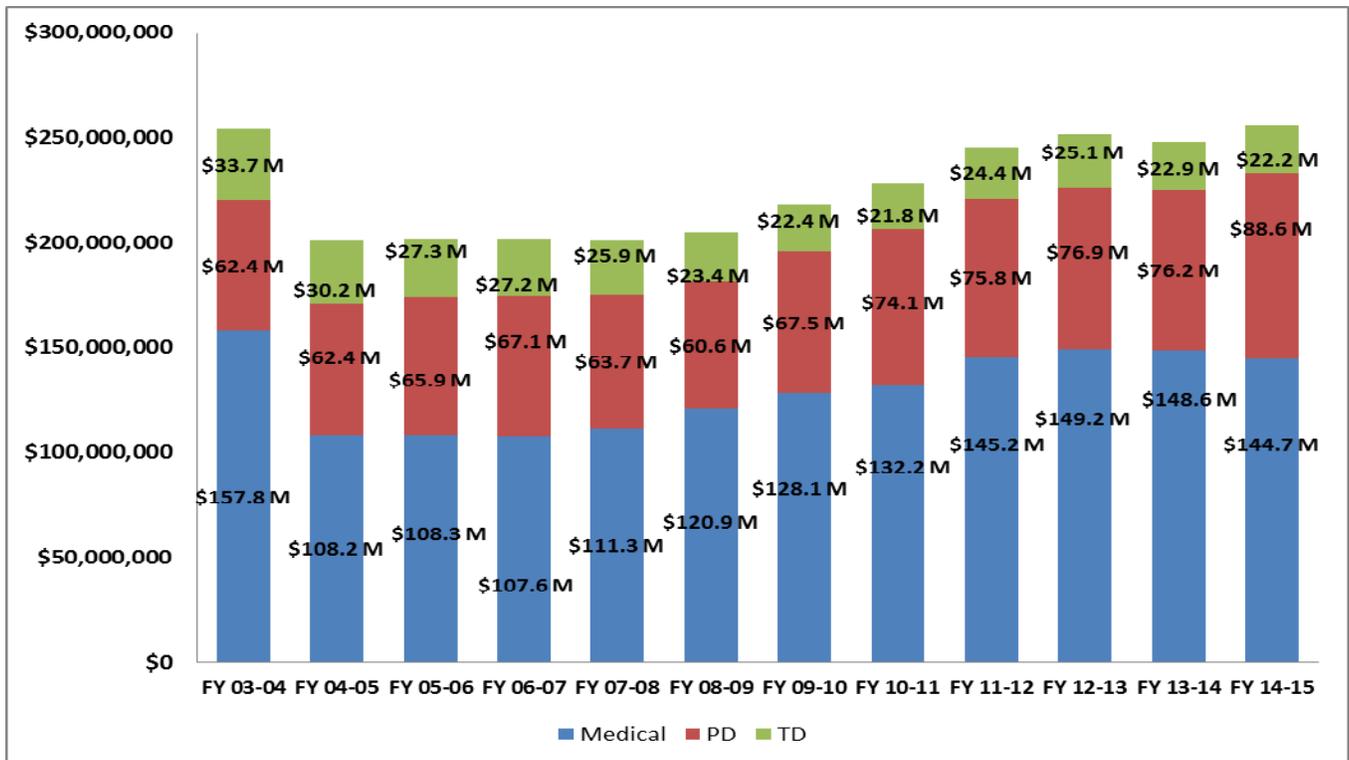


**WORKERS' COMPENSATION PROGRAM — MAJOR ALLOCATED BENEFIT EXPENSES**

In FY 2014-15, total medical expenses remained stable and equaled \$144.7 million. This represents a 2.6% decrease from the total medical expense of \$148.6 million experienced in FY 2013-14. Temporary disability expenses decreased from \$22.9 million in FY 2013-14 to \$22.2 million in FY 2014-15, a decrease of 3.1%. FY 2014-15 salary continuation expenses (including Labor Code 4850 benefits) decreased 5.7% from \$72.5 million in FY 2013-14, and totaled \$68.4 million. CEO Risk Management Branch staff believes the Labor Code 4850 expense is driven, in part, by increases in service connected disability retirement filings. Permanent disability expenses increased 16.3%, from \$76.2 million in FY 2013-14 to \$88.6 million

CEO Risk Management Branch staff attributes this increase to the statutory increase in weekly permanent disability rates. The trend of increasing permanent disability expense is expected to continue into the future.

**WORKERS' COMPENSATION MAJOR BENEFIT EXPENSES**

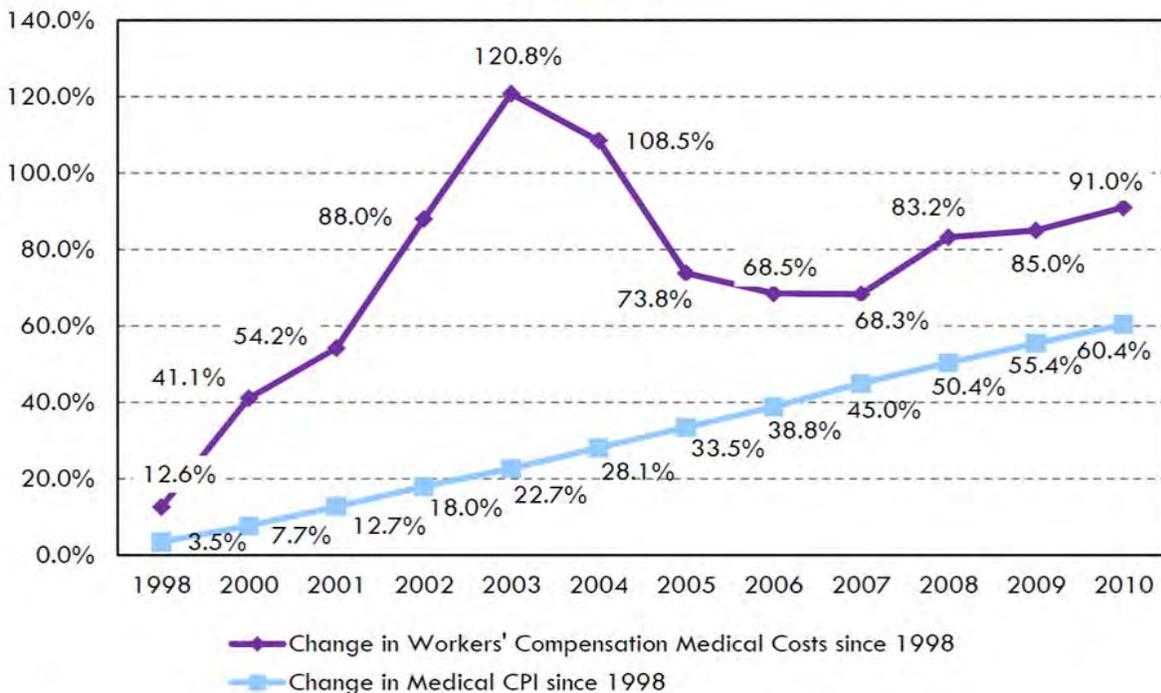


**WORKERS' COMPENSATION PROGRAM — ALLOCATED AND UNALLOCATED LOSS ADJUSTMENT EXPENSES**

Traditionally, the County workers' compensation program's allocated and loss adjustment expenses account for approximately 20-22% of overall program expenses. The ALAE and ULAE represent the legal, administrative, and operational costs to deliver balanced workers' compensation benefits. In FY 2014-15, the combined ALAE and ULAE represented 21% of program expenses. This compares favorably against the expense experience of California's workers' compensation insurers and other self-insured employers. The California Commission on Health and Safety and Workers' Compensation (CHSWC) 2014 Annual Report reflected insurer ALAE and ULAE accounted for over 38% of overall expenses in Calendar Year 2013, while self-insured employers' (including the State of California) ALAE and ULAE accounted for 24% of overall expenses during the same period.

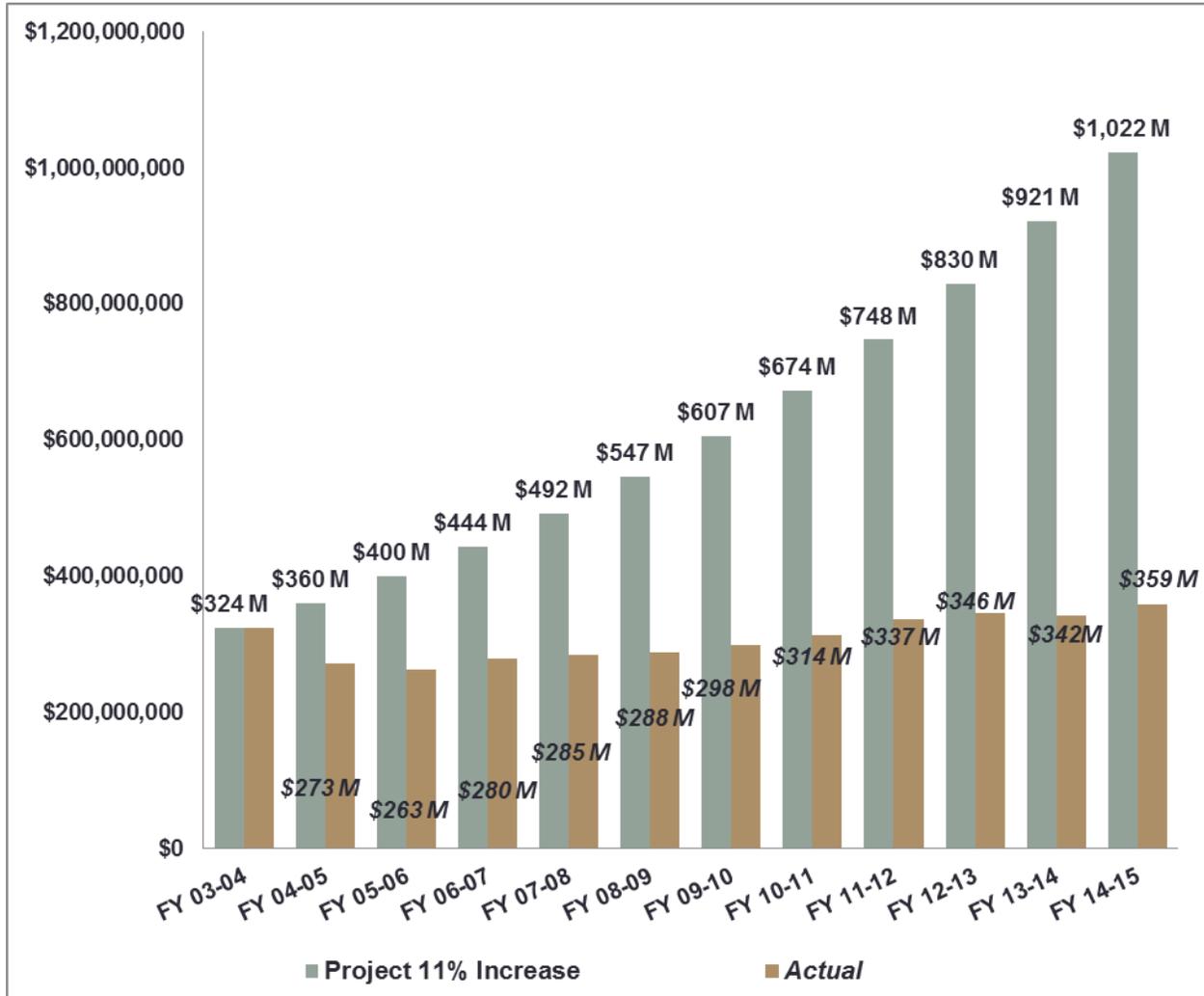
Over the last ten years, County loss adjustment expenses have increased 51%. This increase is mainly due to the implementation of medical management cost containment strategies that include utilization review. CEO Risk Management Branch staff believes California's employment of evidence-based medical guidelines, along with other reforms, have stabilized the workers' compensation medical inflationary trends experienced in the late 1990s and early 2000s. The graphs below demonstrate the impact of workers' compensation legislation that became effective in 2004.

**WORKERS' COMPENSATION MEDICAL EXPENSES VS. MEDICAL INFLATION SINCE 1998**



SOURCE: Commission on Health and Safety and Workers' Compensation – Data Source: WCIRB; Bureau of Labor Statistics

**WORKERS' COMPENSATION — EXPENSES**  
**(EXCLUDING SALARY CONTINUATION AND LABOR CODE 4850)**  
**COMPARISON - ESTIMATED WITHOUT REFORM AND ACTUAL EXPENSES**



Medical expenses are the largest single component of the workers' compensation program cost. During FY 2014-15, the Program received over 409,000 bills from medical service providers. These bills were for medical services to treat injured workers that included inpatient hospital services, nursing care, surgery, physician visits, physical therapy, chiropractic care, durable medical equipment, and drug therapy. Each bill is reviewed to ensure charges are paid at or below the Official Medical Fee Schedule.

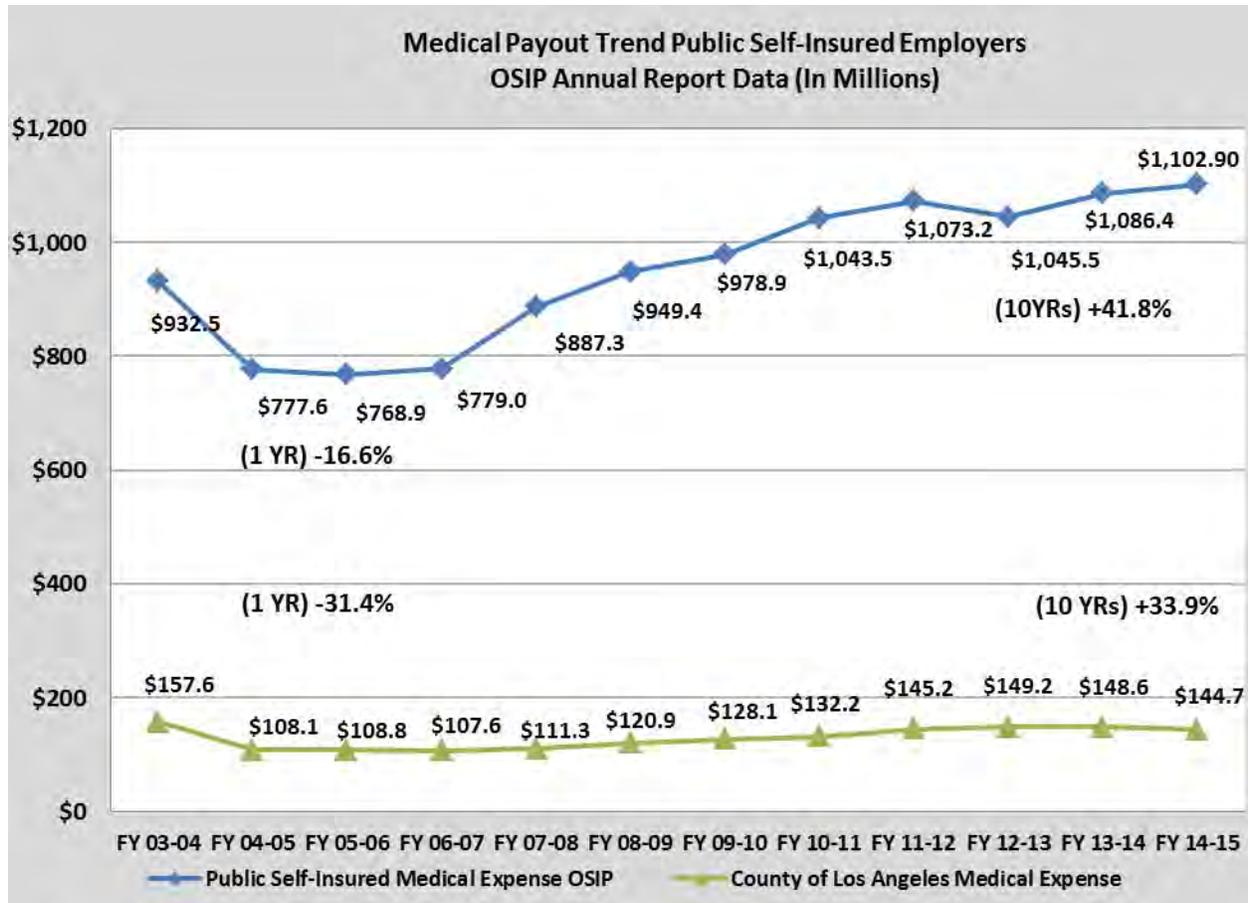
The workers' compensation program applies utilization review (UR) processes to assess physician treatment requests. UR is the process used by California workers' compensation insurers and administrators to determine if requested medical care is consistent with the California Medical Treatment Utilization Schedule. CEO and MMCC staffs collaborate with respected physicians to determine reasonable utilization review triggers to ensure medical treatment can be delivered in an unencumbered manner. The evaluation of UR triggers is ongoing and protocols are re-assessed periodically.

In FY 2011-12, a PBM was established to improve the evaluation of drug therapies prescribed to County injured workers. Evaluating the final quarter of FY 2014-15 against program inception baseline data demonstrates the following achievements:

- Increased utilization of generic drugs to 78.7% (an increase of 18.4% over the baseline).
- Increased home delivery to 14.2% (an increase of 75.3% over the baseline).
- Increased PBM Network penetration to 92.5% (an increase of 35.2% over the baseline).

In FY 2012-13, pharmacists from the PBM identified significant use of costly compound medications on the workers' compensation program. CEO staff utilized data mining capabilities provided by the PBM to identify questionable compound medication prescription patterns. In FY 2014-15, efforts continued to reduce the use and costs of unwarranted compound medication by focused utilization review protocols.

One of the overall program goals is expense stabilization. As previously indicated, FY 2014-15 medical expenses were flat at \$144.7 million. Such expenses remain below the pre-SB899 medical expense of \$157.6 million experienced in FY 2003-04.



## WORKERS' COMPENSATION — OUTSTANDING LIABILITIES

### ACTUARIAL INFORMATION

Funded on a pay-as-you-go basis, the Workers' Compensation Program maintains obligations on claims filed many years ago. These benefits are defined under ever changing workers' compensation statutes and are affected by the aging demographic of the claim population and State and Federal regulations.

The CEO contracts for actuarial services to assess outstanding workers' compensation losses. Actuarial services assist the County in projecting costs associated with past, current, and future losses associated with workers' compensation.

### WORKERS' COMPENSATION ACTUARIAL STUDIES – ESTIMATED OUTSTANDING LOSSES

The estimated outstanding losses are the expenses associated with unpaid claims as of a specific valuation date. Estimated outstanding losses include case reserves, development of known claims, and incurred but not reported claims.

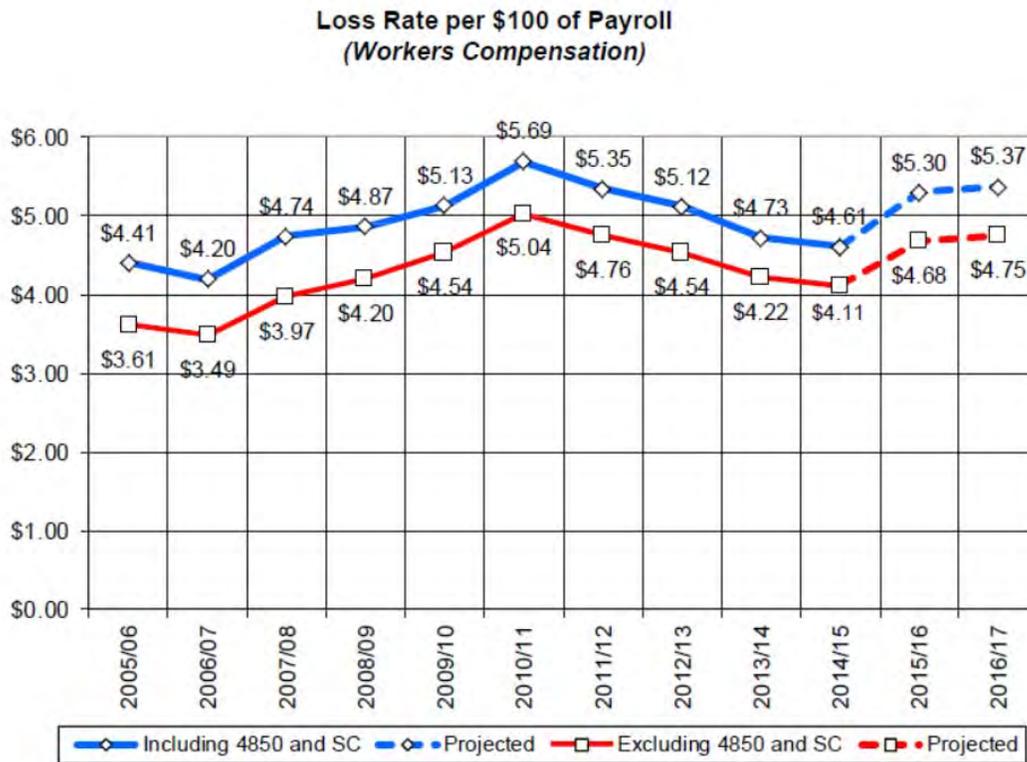
The *Actuarial Study of the Self-Insured Workers' Compensation Program* is reflecting projected ultimate losses with relatively flat loss development. This is indicated by a modest increase of 0.2% in cost of claims from previous years' projections.

### WORKERS' COMPENSATION ACTUARIAL STUDIES – ACTUAL AND PROJECTED PAYMENTS

Approximately 27% of allocated paid losses, or roughly \$81 million of the \$297 million, were paid on workers' compensation claims that were more than 10 years old. Note: These figures exclude Labor Code 4850 and Salary Continuation.

Overall, the actuarial study points to the long-tail nature of workers' compensation exposures and expenses. CEO Risk Management Branch is implementing various alternate risk techniques to stabilize such exposures and expenses.

AS OF DATE	ESTIMATED OUTSTANDING LOSSES
JUNE 30, 2013	\$2,086,254,784
JUNE 30, 2014	\$2,103,615,805
JUNE 30, 2015	\$2,162,266,111

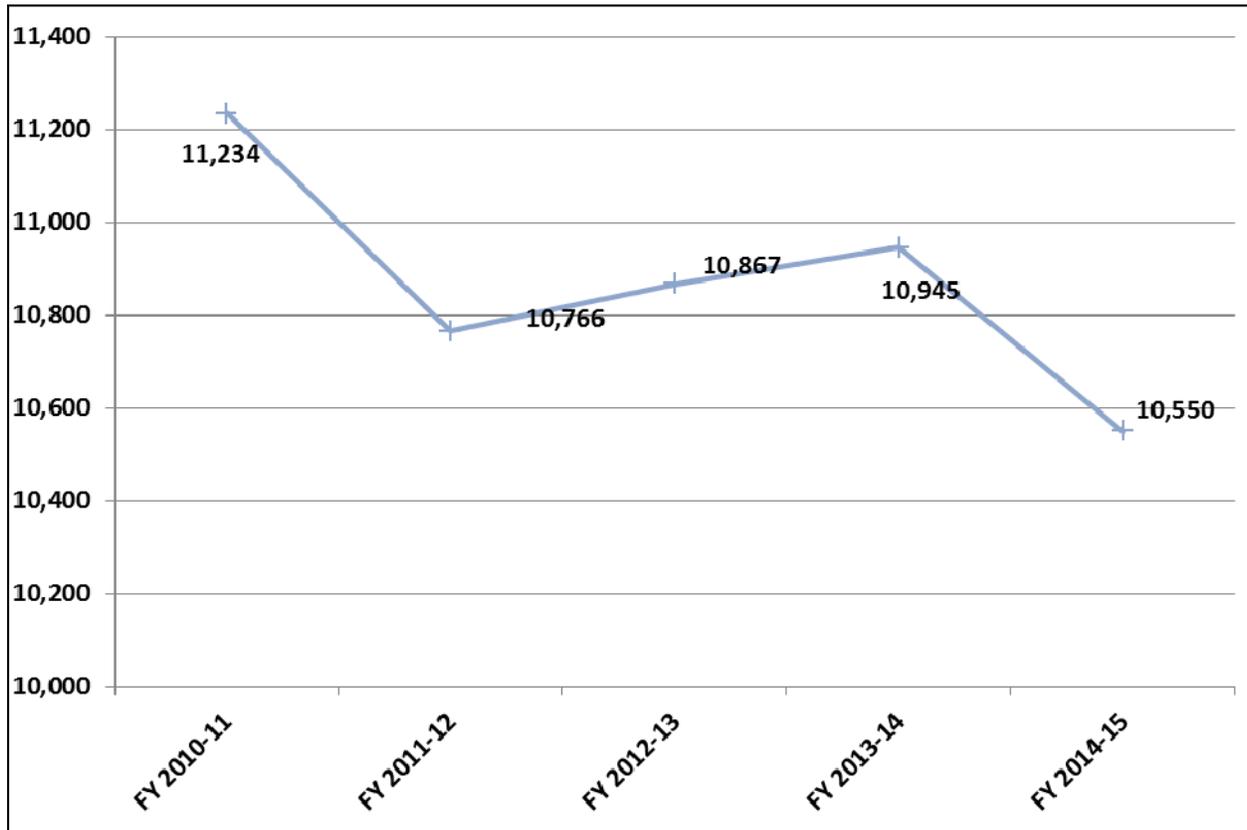


The loss experience trends, as measured by loss rate per \$100 of payroll, are projected to continue to rise approximately 16% over the next two fiscal years. This is the cost of claims per \$100 of payroll.

**WORKERS' COMPENSATION LOSS EXPERIENCE**

In FY 2014-15, the number of workers' compensation claims filed decreased 3.6% (10,945 to 10,550).

## NUMBER OF WORKERS' COMPENSATION CLAIMS – FY 2010-11 THROUGH FY 2014-15



## **WORKERS' COMPENSATION PROGRAM — SIGNIFICANT ACCOMPLISHMENTS FY 2014-15**

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- Implemented an accelerated claim closure project to reduce claims greater than 10 years old.
- Initiated the IBM SPSS data analytics project.
- Implemented a Morphine Equivalent Dose (MED) tracking and outreach program that monitors narcotic prescriptions for their morphine equivalent, which triggers an out-reach letter to the prescribing physician when the 120mg per day MED is reached, and allows the identification of heavy narcotic use on individual claims.
- Evaluated and established processes to re-structure the County's Workers' Compensation Medical Provider Network (MPN).
- Tested a new relational-based claims administration system for implementation.
- Continued to work with public and private sector employers to evaluate workers' compensation legislation and regulations.

## **WORKERS' COMPENSATION PROGRAM — OBJECTIVES FY 2015-16**

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- Test, apply, and assess IBM SPSS data analytics tool for potential use on the Workers' Compensation Program.
- Utilize the Express Scripts MED Management Program to improve workers' compensation outcomes for injured workers.
- Implement a new MPN structure.
- Continue to work with public and private sector employers to evaluate workers' compensation legislation, regulation development, and eminent issues.
- Complete the development of the Comprehensive Claims Management System to integrate workers' compensation activities into applicable claims metrics.
- Continue to develop and execute advanced financial risk strategies, including Accelerated Claim Closure Project and Loss Portfolio Transfer options.

## DISABILITY MANAGEMENT PROGRAMS

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The CEO Risk Management Disability Management Section is responsible for developing, implementing, and monitoring Countywide policies and procedures related to components of return-to-work and disability management for the County.

The Disability Management Section establishes policies and procedures in compliance with the Americans with Disabilities Act (ADA), Fair Employment and Housing Act (FEHA), and Workers' Compensation laws. Furthermore, in a cooperative effort with departments, the Section oversees reasonable accommodations provided by departments while monitoring employees on leave of absence and providing recommendations to resolve issues relating to long-term leaves of absence. Finally, the Section monitors compliance with established procedures, thereby aiding in expediting recovery and cost reduction.

The Disability Management Section manages the following programs:

- Return-to-Work (RTW)
- Short-Term Disability (STD)
- Long-Term Disability (LTD)
- Survivor Benefits (SB)

The Short-Term and Long-Term Disability and Survivor Benefit programs are overseen by the Disability Management Section staff and administered through a Third Party Administrator (TPA), Sedgwick Claims Management Services. Claim eligibility is determined by the TPA, who provides approval for benefit payments. These programs are funded as a County-subsidized income replacement benefit plan. Employees may purchase additional coverage depending on their benefit plan.

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### **RETURN-TO-WORK PROGRAM (RTW)**

County departments are required to implement and maintain an effective Return-to-Work Program. The Disability Management Section staff assist the departments in administering their programs, providing guidance with disability-related laws, and providing specialized training when needed.

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### **SHORT-TERM DISABILITY (STD)**

The County established the STD Plan which offers an income replacement benefit of up to 100 percent for eligible injured, ill, or pregnant employees who are members of the MegaFlex Cafeteria Plan. The maximum plan benefit allowable is 26 weeks or 182 calendar days, inclusive of the designated waiting period. The County offers two STD benefit options:

**SHORT-TERM DISABILITY (STD) [CONTINUED]**

**Core Benefit** (County Paid): Requires a 14-consecutive-calendar-day waiting period before benefits become payable. A 70% income replacement benefit is paid for the remainder of the approved STD period.

**Additional Benefit** (Purchased): Requires a 7-consecutive-calendar-day waiting period. A 100% income replacement benefit is payable for the first three-week period. An 80% income replacement benefit is paid for the remainder of the approved STD period.

Overall, STD claims processed in FY 2014-15 increased by 2.6% and the total claims approved increased by 2.5%. The number of employees covered by the program increased by 4.6% over the prior year, from a total of 11,625 to 12,159.



New STD Claims Processed Per Year <sup>1</sup>				
	FY 2012-13	FY 2013-14	FY 2014-15	Percent Change
Class 10 <sup>2</sup>	148	154	162	+5.2%
Class 11 <sup>3</sup>	633	644	657	+2.0%
<b>Total</b>	<b>782</b>	<b>799</b>	<b>820</b>	<b>+2.6%</b>

New STD Claims Approved Per Year				
	FY 2012-13	FY 2013-14	FY 2014-15	Percent Change
Class 10 <sup>2</sup>	138	139	146	+5.0%
Class 11 <sup>3</sup>	615	594	605	+1.9%
<b>Total</b>	<b>753</b>	<b>733</b>	<b>751</b>	<b>+2.5%</b>

1. Processed claims include those approved, denied, and pending.
2. Benefit Class 10 has a 14 day waiting period and 70 percent income replacement.
3. Benefit Class 11 has a seven day waiting period and 100 percent income replacement for 21 days, followed by 80% income replacement.

**LONG-TERM DISABILITY (LTD)**

The County established the LTD Plan as a County-subsidized income replacement benefit plan. The Plan offers eligible employees up to a 60% income replacement, based on their basic monthly compensation, in the event the employee becomes disabled and is unable to work beyond a 6-month waiting period. Employees may purchase additional coverage depending on their benefit plan. LTD benefits generally stop when an employee is no longer considered disabled or when they reach age 65, unless the waiting period commenced on or after the date they attained age 62, in which case payment ceases in accordance with the pre-established plan schedule.

As of June 30, 2015, there were 1,489 Active or Approved LTD claims (not including Pending or Waiting claims). Of this total, 840 (56.4%) are classified as Occupational, and 649 (43.6%) are classified as Non-Occupational.

New LTD claims processed in FY 2014-15 decreased by 0.2% while the number of claims approved decreased by 22.1% over the prior plan year. The number of employees covered by the program increased by 2.0% over the prior year, from a total of 81,828 to 83,463.

<b>New LTD Claims Processed Per Year<sup>1</sup></b>				
	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>Percent Change</b>
General Members LTD	615	608	604	-0.7%
LTD (Megaflex/4) Plan 3 <sup>2</sup>	10	8	9	+12.5%
LTD (Megaflex/6) Plan 4 <sup>3</sup>	194	218	219	+0.5%
<b>Total</b>	<b>819</b>	<b>834</b>	<b>832</b>	<b>-0.2%</b>

<b>New LTD Claims Approved Per Year</b>				
	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>Percent Change</b>
General Members LTD	472	540	496	-8.2%
LTD (Megaflex/4) Plan 3 <sup>2</sup>	4	4	3	25.0%
LTD (Megaflex/6) Plan 4 <sup>3</sup>	84	93	88	-5.4%
<b>Total</b>	<b>560</b>	<b>637</b>	<b>587</b>	<b>-22.1%</b>

1. Processed claims include those approved, denied, and pending.
2. This plan provides 40% income replacement.
3. This plan provides 60% income replacement.

**SURVIVOR BENEFIT (SB)**

The County also established the SB Plan, which provides an eligible surviving spouse/ domestic partner with a monthly benefit in the event of an employee’s death. The SB benefit is equal to 55% of the LTD benefit, and is paid throughout the survivor’s lifetime.

New SB claims increased by 21.8% in FY 2014-15, while the number of processed claims found to be eligible for benefits increased by 18.9%. Overall, a total of 63 eligible survivors received this benefit.

<b>New Survivor Benefit Claims Processed Per Year</b>				
	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>Percent Change</b>
Survivor Benefits	171	142	173	+21.8%

<b>New Survivor Benefit Claims Approved Per Year</b>				
Survivor Benefits	72	53	63	+18.9%



## DISABILITY MANAGEMENT PROGRAMS - SIGNIFICANT ACCOMPLISHMENTS

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- Decreased employees on long-term leave by 13.6% by forming a Long-Term Leave (LTL) Task Force to promote Countywide consistency in managing employees who have been off work for six months or longer, and developed recommendations to assist departments with their Program.
  - Each department designated a staff member as the LTL contact to address their efforts in reducing the number of employees on leave. Training sessions were provided on related topics, including Medical Release procedures, Disability Retirement benefits, Short-Term and Long-Term Disability benefits, and Reasonable Accommodation options. Since implementing the Task Force and tracking caseloads, 190 employees have been removed from departmental long-term leave reports, representing a decrease of 13.6%.
- Launched ViaOne, an online tool that enables employees to file their STD and LTD applications online, communicate directly with their claims adjuster, and follow up on their claim status at any time. Countywide RTW personnel are also now able to access real-time STD and LTD claim information for their specific departmental employees, allowing them to better manage their RTW efforts.
- Through the Legal Exposure Reduction Committee, developed Countywide procedures for the provision of authorized leave time for employees that need to attend medical appointments due to a compensable industrial injury, to ensure consistent application and proper usage of leave time.
- Conducted quarterly RTW seminars attended by 428 County employees, including RTW Coordinators, managers, and Human Resources personnel.
- Conducted two series of RTW 101 training sessions attended by 190 County employees who were new to RTW or were interested in learning more about RTW. Of this total, 93 attended all six classes and completed the training, while 97 employees attended between one and five classes.
- Provided daily consultations to departmental RTW Coordinators regarding complex issues. This included assisting 40 Interactive Process Meetings for departments to provide expert advice on reasonable accommodation and RTW best practices.
- Attended 26 departmental workers' compensation claim reviews, where 851 workers' compensation claims were discussed. The claim reviews included providing recommendations and assisting in developing and monitoring RTW strategies with the departments and the Third Party Administrators.
- Reviewed 50 requests for Medical Release and provided 44 letters of concurrence for departments to pursue a medical release pursuant to Civil Service Rule 9.08(c).
- Developed and provided 14 additional focus trainings to departments on several topics, including Interactive Process, LTD, RTW Overview, and Medical Release procedures.

## DISABILITY MANAGEMENT PROGRAMS — OBJECTIVES FOR FY 2015-16

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- Review existing policies that govern the RTW and disability management process to ensure compliance with changes in disability laws, and make revisions to existing policies as necessary.
- Develop curriculum for focused topic workshops related to Disability Management and RTW.
- In a coordinated effort with departments, identify and resolve issues regarding employees with permanent work restrictions on temporary work assignment agreements.
- Work with County departments to identify all employees on temporary assignments with permanent work restrictions; and partner with the Department of Human Resources (DHR) to determine suitable placement through the Countywide job search process.
- In collaboration with DHR and County Counsel, review existing policies that govern the RTW and disability management process to ensure compliance with changes in disability laws, and make revisions to existing policies as necessary.
- In an effort to reduce the number of employees on medical leave, provide customer service training on communication techniques to RTW Coordinators to assist with their efforts.
- Develop a training curriculum for the more complex issues related to Disability Management and RTW.
- In collaboration with LACERA, establish procedures to mitigate overpayments triggered by retroactive retirement payments issued to employees who also received LTD benefits for the same disability retirement pension period. In addition, partner with the Department of Treasurer and Tax Collector (TTC) to expedite notices and streamline the collection process of LTD overpayments.
- Review and update the STD and LTD benefit plan provisions for consistent application of exclusion rules for certain medical conditions.

# LIABILITY CLAIMS MANAGEMENT

The Liability Claims Management Section, within the CEO Risk Management Branch, provides consultative support and direction in the administration of various claims and lawsuits filed against the County. This includes first- and third-party property claims, and claims arising out of Vehicle Liability, General Liability, Employment Practices Liability, Law Enforcement, and Medical Malpractice. Overseeing the various claims involves providing administration and direction to two TPAs for General Liability and Medical Malpractice/Hospital Professional Liability claims.

## GENERAL LIABILITY CLAIMS

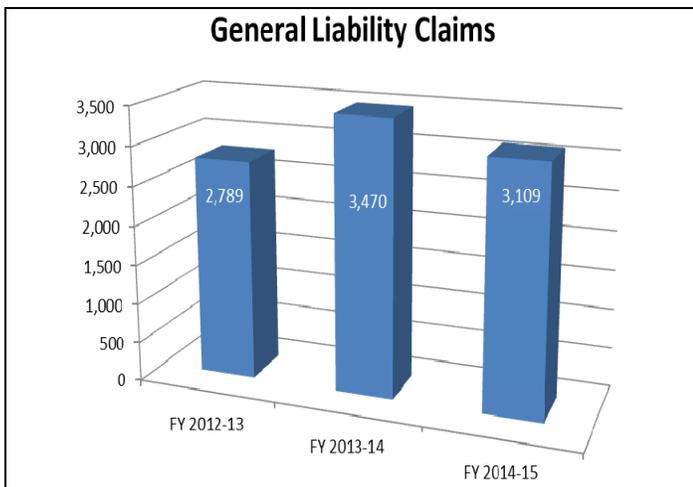
One of the County’s TPAs, Carl Warren & Company, currently oversees a majority of the general liability claims that encompass the subsets of Vehicle Liability and Employment Practices Liability. The following are Key Performance Indicators (KPI) for General Liability claims handled by this TPA.

## Data Analysis

The TPAs are not solely responsible for the management of the respective programs under their purview since they do not control the entire claims administration process and have limits on their authority. However, the data and audits of the TPAs’ performance indicate the TPAs are managing claims timely and within expected cost parameters. The County’s greatest exposure continues to be for cases involving serious injuries, which represent the greatest percentage of total dollars spent.

Overall, General Liability claims declined in FY 2014-15, as illustrated below. Specific claim allegation trend analysis and breakdown by claim type can be found in the Trend Analysis section of this report.

The data also shows that for FY 2014-15, claims were not closing as quickly due to increased litigation, which also results in higher costs and litigation reserves.



TYPE	FY 2012-13	FY 2013-14	FY 2014-15
Claim Closing Ratio	96%	99%	77%
Allocated Loss Adjustment Expense	63%	58%	58%
Litigation Reserve Ratio	28%	29%	40%

## MEDICAL MALPRACTICE CLAIMS

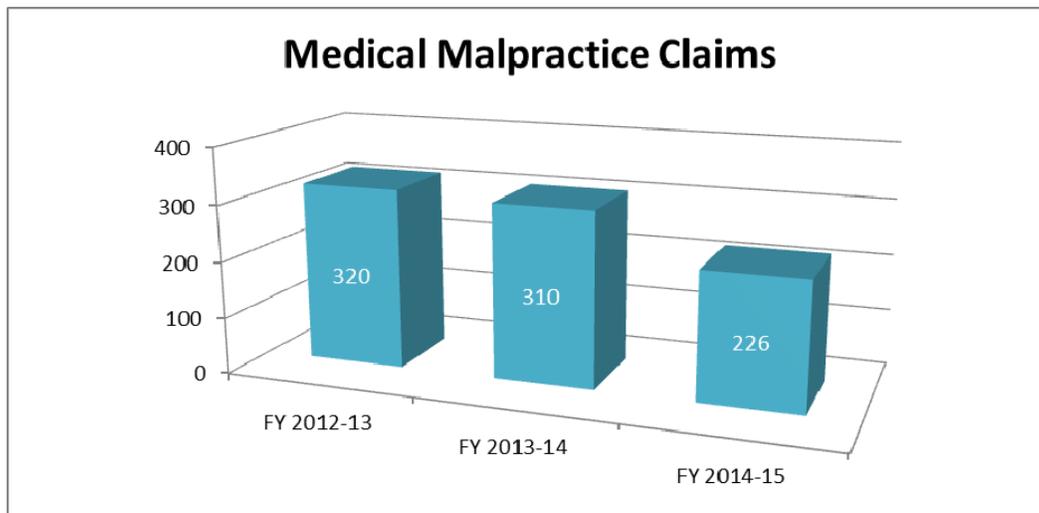
Another County TPA, Sedgwick Claims Management Services, oversees claims related to professional liability programs that encompass Medical Malpractice and Hospital Professional Liability.

### Data Analysis

Unlike the General Liability TPA, the Medical Malpractice TPA manages both non-litigated and litigated claims. These claims tend to behave differently than General Liability, as experts are more prevalent in determining the potential exposure to the liability. However, the principles of claims closure, cost containment, and appropriate reserving are all performance measures that compare to General Liability claims.

The data and audits for TPA performance show that the Medical Malpractice TPA is managing the claims timely and within expected cost parameters. The County's greatest exposure is for cases involving serious injuries, which represent the greatest percentage of total dollars spent.

Overall, Medical Malpractice claims decreased approximately 30% over the last three fiscal years, as illustrated below. Specific claim allegation trend analysis can be found in the Trend Analysis section of this report.



TYPE	FY 2012-13	FY 2013-14	FY 2014-15
Claim Closing Ratio	100%	109%	117%
Allocated Loss Adjustment Expense	19%	25%	26%
Litigation Reserve Ratio	16%	16%	19%

# TREND ANALYSIS

## **WORKERS' COMPENSATION**

### **CAUSES OF INCIDENTS**

The County employs over 98,000 employees with diverse occupational exposures, over thousands of job descriptions. While each department has hazards that pose specific risks to its employees, the overall exposure in FY 2014-15 can be summarized into the following six classifications for approximately 77% of the injuries sustained by County employees.

#### **ASSAULT**

Assaults include all aspects of a third party combating with County employees. Departments with the majority of assaults include: Sheriff (71.2%), Probation (13.7%), and Health Services (11.0%).

#### **CUMULATIVE TRAUMA/BODILY INJURY**

Cumulative trauma and bodily injury include injuries that are sustained over time due to the repetitive motion of the work performed on the job. Departments with the most cases include: Sheriff (29.7%), Public Social Services (19.6%), Fire (9.5%), and Health Services (8.8%).

#### **EXPOSURE**

This category includes exposure to physical hazards which involves particulates, fumes, and chemicals; environmental exposure including heat, cold, sun, and noise; and biological hazards including blood, body fluids, viral, and bacterial exposures. Departments with the most exposure cases include: Fire (53.5%) and Sheriff (22.2%).

#### **OTHER**

This category includes all other causes including, but not limited to, presumptive injuries, cardiovascular related, caught in or between injuries, and transportation-related injuries.

#### **OVEREXERTION**

Overexertion includes injuries due to lifting, carrying, pushing, or pulling. Departments with the most cases include: Sheriff (29.7%), Fire (24.2%), and Health Services (22.5%).

#### **STRUCK BY/OR AGAINST**

This category includes injury resulting from being struck by or crushed by a human, animal, or inanimate object, or force not vehicle related. Additionally, this can include injury caused by striking against something or someone, or from flying or falling objects. Departments with the most struck by/or against cases include: Sheriff (46.6%), Health Services (14.9%), Fire (7.2%), Public Social Services (8.2%), and Probation (4.2%).

#### **TRIP AND/OR FALL**

This category includes falling down in the office environment which includes stairs, chairs, escalators, elevators, and over various floor surfaces. Externally, this includes falling from vehicles, ladders, roof tops, and surfaces in parking lots, sidewalks, and in rough terrain. Departments with the most trip and/or fall cases include: Sheriff (24.2%), Health Services (19.2%), Public Social Services (15.0%), Probation (7.4%), and Fire (6.5%).

## TYPES OF WORKERS' COMPENSATION CLAIMS BY DEPARTMENT

Type of Claim	Sheriff	Fire	Health Services	Public Social Services	Probation	Children and Family Services
Assault	16.3%	0.6%	7.0%	0.1%	20.0%	2.6%
Cumulative Trauma/ Body Injury	13.3%	11.4%	10.9%	34.2%	14.7%	20.9%
Exposure	8.2%	53.3%	2.7%	0.3%	2.3%	0.0%
Other	35.5%	6.5%	32.5%	33.1%	36.6%	47.0%
Overexertion	8.8%	18.0%	19.8%	5.3%	4.2%	6.0%
Struck	9.5%	4.0%	8.5%	6.6%	5.5%	4.2%
Trip and/or Fall	8.5%	6.1%	18.6%	20.6%	16.6%	19.3%
<b>Grand Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

### DEPARTMENTAL ANALYSIS

Six departments account for over 80% of all claim frequency: Sheriff (37.3%), Fire (13.8%), Health Services (13.5%), Public Social Services (9.5%), Probation (5.8%), and Children and Family Services (3.6%). All department data can be found in Exhibit B of the Statistics section of this report.

#### Sheriff

Sheriff employees work in arduous and dynamic environments encompassing varied areas of risk exposure, including law enforcement, emergency response, building trades, and administrative functions. Overexertion injuries continue to be a leading cost factor for the department as a result of lifting, pushing, and pulling. Additionally, injuries resulting from law enforcement activities would be expected to increase claims of cumulative trauma. Each bureau has an identified safety officer to assist in communicating and implementing the department's safety programs and directives. These safety officers undergo annual refresher training on Cal/OSHA-required programs and other safety and health related issues.

Sheriff recently hired a Safety Officer II to oversee the Facilities Services Bureau. The new Safety Officer has been successful in reclassifying and reducing Cal/OSHA penalties. The department also completed train-the-trainer forklift training for affected employees.

#### Fire

Fire employees often work in volatile environments with consistently arduous physical demands and a myriad of potentially hazardous exposures. In the course and scope of providing critical emergency response services, injuries would be expected from overexertion and exposure to environmental elements.

Fire expanded its Emergency Medical Services into a bureau of its own. This resulted in training staff, implementing electronic patient care records, and hiring a full-time Medical Director. Furthermore, the department developed and conducted train-the-trainer for several Cal/OSHA required programs, including but not limited to, powered industrial trucks, powered hand tools, and crane vehicle/bucket trucks.

## DEPARTMENTAL ANALYSIS (Continued)

### Health Services

Health Services employees are exposed to a variety of hazards, including patient handling, slips, falls, and exposures. The department continues to analyze/address underlying exposures related to patient handling and aid in the transition to assistive patient lift devices. The department continues to execute these initiatives through the acquisition of assist lift, transfer, and repositioning equipment.

Health Services implemented standardized emergency code procedures, department-wide, with the intent of improving the standard of care and fire/life safety. The department also created an Ad Hoc Committee to focus on Cal/OSHA's workplace violence regulations for healthcare facilities to ensure compliance.

### Public Social Services

Public Social Services is one of the largest departments with an employee count nearly double that of the next largest social services department. The department has developed an initiative to enhance its ergonomics evaluation program by considering the utilization of a vendor to conduct ergonomic evaluations based on a priority schedule and to provide training on office and field ergonomics. In addition, the department requested and received funding to fill additional risk management items including a Safety Officer II, two Safety Inspectors, and a Safety Assistant position.

### Probation

Probation has inherent risks based on its operations. To further address its risk management needs, the department has requested and filled four Safety Inspector positions. In addition, the department updated their facility inspection process by creating a more streamlined approach and a timely follow-up process.

Probation also hired a Risk Manager to oversee the Liability, Safety, and Return-to-Work Units, which allowed consistent communication and provided a cohesive goal to prevent losses to the department. The department is in the process of implementing a Vehicle Accident Review Committee to review all vehicle accidents and provide streamlined recommendations to management. Additionally, Probation revamped their mileage permit program to create an auditing component to ensure continued compliance.

### Children and Family Services

Children and Family Services focused its efforts to address risk management concerns by budgeting and hiring four Safety Inspectors and upgraded the Safety Officer classification to a Safety Officer I. Additionally, the department revised the Injury and Illness Prevention Program to further address safety concerns. The department also developed a department-specific workplace violence program to adequately address its workplace violence concerns.

## LIABILITY CAUSE ANALYSIS

The operations and functions of the County of Los Angeles expose the County to several risk factors that result in liability. While each department has risks specific to their operation, the overall exposure can be summarized into five liability classifications:

- 1) Vehicle Liability
- 2) Other General Liability
- 3) Law Enforcement Liability
- 4) Employment Liability
- 5) Medical Malpractice

Liability exposures account for 24% of the County's overall Cost of Risk.

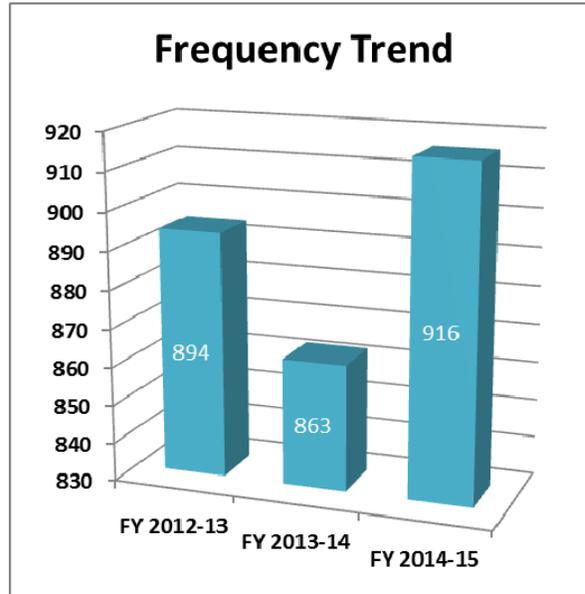


### VEHICLE LIABILITY CLAIMS

The County's Vehicle Liability frequency increased 6% from FY 2013-14 to FY 2014-15. The cost of claims for vehicle liabilities during the same time period decreased by approximately 17%.

Data shows there was a decrease in rear-end collisions and an increase in backing collisions; although rear-end collisions still represent the largest number of vehicular claims at 24%.

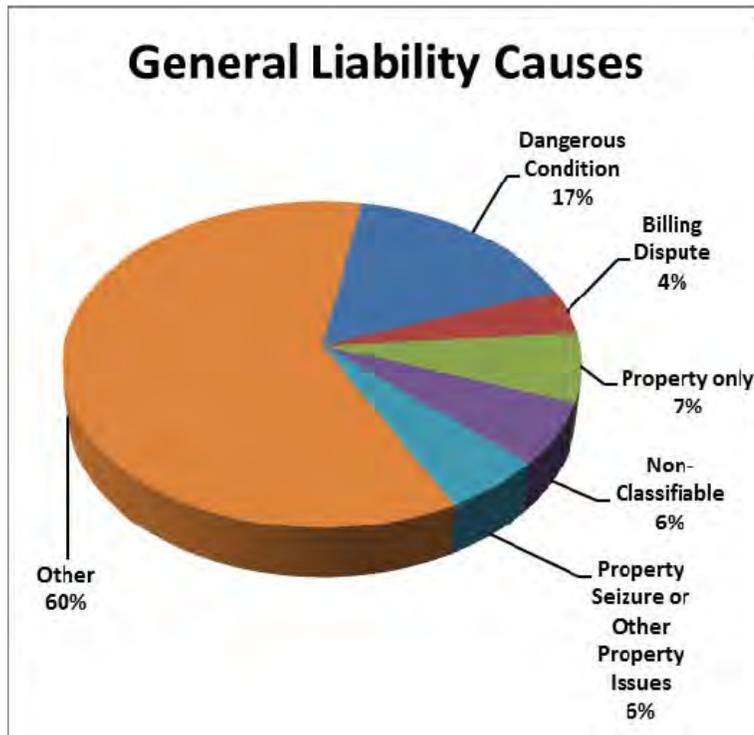
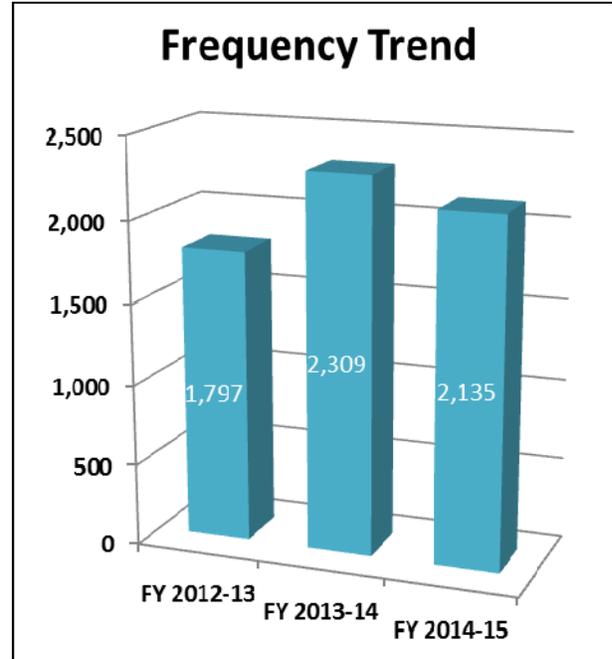
Vehicle liability represents 1% of the County's total Cost of Risk.



## OTHER GENERAL LIABILITY CLAIMS

Other General Liability includes all claims filed against the County that are not classified as Employment Practices, Medical Malpractice, Vehicle, or Law Enforcement. This includes dangerous conditions and property-related claims. Claims in this category also include non-tort claims, which include taxation, elections, redevelopment, and billing disputes.

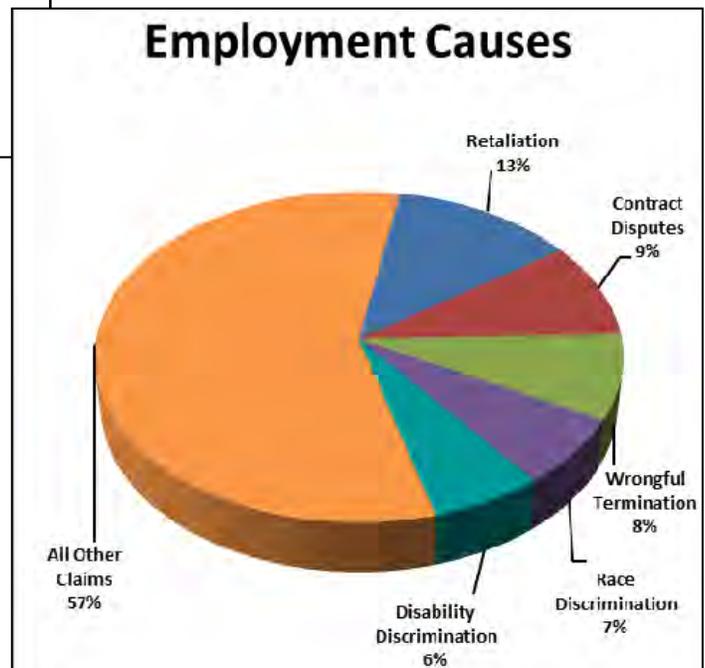
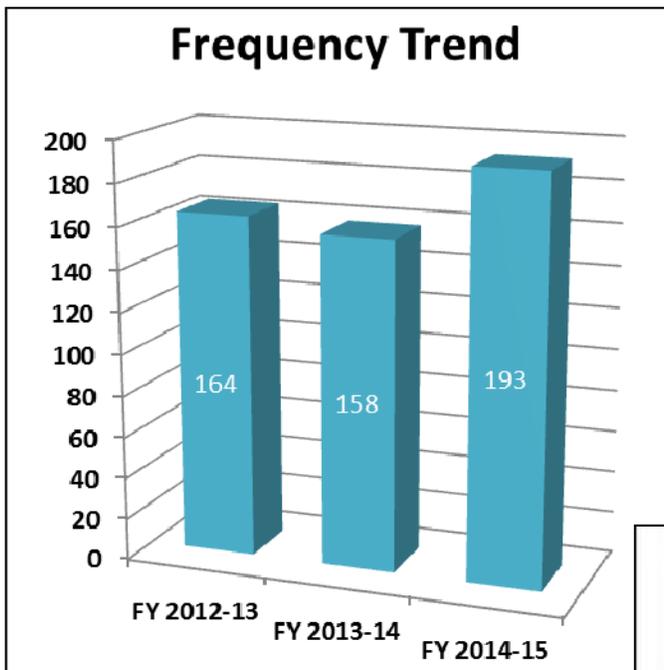
Other General Liability represents 7% of the County's total Cost of Risk.



## EMPLOYMENT PRACTICES LIABILITY CLAIMS

The County's Employment Practices Liability frequency increased by 22% from FY 2013-14 to FY 2014-15. The County's overall Employment Practices Liability expenses increased by 50%.

Employment Practices Liability represents 4% of the County's total Cost of Risk.

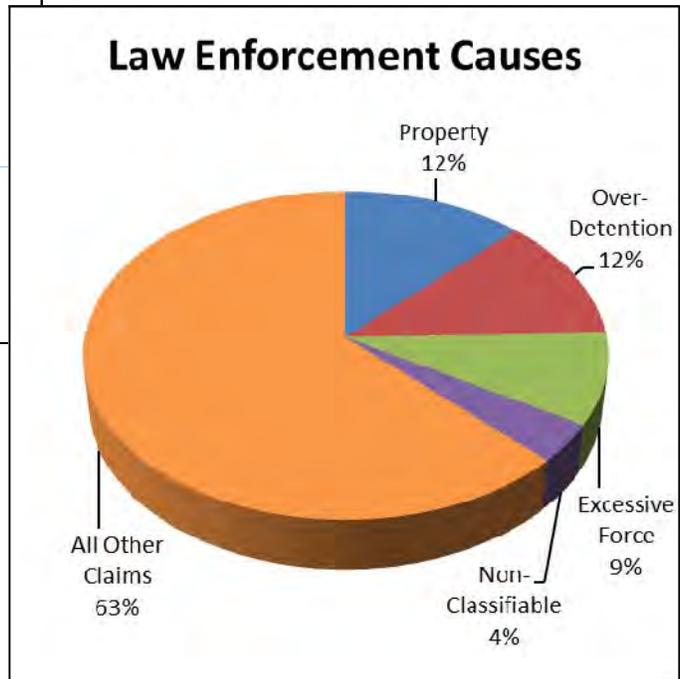
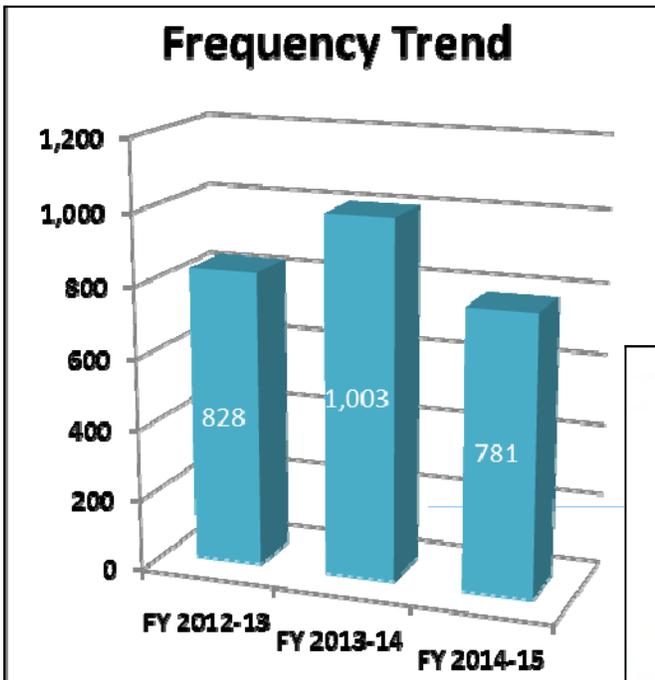


### LAW ENFORCEMENT LIABILITY CLAIMS

The County’s Law Enforcement Liability frequency rate decreased 22% for FY 2014-15, compared to the previous fiscal year. However, paid expenses increased by 43%.

The most prevalent claims were for “Over Detention” and “Property Seizure,” each represent 12% of total claims, respectively. However, “Excessive Force” claims remain the main cost driver, accounting for 55% of all law enforcement claims cost.

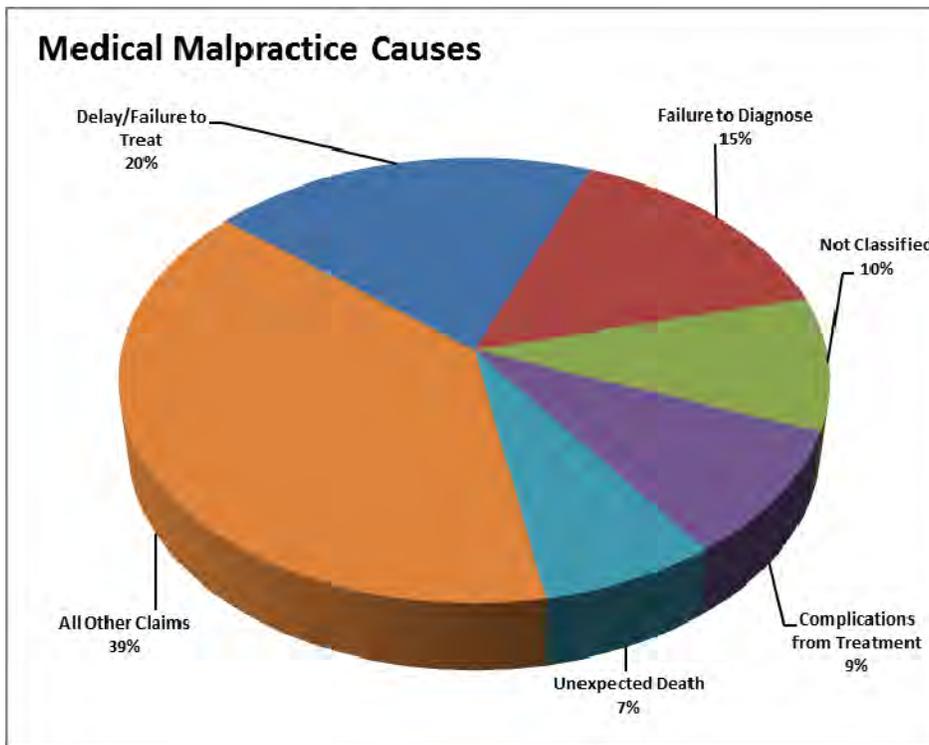
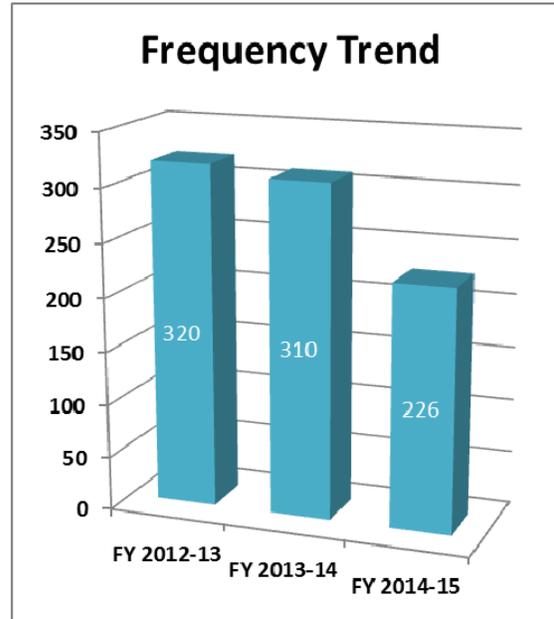
Law enforcement liability represents 9% of the County’s total Cost of Risk.



## MEDICAL MALPRACTICE CLAIMS

The County's Medical Malpractice Liability overall frequency decreased by 27% from FY 2013-14 to FY 2014-15. The primary type of claim filed against the County was for care delays and/or failure to treat; however, these types of claims decreased by approximately 59% in FY 2014-15, compared to FY 2013-14.

Medical Malpractice represents 3% of the County's total Cost of Risk.



## TOP PERFORMING DEPARTMENTS

Six departments have seen multiple-year declines in claim frequency and have some of the top performance indicators relative to their County department peers. All department data can be found in Exhibit B of the Statistics section of this report. In alphabetical order, these departments are as follow:

### Assessor

Total Cost of Risk: 0.51%  
WC Claims per 100 employees: 2.1  
WC Expenses per employee: \$444

The Assessor has continually maintained a steady decrease in their Cost of Risk over the last three fiscal years, resulting in the fourth lowest workers' compensation (WC) expense per employee. The Department's Cost of Risk was 72% lower than the Countywide average.

### Beaches and Harbors

Total Cost of Risk: 1.06%  
WC Claims per 100 employees: 8.2  
WC Expenses per employee: \$1,656

Beaches and Harbors has continued to maintain a low Cost of Risk over the last three fiscal years. Overall, the Department's WC expenses per employee were \$2,001 lower than the County average and the Cost of Risk was 21% lower than the Countywide average.

### Community and Senior Services

Total Cost of Risk: 0.52%  
WC Claims per 100 employees: 5.4  
WC Expenses per employee: \$1,354

Community and Senior Services has successfully been able to reduce their Cost of Risk over the last three fiscal years and is currently 53% lower than the Countywide average. Overall, the Department's WC expenses per employee were \$2,303 lower than the County average.

### Probation

Total Cost of Risk: 3.95%  
WC Claims per 100 employees: 11.6  
WC Expenses per employee: \$4,920

Probation had a 19% reduction in WC claims filed than the previous fiscal year. The Department's WC expenses per employee were 43% lower than the average WC expenses for Fire and Sheriff. Overall, the Department has fewer WC claims per 100 employees than Fire and Sheriff.

### Public Library

Total Cost of Risk: 0.52%  
WC Claims per 100 employees: 2.7  
WC Expenses per employee: \$527

Public Library maintained a low number of WC and liability claims over the last three fiscal years. Overall, the Department has the fifth lowest WC expenses per employee and a Cost of Risk 76 percent lower than the Countywide average.

### Public Works

Total Cost of Risk: 0.63%  
WC Claims per 100 employees: 5.1  
WC Expenses per employee: \$1,564

Public Works had fewer WC claims than the previous two years. Overall, the Department's WC expenses were \$2,093 lower than the Countywide average. And the Cost of Risk was 63% lower than the Countywide average.

#### Notes:

1. "Total Cost of Risk" is the cost relationship of all claims against the department in relation to the adopted budget.
2. "WC Claims per 100 employees" is a measure used to equalize large and small departments based on injuries per 100 employees.
3. "WC Expenses per employee" is a measure used to equalize large and small departments based on cost of claims per employee.
4. Employee count is the total number of positions as of June 30, 2015.

## LOSS CONTROL AND PREVENTION

The Loss Control and Prevention (LCP) Section, within the CEO Risk Management Branch, provides risk analysis and consultative assistance to find effective solutions for root causes, and training for all departments to ensure a safe and healthful environment for County employees, visitors, and citizens. LCP efforts focus on departments with high-risk activities; however, regular assistance/support is provided to all departments upon request. LCP activities include the following:

- Providing loss control consulting to departments to improve their risk management programs, procedures, and policies as related to departmental cost drivers.
- Coordinating risk management and loss control efforts with County departments by participating or leading agendas with Risk Managers, Safety Officers, Return-To-Work Coordinators, and safety committees.
- Leading the Best Practices Sub-Committee of the Legal Exposure Reduction Committee (LERC). Committee projects are described in the LERC Annual Report and include:
  - Risk Management Training – developing a training course for Countywide risk management personnel.
  - Fair Labor Standards Act (FLSA) Training – continued development of a program related to FLSA overtime issues.
  - Defensive Driver Training – establishing a Countywide training program.
  - Ergonomics – evaluating ergonomic self-assessment software.
- Developing and updating resource materials including Learning Net courses, model documents, safety bulletins and Risk Alerts for distribution to Countywide risk management staff.
- Assisting departments in the implementation of the DMV's Government Employer Pull Notice Program.
- Enhancing loss control and prevention knowledge and capabilities within County departments through quarterly loss control meetings, *Introduction to Occupational Safety and Health* training series (Safety 101), bi-monthly Countywide safety committee and quarterly social services risk management workgroup meetings, and training on loss prevention, reporting, standards, procedures, and compliance, as requested.
- Serving as subject matter experts for departments in responding to California Occupational Safety and Health (Cal/OSHA) complaint letters, citations, and informal conferences.

## LOSS CONTROL AND PREVENTION — SIGNIFICANT ACCOMPLISHMENTS FY 2014-15

Utilizing the County's Enterprise Risk Information Center, LCP focused efforts on departmental frequency and severity drivers through the development and implementation of training programs, policies, and guidelines, as well as field visits targeted to the source of risk. Other significant accomplishments include:

- Facilitated the integration of the standard product list for ergonomic equipment at each of the County's workers' compensation third party administrators for claims involving ergonomic-related cumulative trauma as part of an integrated cost containment strategy related to ergonomic evaluations for workers' compensation cases.
  - Performed quality assurance audits of workers' compensation claim data to increase awareness of the importance of claim data accuracy resulting in improved data.
  - Developed *"Introduction to Risk Management"* training course to ensure County risk management personnel have knowledge and understanding of the basic principles of risk management.
  - Provided over 725 consultations to departments on a variety of issues, including Cal/OSHA compliance, health and safety, and liability.
  - Facilitated the formation of the social services risk management workgroup which provides networking opportunities for risk management personnel in social service departments.
  - Participated as subject matter experts in the recruitment, screening, and interview process for potential risk management staff at County departments.
- Developed Learning Net course content on the Globally Harmonized System (GHS) for Hazard Classification and Labeling training requirements.
  - Updated model documents to meet compliance requirements established in revised Cal/OSHA standards and regulations on the following topics:
    - Heat Illness Prevention Program
    - Hazard Communication Program/GHS
  - Developed safety bulletins and "Risk Alert!" newsletters for Countywide use and implementation. Topics covered included:
    - How effective is your Ergonomics Program.
    - Lightning Season.
    - Globally Harmonized System (GHS).
    - Appealing Cal/OSHA Violations.
    - Assembly Bill 2774 – Expanded Definition of Serious Violation and the Cal/OSHA 1BY Form.
  - Presented quarterly loss control and prevention meetings that were attended by over 300 County Safety Officers, Human Resources personnel, and others with safety responsibilities. The meetings covered:
    - Respiratory Protection Program.
    - Recordkeeping Requirements.
    - Automated External Defibrillators: First Response, Technology and Liability.
    - Fleet Safety.
    - Ergonomics Best Practices.
  - Provided training to representatives of 18 County departments on the *"Introduction to Safety and Health"* training series, which consisted of more than 20 risk management-related topics over the course of eight days.

The County has been experiencing trends in cumulative trauma/overexertion injuries and vehicle liability claims. To aid departments in their efforts to reduce overall trends, LCP will focus on the following:

### **Training and Development of Countywide Risk Management Staff**

- Enhance and deliver “*Introduction to Risk Management*” training course to County risk management staff. Enhancements will include additional content regarding the risk management process as well as the inclusion of additional County examples.
- Enhance departmental risk management staff understanding of their respective cost drivers through use of available resources, including the Enterprise Risk Information Center dashboard and GenIRIS reports.
- Enhance workplace violence prevention processes and procedures for social service delivery departments through the social services risk management workgroup.
- Enhance and update content of the LCP page on the Risk Management Branch Intranet site to include new and/or updated model programs, safety bulletins, and “Risk Alert!” newsletters.

### **Cumulative Trauma/Overexertion claims**

- Implement and evaluate self-administered ergonomic training and a self-assessment software pilot program as an effort to control and reduce cumulative trauma-related injuries, as they relate to the office environment.
- Enhance workplace violence prevention programs, processes, and procedures for affected departments.
- Assist departments in the integration of the standard products list for ergonomic equipment to achieve cost-effective outcomes and a reduction in workers’ compensation claims costs.

- Evaluate new ergonomic trends, practices, and equipment for injury and illness prevention and workers’ compensation claim cost minimization.
- Evaluate the development of a field ergonomics training program/video to educate County employees on how to minimize injuries associated with lifting, carrying, pushing, and pulling.
- Evaluate cost reduction resulting from departments’ implementation of the standardized product list of ergonomic equipment.

### **Vehicle Liability**

- Enhance online defensive driver training options that can be used to support departmental practices and programs to ensure the safe operation of vehicles.
- Work with departments to enhance/develop vehicle liability and defensive driver training programs.
- Continue quality assurance audits of workers’ compensation claim data to increase awareness of the importance of claim data accuracy and identify opportunities where quality assurance of claim data can be incorporated at the third party administrators.
- Continue efforts with the Department of Human Resources and County Counsel on the conversion of the FLSA training on overtime to a self-taught course made available on the Learning Net system.
- Participate in the County of Los Angeles’ Emergency Preparedness Manual working group to ensure risk management concepts and principles are incorporated into the document.
- Continue assisting departments with the implementation of the GHS update to Cal/OSHA’s Hazard Communication Program.

# RISK MANAGEMENT INSPECTOR GENERAL

The CEO's Risk Management Inspector General (RMIG) has the responsibility of assisting County departments in the development and approval of Corrective Action Plans (CAPs) and Summary Corrective Action Plans (SCAPs). Additionally, RMIG collaborates with departments, CEO Liability Claims Management, and County Counsel to meet the mandates established by the Board of Supervisors (Board). This includes the requirement of all County departments to include a SCAP signed by RMIG as part of any claim settlement letter over \$100,000. Accordingly, RMIG manages CAPs and SCAPs through the following process:

- Weekly review of all claims entered in the claims system to determine early intervention efforts and collaboration with all concerned. This includes all departments and CEO Risk Management Branch's Liability Claims Management, Operations, Return-to-Work, and Loss Control and Prevention.
- Conduct detailed analysis of incident reports, claims, significant incidents, and adverse events, including monitoring adverse verdicts and items reported in the press.
- Consult with departments and assist with their development of CAPs and SCAPs.
- Assist in expediting claim settlements by pre-approving all CAPs and SCAPs prior to submission to the County Claims Board and/or the Board.
- Escalate requests for CAPs and SCAPs information through department management and the Board, if the information provided is not thorough or timely.

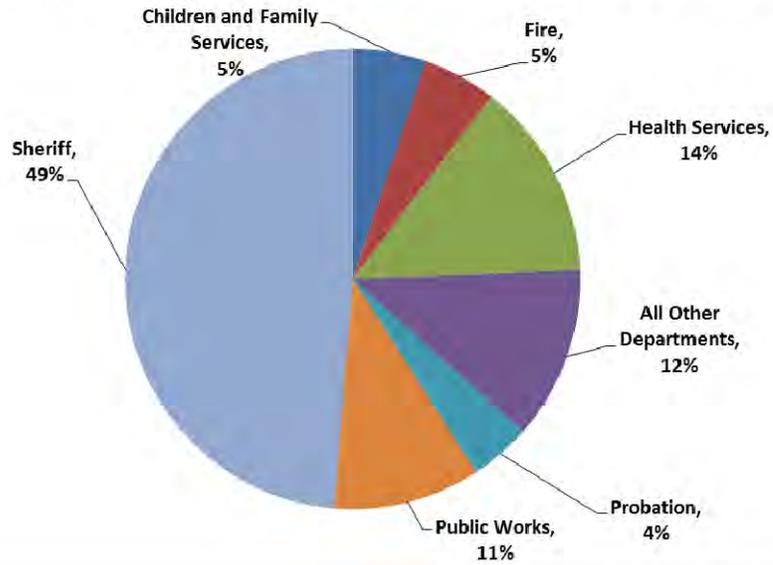
As part of best practices to prevent similar losses from occurring in the same department, or in a different department with similar exposures, RMIG both publishes and presents Applicability Notices on a quarterly basis. The Applicability Notices are summary-level documents that describe the incident, the root cause analysis of why it occurred, and the steps for correcting the root cause(s) and preventing a repeat incident. Presentations are held at the Risk Management Coordinators quarterly meetings and notices are published on the CEO Risk Management Branch Intranet site, which provides a useful tool for departments with similar occurrences.

RMIG participates in all cluster meetings (agenda and policy committees) which involve in-depth discussions of CAPs/SCAPs and case facts. These cluster meetings are attended by Board Deputies, departments, County Counsel, and CEO. The purpose of the meetings is to brief the Board Deputies on all relevant information so they can brief the Board before final Board approval is sought for a case.

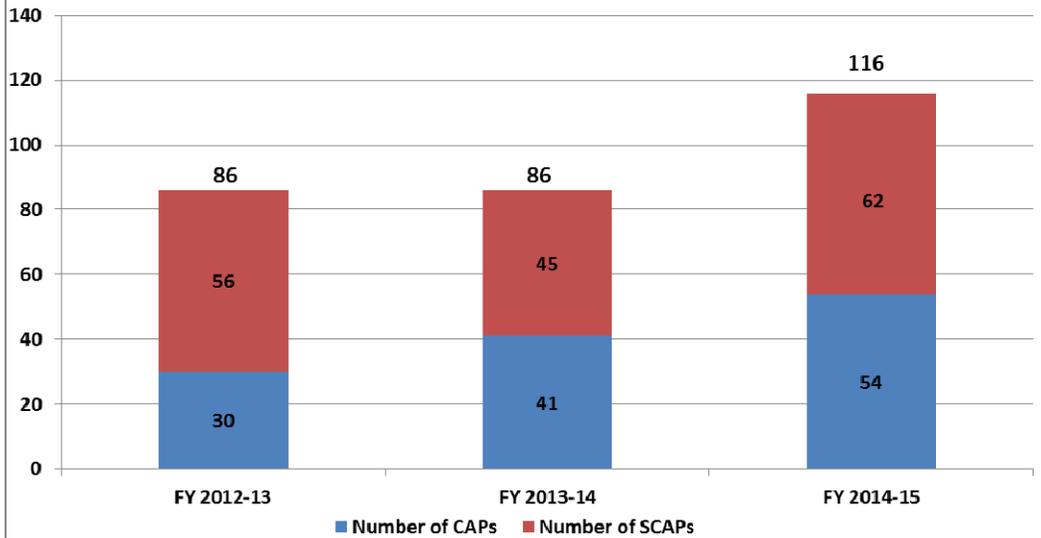
RMIG also conducts audits and investigations of liability issues at the direction of the Board, and/or those issues which RMIG deems appropriate.

Number of CAPs and SCAPs approved by fiscal year are illustrated on the next page.

## CAPs and SCAPs Approved During FY 2014-15



## CAPs and SCAPs Approved by Fiscal Year



For the past four years, RMIG has co-chaired the Medical Malpractice Sub-Committee of the Legal Exposure Reduction Committee (LERC). This year, two major projects came to fruition:

- The Sub-Committee successfully implemented the Patient Safety Network for all medical providers within the County of Los Angeles, including Health Services, Fire, Mental Health, Public Health, Probation, and Sheriff. This is a web-based, early reporting system that will increase patient safety and accountability for performance, and reduce costs for patient-related untoward events.
- Health Services and CEO drafted and submitted a statement of work to hire an outside consultant to conduct a risk assessment for Health Services and begin “just culture” training. Over time this training will be conducted for all medical provider departments.

RMIG collaborated with the Board, County Counsel, Sheriff, and Health Services to improve the timeliness of CAPs and SCAPs by creating an entire new CAP and SCAP process. CAPs and SCAPs are now required only for tort settlements which are over \$100,000. County Counsel notifies RMIG and departments within 24 hours when a case is settled. From the date of the notice of settlement, departments have 90 days to submit a final CAP. RMIG conducts an initial review of the case and provides feedback and recommendations within 30 days. This has reduced lag time due to early communication on possible issues within CAPs and SCAPs and provided faster payments for settlements.

RMIG fully implemented the Risk Compliance Management System (RCMS). RCMS is a completely paperless CAP/SCAP database that allows RMIG to track, review, and store CAPs and SCAPs electronically. Due to the implementation of RCMS, RMIG can now analyze data in a more comprehensive manner to track loss trending patterns. RCMS has been significantly updated in the past year to be more user friendly and track relevant data.

RMIG incorporated RCMS into the Countywide Enterprise Risk Information Center dashboard, thereby enabling users to have access to the number and types of CAPs and SCAPs by department and by indemnity cost. The dashboard also tracks departments’ settled cases, dates CAPs and SCAPs are due, and how many have been completed in a timely manner.

RMIG also reviews CAPs and SCAPs Countywide by department and by specific categories to determine if corrective actions have been effective and, if not, executes alternative strategies. This feature is also available on the dashboard to allow departments access to their applicable Countywide cases for each quarter.

RMIG is focusing on liability loss control and incorporating data integration, tracking, and trending this fiscal year. RMIG will focus on proactive liability loss control measures instead of reactive measures which traditionally has been the practice.

RMIG will begin reporting quarterly in July 2015 to the Board on the progress of CAPs and SCAPs pertaining to compliance rates, as well as benefits and challenges departments are facing with CAPs and SCAPs.

As CAPs become more sophisticated with detailed incident descriptions and attachments, continued enhancements to the form and function of the process will be instituted. This includes creating a modified CAP form to reflect a more simplified approach to understanding and writing CAPs, and providing regular updates to departments.

Ongoing LERC Medical Malpractice Sub-Committee projects include:

- Just Culture Implementation – Implement a “Just Culture” approach to error management in all County departments after having Health Services be the initial department to implement it. This project will create a humane and fair evaluation and correction process for human errors in the County workplace.

- Adverse Event Mitigation and Early Settlement Authority – This project will create a less adversarial system for managing medical errors and possible related litigation. The Sub-Committee will help lead the educational and interpersonal effort to create the policies and procedures for this risk management approach.

New projects include:

- Create a new LERC Sub-Committee specific to law enforcement operations and the resultant exposures that will involve:
  - Pre-Claim – Proactive research and training of specific law enforcement issues.
  - During Claim/Lawsuit Phase – Explore the necessity of root cause analysis and timeliness of corrective actions to determine systemic and personnel actions to be taken.
  - Post-Lawsuit – Evaluate adverse jury verdicts, appeals, and public relations pertaining to law enforcement litigation.
- Collaborate with the development of the Comprehensive Claims Management System to integrate the Risk Compliance Management System into applicable claims metrics.

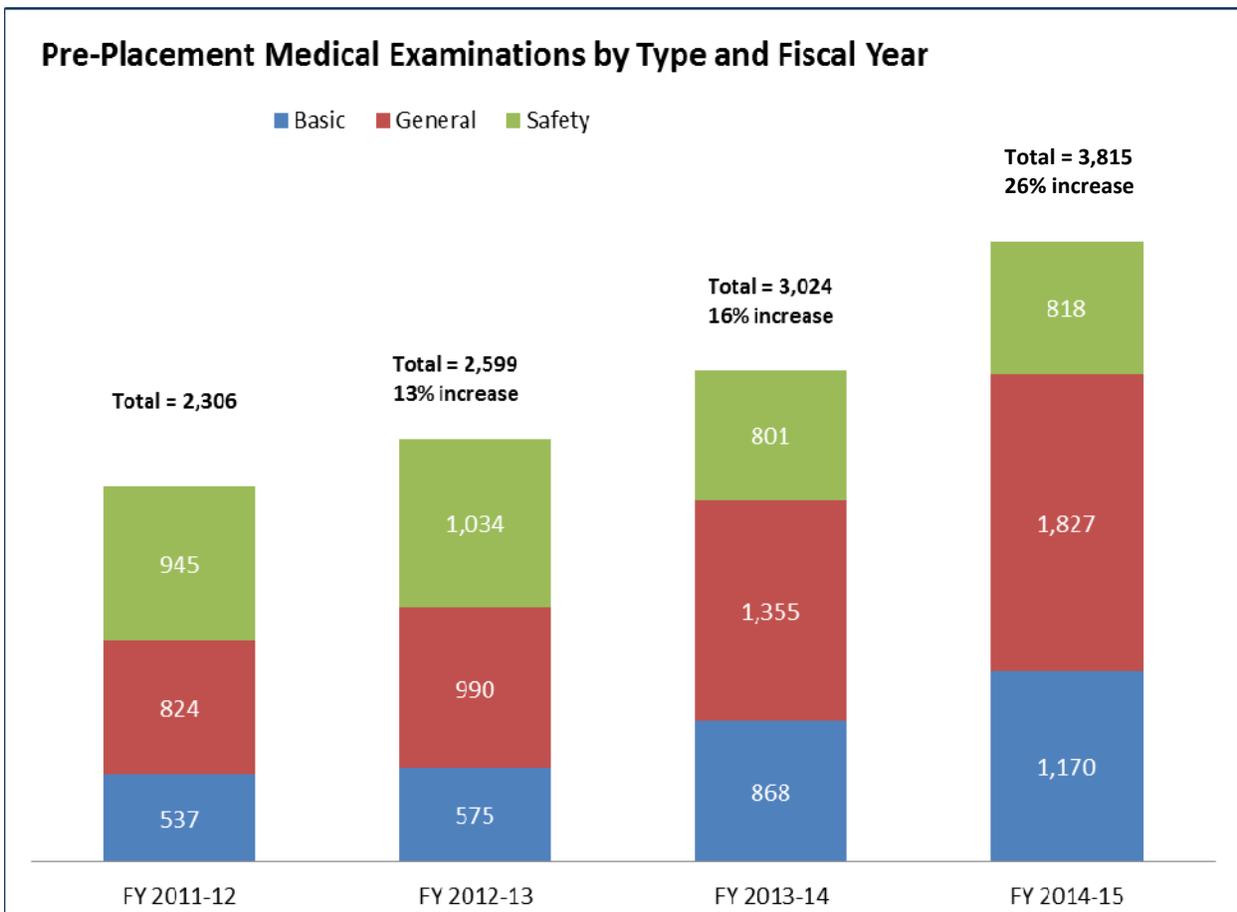
# OCCUPATIONAL HEALTH PROGRAMS

The Occupational Health Programs (OHP) Section, within the CEO Risk Management Branch, administers medical and psychological standards and programs for pre-placement, fitness for duty, and periodic examinations, as well as the Employee Assistance Program. The functions and programs include the following:

- Pre-placement medical/psychological examinations.
- Periodic medical examinations for employees, including the “Fitness-for-Life!” program.
- Drug and alcohol testing, including Reasonable Suspicion Testing and testing of commercial drivers as required by the Federal Department of Transportation.

## PRE-PLACEMENT MEDICAL EXAMINATIONS

Countywide hiring increased, requiring OHP to provide a total of 3,815 pre-placement examinations in FY 2014-15. This is a 26.2% increase over FY 2013-14, and a 65.4% increase over FY 2011-12.

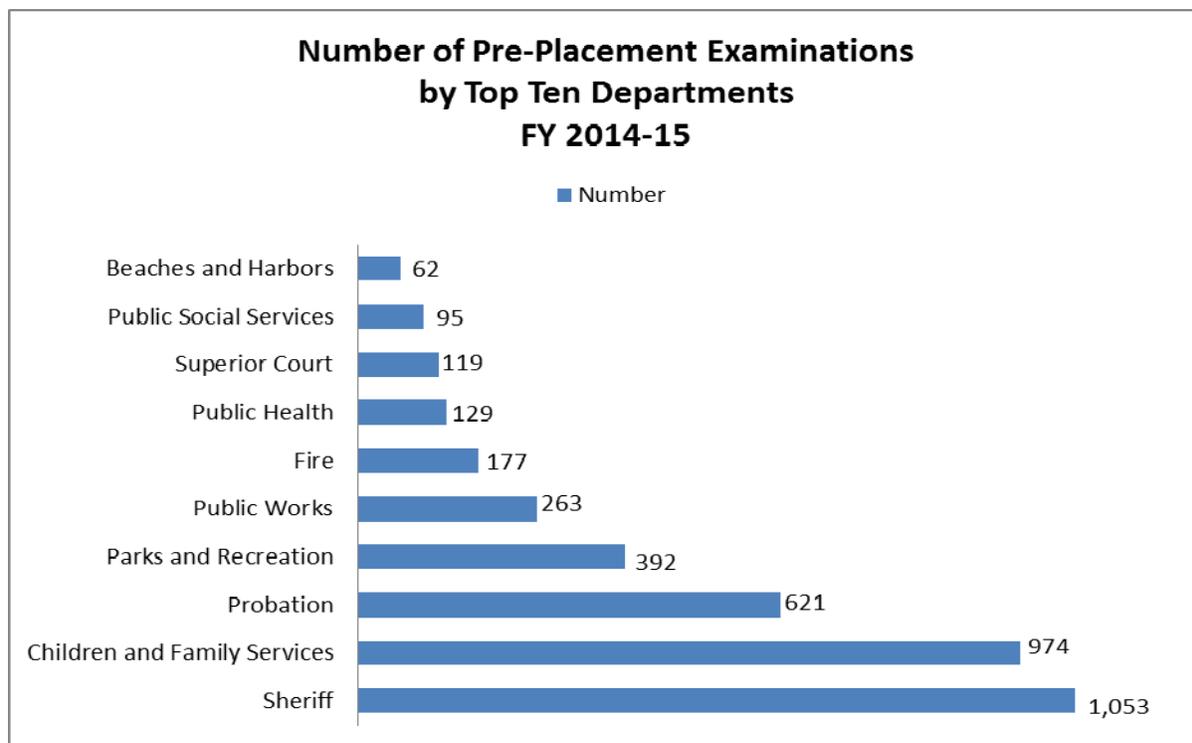


## NUMBER OF PRE-PLACEMENT EXAMINATIONS BY TOP DEPARTMENTS – FY 2014-15

OHP worked closely with the Sheriff's Department to complete pre-placement medical examinations and review 1,053 candidates, to ensure medical standards were met while meeting hiring deadlines for academies scheduled in FY 2014-15.

OHP also partnered with the Department of Children and Family Services (DCFS) to ensure success in meeting critical hiring objectives by fast-tracking the pre-placement medical examination and review process. OHP completed the review of 974 candidates in FY 2014-15 to meet hiring deadlines for DCFS set by the Board and negotiated with SEIU Local 721 (Service Employees International Union).

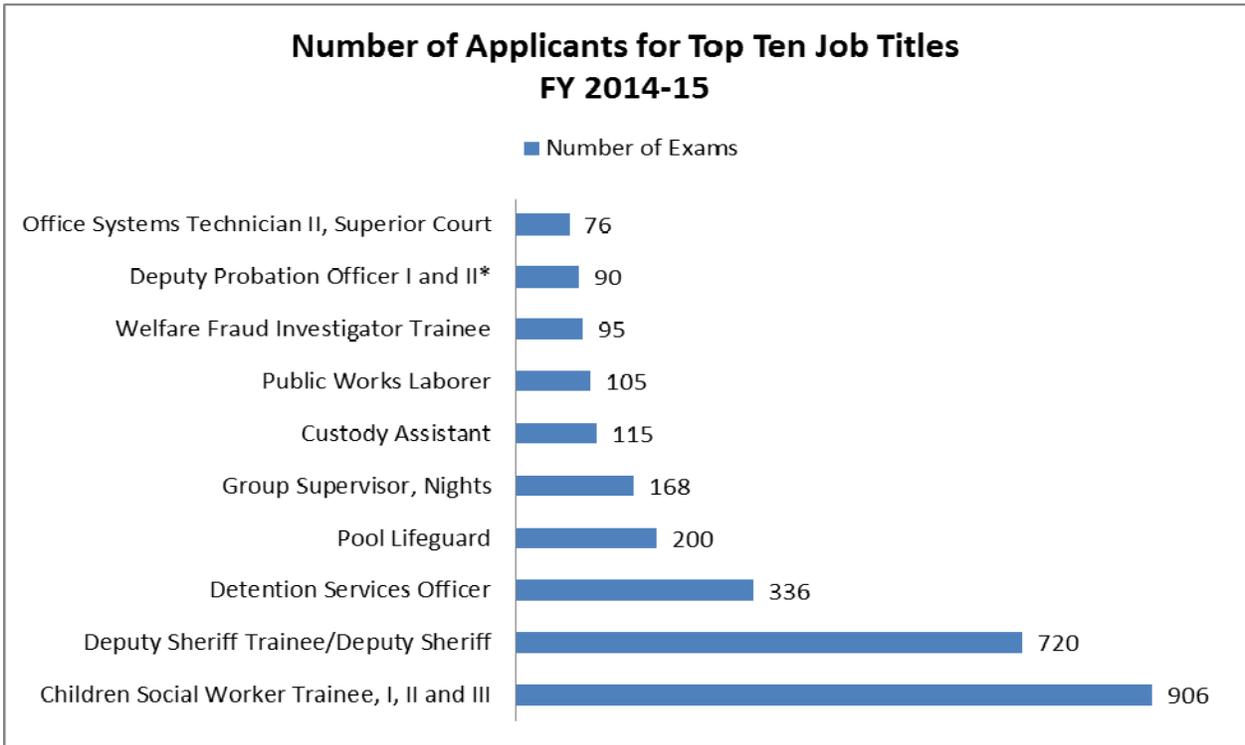
In addition, OHP expedited medical examination and reviews for 621 candidates for the Probation Department, contributing to efforts to meet hiring deadlines and staffing objectives in FY 2014-15.



**NUMBER OF APPLICANTS FOR TOP TEN JOB TITLES – FY 2014-15**

In order to meet the increased demand for pre-placement appointments, OHP maintained an in-house clinic for pre-placement medical examinations and provided medical examinations with same-day results for 80 candidates. Additionally, a new clinic was opened through a contract with Glendale Adventist Medical Center to provide medical services for pre-placement examinations in a central location at a clinic in Glendale.

Last year, OHP implemented changes to the color vision testing protocol to increase accuracy and reliability of the color vision testing procedures, by including a proprietary computerized color-naming test. This test was developed and validated in-house for use in work-fitness determinations on applicants for classifications that require color vision. During the current year, OHP worked closely with California Peace Officers Standards and Training Commission (P.O.S.T.) to expand the use of the computerized color-naming test state-wide as a screening tool for candidates for Safety positions.

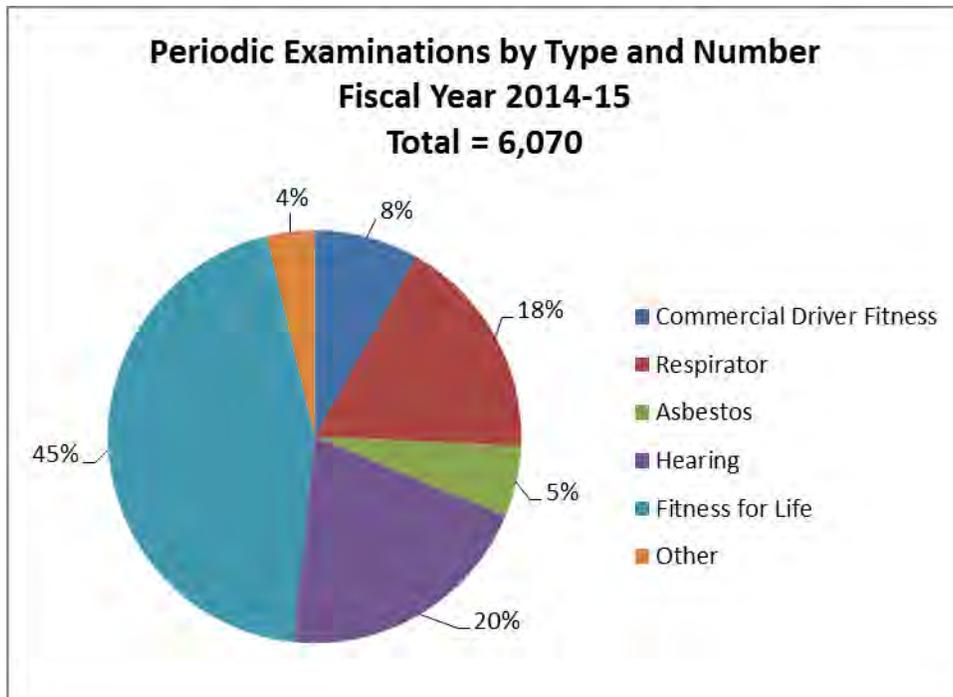


\*Includes DPO I and II, Field and Residential Treatment

## TOTAL PERIODIC EXAMINATIONS BY TYPE – FY 2014-15

OHP provided 6,070 periodic examinations as required by the California Occupational Safety and Health Administration, Department of Transportation, and contract agreements with employee unions.

OHP collaborated with the departments of Parks and Recreation and Fire to provide 2,708 “Fitness-for-Life!” wellness examinations in accordance with contract language setting standards for wellness bonuses for designated positions. Periodic examinations were also provided to employees for Commercial Driver Fitness, respirator use, and potential exposure to asbestos and/or loud noise.



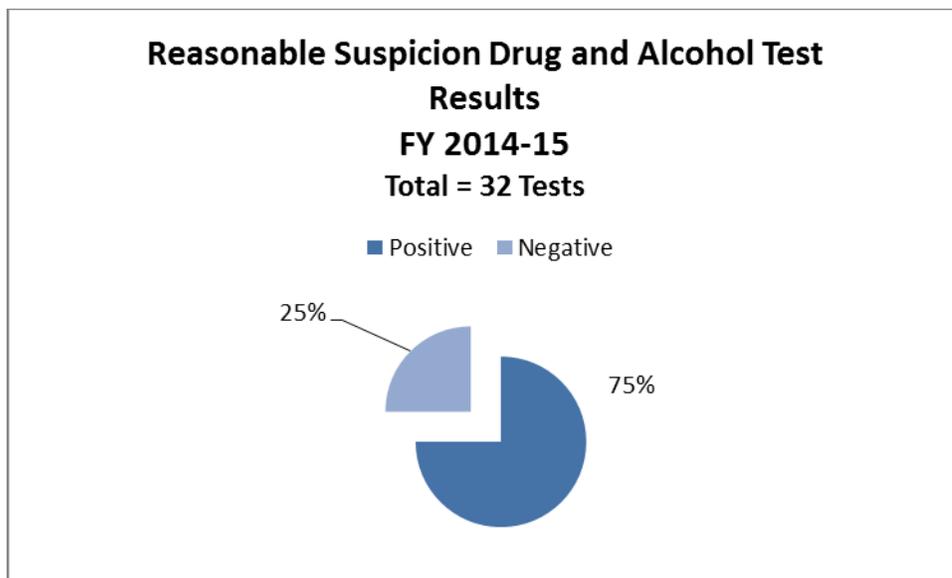
## DRUG AND ALCOHOL TESTING

OHP managed a contract for the provision of employee drug and alcohol testing in compliance with Federal requirements for commercial drivers, and with County policy, labor contracts, and monitoring agreements for periodic and reasonable suspicion drug testing for employees.

OHP provided drug and alcohol monitoring for over 1,140 commercial drivers, as required by Federal Department of Transportation regulations; and also conducted a total of 870 tests, including 502 random drug and 105 random alcohol tests. There was one confirmed positive random drug test result during FY 2014-15. Departments with the highest numbers of commercial drivers are Public Works (539), Sheriff (325), and Fire (116).

Additionally, OHP provided reasonable suspicion drug testing for 32 employees suspected of being under the influence of drugs and/or alcohol, and provided line departments with guidance and recommendations based on the results.

## REASONABLE SUSPICION DRUG TEST RESULTS – FY 2014-15



\* If the impaired employee has a valid prescription which accounts for the laboratory result, the test result is deemed "negative." Administrative action may be taken to address the behavior or conduct of impairment.

## OUTREACH – FY 2014-15

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OHP provided training and outreach to County departments to promote OHP services and programs such as reasonable suspicion testing protocols, Federal Department of Transportation drug and alcohol testing protocols, Illness at Work Procedures, and medical and psychological re-evaluation procedures. This was completed through presentations to Departmental Risk Management Coordinators, Return-to-Work Coordinators, Human Resources Managers, as well as in Countywide meetings on selected issues.

## OBJECTIVES – FY 2015-16

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- Maintain expanded clinic capacity by conducting an in-house clinic for pre-placement and periodic medical examinations with the goal of reducing appointment waiting time, providing additional sites for the convenience of candidates and employees, and reducing length of hiring time for departments.
- Assess and anticipate hiring needs of departments by forecasting trends based on budget priorities, position requests, academy schedules, and other factors to meet internal and external staffing needs using survey tools to enhance communication.
- Develop and enhance communication channels, including email blasts, customer service surveys, and website enhancements to provide information and updates to departments, and receive feedback from customers regarding service delivery issues.
- Establish, monitor, and meet a performance standard for appointment waiting time of no more than 10 working days for pre-placement medical appointments at all clinics during 90 percent of the time.
- Establish, monitor, and meet a performance standard for disposition of status for all medical charts of no more than 30 calendar days during 90 percent of the time.
- Partner with the California Peace Officer Standards and Training Commission (P.O.S.T.) to further validate the computerized color vision test for possible incorporation in the Medical Screening Manual for California Law Enforcement.
- Implement program improvements to the “Fitness for Life!” examinations to eliminate unnecessary medical testing as negotiated in applicable labor contracts.
- Implement program improvements to the Reasonable Suspicion Drug and Alcohol Testing Program as negotiated in applicable labor contracts, to update testing methods and align testing standards with current industry standards established by United States Department of Transportation.
- Partner with the House Ear Institute on the development of a sound localization test for use in assessing hearing ability when screening applicants for safety positions.

# STATISTICS

## FY 2012-13 TO FY 2014-15

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All Claims Frequency and Expense Summary..... Exhibit A

Workers’ Compensation Claim Frequency and Expense Summary ..... Exhibit B

State of California Labor Code 4850 and Salary Continuation Expense Summary ..... Exhibit C

Vehicle Liability Claim Frequency and Expense Summary..... Exhibit D

General Liability Claim Frequency and Expense Summary ..... Exhibit E

General Liability / Law Enforcement Liability Claim Frequency and Expense Summary ..... Exhibit E-1

General Liability / Employment Practices Liability Claim Frequency and Expense Summary .... Exhibit E-2

Medical Malpractice Claim Frequency and Expense Summary ..... Exhibit F

Cost of Risk Detail..... Exhibit G

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## EXHIBIT A

### ALL CLAIMS FREQUENCY AND EXPENSE SUMMARY

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	# New Claims	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$42,488	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	46	\$747,885	59	\$939,373	51	\$683,453
Alternate Public Defender	6	\$119,720	7	\$263,768	13	\$480,345
Animal Care and Control	123	\$1,192,100	104	\$985,614	94	\$995,743
Assessor	67	\$1,181,527	50	\$1,045,248	63	\$914,147
Auditor-Controller	106	\$709,733	45	\$4,555,293	34	\$15,042,047
Beaches and Harbors	36	\$685,209	38	\$735,737	48	\$614,982
Board of Supervisors	21	\$719,886	38	\$736,045	27	\$1,443,595
Chief Executive Office	11	\$2,350,868	20	\$3,054,608	18	\$1,961,000
Chief Information Office	0	\$24,614	0	\$2,574	0	\$43
Child Support Services	118	\$4,822,371	135	\$4,254,391	143	\$4,207,574
Children and Family Services	524	\$19,427,058	503	\$21,159,713	525	\$23,399,863
Community and Senior Services	35	\$2,560,586	18	\$836,901	38	\$757,864
Consumer and Business Affairs	3	\$91,246	4	\$38,056	2	\$13,430
Medical Examiner - Coroner	31	\$1,119,307	44	\$1,245,178	44	\$1,248,406
County Counsel	21	\$427,509	19	\$603,175	20	\$1,028,138
District Attorney	121	\$5,050,200	138	\$6,054,865	118	\$5,825,869
Fire	1,467	\$74,458,558	1,530	\$82,714,409	1,626	\$84,257,848
Health Services	1,922	\$59,846,731	2,163	\$65,093,435	1,887	\$66,620,549
Human Resources	17	\$318,041	9	\$399,752	15	\$438,861
Internal Services	130	\$4,795,375	111	\$3,961,564	122	\$4,468,228
LACERA	13	\$545,480	9	\$708,032	11	\$315,325
Mental Health	330	\$8,864,956	323	\$8,504,117	305	\$9,602,341
Military and Veterans Affairs	2	\$38,100	1	\$35,066	13	\$87,791
Museum of Art	4	\$108,823	5	\$56,625	2	\$53,269
Museum of Natural History	2	\$135,773	4	\$165,701	1	\$154,615
Non-Jurisdictional	593	\$769,389	677	\$728,595	863	\$853,454
Office of Public Safety	1	\$2,842,022	2	\$2,609,922	0	\$79,295
Parks and Recreation	283	\$5,103,924	286	\$6,039,471	268	\$5,747,865
Pending Assignment	0	\$0	4	\$0	0	\$0
Probation	760	\$37,562,060	835	\$35,006,657	680	\$34,230,353
Public Defender	63	\$1,344,367	65	\$1,667,255	58	\$1,889,054
Public Health	231	\$8,790,393	266	\$8,786,669	259	\$9,402,299
Public Library	57	\$908,717	39	\$751,838	47	\$881,325
Public Social Services	1,038	\$39,600,631	976	\$38,993,582	1,067	\$37,353,221
Public Works	649	\$13,850,576	639	\$11,758,952	633	\$12,300,448
Regional Planning	14	\$506,281	19	\$436,545	31	\$391,764
Registrar-Recorder/County Clerk	92	\$2,534,496	105	\$2,716,447	78	\$2,395,229
Sheriff	5,722	\$184,545,668	6,100	\$185,037,420	5,403	\$217,125,485
Superior Court	253	\$11,782,891	245	\$10,822,695	212	\$11,221,458
Treasurer and Tax Collector	80	\$1,240,068	110	\$1,624,746	107	\$1,408,150
<b>TOTAL<sup>4</sup></b>	<b>14,870</b>	<b>\$501,765,627</b>	<b>15,588</b>	<b>\$515,130,034</b>	<b>14,801</b>	<b>\$559,894,726</b>

1. Amount Paid is the total of the transactions paid by coverage code in the fiscal year regardless of occurrence date plus amounts paid for workers' compensation from the Workers' Compensation Status Report. Amount Paid includes indemnity and legal fees and expenses. Does not include RBNP or IBNR reserves. Workers' compensation paid does not reflect State of California Labor Code 4850 or salary continuation payments. Data does not include unemployment costs.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information does include County Counsel tort files. County Counsel expenditures are included.
3. Amounts valued as of June 30, 2015.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**EXHIBIT B**

**WORKERS' COMPENSATION CLAIM FREQUENCY AND EXPENSE SUMMARY  
FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	36	\$680,105	47	\$819,003	32	\$637,830
Alternate Public Defender	6	\$118,647	4	\$187,311	10	\$430,686
Animal Care and Control	100	\$930,196	91	\$736,297	66	\$756,974
Assessor	26	\$886,901	25	\$782,201	26	\$550,177
Auditor-Controller	24	\$427,583	15	\$402,017	10	\$503,210
Beaches and Harbors	18	\$512,440	16	\$518,521	21	\$423,653
Board of Supervisors	11	\$236,212	12	\$147,596	8	\$110,639
Chief Executive Office	9	\$619,979	14	\$462,924	12	\$607,751
Chief Information Office	0	\$19,751	0	\$2,574	0	\$43
Child Support Services	104	\$4,516,158	122	\$3,955,429	119	\$4,021,051
Children and Family Services	372	\$15,287,529	352	\$16,311,461	383	\$15,451,855
Community and Senior Services	15	\$900,372	12	\$730,153	24	\$606,309
Consumer and Business Affairs	3	\$91,246	3	\$38,056	1	\$13,430
Medical Examiner - Coroner	17	\$1,062,565	19	\$815,555	30	\$471,541
County Counsel	17	\$405,474	11	\$535,438	12	\$911,599
District Attorney	62	\$3,652,820	78	\$4,402,212	38	\$3,825,187
Fire	1,321	\$49,444,811	1,388	\$52,780,490	1,451	\$57,856,608
Health Services	1,541	\$41,665,987	1,545	\$39,298,786	1,438	\$43,038,850
Human Resources	16	\$280,234	9	\$290,226	13	\$344,283
Internal Services	92	\$3,911,594	87	\$3,228,108	96	\$3,388,131
LACERA	13	\$479,530	9	\$659,749	11	\$315,325
Mental Health	272	\$7,189,608	248	\$7,273,897	250	\$7,758,344
Military and Veterans Affairs	2	\$32,585	1	\$35,066	0	\$69,926
Museum of Art	1	\$104,708	3	\$52,609	2	\$51,049
Museum of Natural History	1	\$135,773	2	\$159,259	1	\$154,615
Non-Jurisdictional	4	\$0	0	\$0	0	\$0
Office of Public Safety <sup>4</sup>	1	\$2,524,592	2	\$2,426,698	0	\$0
Parks and Recreation	191	\$3,591,369	210	\$3,483,774	196	\$3,749,485
Pending Assignment	0	\$0	3	\$0	0	\$0
Probation	679	\$28,529,360	756	\$25,813,250	615	\$25,990,934
Public Defender	34	\$1,004,954	46	\$1,087,241	41	\$1,367,981
Public Health	189	\$6,879,942	214	\$6,240,479	203	\$7,688,059
Public Library	46	\$872,357	36	\$597,968	39	\$750,440
Public Social Services	980	\$37,597,979	918	\$37,345,296	1007	\$34,762,886
Public Works	205	\$6,436,340	173	\$5,901,543	168	\$5,126,758
Regional Planning	2	\$237,525	5	\$196,030	4	\$148,455
Registrar-Recorder/County Clerk	66	\$2,124,794	80	\$2,326,406	52	\$2,196,596
Sheriff	4,119	\$110,938,044	4,121	\$110,576,477	3,936	\$123,652,727
Superior Court	253	\$10,948,597	245	\$10,144,309	211	\$10,447,771
Treasurer and Tax Collector	19	\$935,413	23	\$1,408,153	24	\$1,166,519
<b>TOTAL</b>	<b>10,867</b>	<b>\$346,214,074</b>	<b>10,945</b>	<b>\$342,172,562</b>	<b>10,550</b>	<b>\$359,347,677</b>

1. Amount Paid is the total of the transactions paid for workers' compensation in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves. Workers' compensation paid does not include State of California Labor Code 4850 or salary continuation payments.
2. Amounts shown as listed on the Workers' Compensation Status Report.
3. Superior Court expenses are billed to the State of California; these expenses are not controllable by the County as these are State of California employees.
4. The Office of Public Safety was consolidated with the Sheriff's Department in FY 2010-11.

**EXHIBIT C**

**STATE LABOR CODE 4850 AND SALARY CONTINUATION EXPENSE SUMMARY  
FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13	FY 2013-14	FY 2014-15
	Amount Paid <sup>1</sup>	Amount Paid <sup>1</sup>	Amount Paid <sup>1</sup>
Affirmative Action Compliance	\$0	\$0	\$0
Agricultural Commissioner/Weights and Measures	\$17,496	\$52,053	\$16,119
Alternate Public Defender	\$0	\$76,353	\$36,480
Animal Care and Control	\$59,072	\$40,275	\$30,301
Assessor	\$24,955	\$12,016	\$63,729
Auditor-Controller	\$84,147	\$38,349	\$41,887
Beaches and Harbors	\$25,402	\$25,013	\$51,496
Board of Supervisors	\$0	\$16,282	\$6,003
Chief Executive Office	\$63,116	\$95,657	\$38,634
Chief Information Office	\$4,863	\$0	\$0
Child Support Services	\$128,608	\$199,705	\$94,631
Children and Family Services	\$870,952	\$1,045,182	\$1,232,992
Community and Senior Services	\$90,695	\$17,847	\$41,285
Consumer and Business Affairs	\$0	\$0	\$0
Medical Examiner - Coroner	\$5,390	\$27,218	\$5,189
County Counsel	\$17,484	\$24,690	\$254
District Attorney	\$400,747	\$451,278	\$524,040
Fire	\$22,021,731	\$24,884,374	\$23,317,988
Health Services	\$2,295,280	\$2,514,743	\$2,330,010
Human Resources	\$33,649	\$109,526	\$3,592
Internal Services	\$219,084	\$137,790	\$168,775
LACERA	\$65,950	\$48,283	\$0
Mental Health	\$574,983	\$508,951	\$553,062
Military and Veterans Affairs	\$5,515	\$0	\$0
Museum of Art	\$3,954	\$0	\$0
Museum of Natural History	\$0	\$1,382	\$0
Non-Jurisdictional	\$0	\$0	\$0
Office of Public Safety	\$0	\$0	\$0
Parks and Recreation	\$218,144	\$240,071	\$196,953
Pending Assignment	\$0	\$0	\$0
Probation	\$7,459,851	\$6,581,912	\$4,022,551
Public Defender	\$124,362	\$109,091	\$89,341
Public Health	\$393,708	\$390,426	\$431,388
Public Library	\$5,811	\$29,837	\$2,409
Public Social Services	\$1,282,576	\$1,099,541	\$1,332,227
Public Works	\$471,566	\$280,331	\$342,140
Regional Planning	\$0	\$0	\$0
Registrar-Recorder/County Clerk	\$141,442	\$121,145	\$46,641
Sheriff	\$28,958,691	\$32,606,250	\$32,510,905
Superior Court	\$834,294	\$678,386	\$773,687
Treasurer and Tax Collector	\$75,284	\$65,315	\$78,450
<b>TOTAL</b>	<b>\$66,978,802</b>	<b>\$72,529,272</b>	<b>\$68,383,159</b>

1. Amount Paid is as reported by the Auditor-Controller based on the sum of 70% IA, 100% IA, and MegaIA expense.

**EXHIBIT D**

**VEHICLE LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY**

**FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	4	\$9,960	8	\$42,411	13	\$11,389
Alternate Public Defender	0	\$0	3	\$104	1	\$7,266
Animal Care and Control	4	\$23,578	3	\$51,128	5	\$51,678
Assessor	6	\$10,191	0	\$12,211	0	\$7,500
Auditor-Controller	0	\$0	1	\$150	0	\$2,674
Beaches and Harbors	4	\$6,619	6	\$21,357	3	\$8,713
Board of Supervisors	1	\$2,656	9	\$7,981	1	\$8,316
Chief Executive Office	0	\$0	1	\$0	0	\$0
Chief Information Office	0	\$0	0	\$0	0	\$0
Child Support Services	2	\$1,216	1	\$12,044	0	\$5,000
Children and Family Services	44	\$229,812	35	\$248,154	38	\$283,201
Community and Senior Services	8	\$7,979	3	\$48,510	4	\$46,829
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
Medical Examiner - Coroner	5	\$13,607	5	\$17,625	4	\$50,230
County Counsel	1	\$1,504	0	\$422	0	\$0
District Attorney	12	\$125,409	8	\$22,564	11	\$26,600
Fire	105	\$639,333	86	\$658,226	121	\$877,857
Health Services	15	\$22,037	16	\$4,055,368	17	\$245,742
Human Resources	0	\$0	0	\$0	0	\$0
Internal Services	19	\$136,511	17	\$25,322	18	\$54,566
LACERA	0	\$0	0	\$0	0	\$0
Mental Health	19	\$188,139	12	\$104,664	7	\$47,545
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$0	1	\$5,060	0	\$0
Non-Jurisdictional	93	\$27,950	114	\$30,970	182	\$87,217
Office of Public Safety	0	\$44,589	0	\$0	0	\$0
Parks and Recreation	18	\$100,832	16	\$187,563	14	\$190,477
Pending Assignment	0	\$0	0	\$0	0	\$0
Probation	11	\$17,069	13	\$52,234	12	\$40,457
Public Defender	6	\$70,217	3	\$266,748	5	\$175,553
Public Health	19	\$28,997	8	\$108,316	23	\$236,768
Public Library	2	\$4,390	0	\$28,317	3	\$1,146
Public Social Services	8	\$41,665	21	\$23,696	12	\$87,490
Public Works	83	\$274,420	82	\$365,274	59	\$338,135
Regional Planning	0	\$0	0	\$0	0	\$0
Registrar-Recorder/County Clerk	4	\$2,639	2	\$903	5	\$8,613
Sheriff	401	\$5,995,028	387	\$4,282,315	358	\$5,930,597
Superior Court	0	\$0	0	\$0	0	\$0
Treasurer and Tax Collector	0	\$0	2	\$0	0	\$2,875
<b>TOTAL<sup>4</sup></b>	<b>894</b>	<b>\$8,026,347</b>	<b>863</b>	<b>\$10,679,637</b>	<b>916</b>	<b>\$8,834,434</b>

1. Amount Paid is the total of the transactions paid for vehicle liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts do not include non-insured and non-third party vehicle losses which are directly paid by the departments. Amounts valued as of June 30, 2015.

**EXHIBIT E**

**GENERAL LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY**

**FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$42,488	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	6	\$40,324	4	\$25,906	6	\$18,115
Alternate Public Defender	0	\$1,073	0	\$0	2	\$5,913
Animal Care and Control	19	\$179,254	10	\$157,914	23	\$156,790
Assessor	35	\$259,480	25	\$238,820	37	\$292,741
Auditor-Controller	82	\$198,003	29	\$4,114,777	24	\$14,494,276
Beaches and Harbors	14	\$140,748	16	\$170,846	24	\$131,120
Board of Supervisors	9	\$481,018	17	\$564,186	18	\$1,318,637
Chief Executive Office	2	\$1,667,773	5	\$2,496,027	6	\$1,314,615
Chief Information Office	0	\$0	0	\$0	0	\$0
Child Support Services	12	\$176,389	12	\$87,213	24	\$86,892
Children and Family Services	108	\$3,038,765	116	\$3,554,916	104	\$6,431,815
Community and Senior Services	9	\$1,561,524	3	\$40,391	10	\$63,441
Consumer and Business Affairs	0	\$0	1	\$0	1	\$0
Medical Examiner - Coroner	5	\$37,745	15	\$352,619	10	\$547,116
County Counsel	3	\$3,047	8	\$42,625	8	\$116,285
District Attorney	45	\$871,224	51	\$1,178,706	69	\$1,448,008
Fire	31	\$1,986,561	35	\$2,845,448	44	\$1,179,011
Health Services	117	\$4,022,294	391	\$4,730,446	278	\$5,813,738
Human Resources	1	\$4,158	0	\$0	2	\$90,986
Internal Services	19	\$528,186	7	\$570,344	8	\$856,756
LACERA	0	\$0	0	\$0	0	\$0
Mental Health	27	\$866,803	39	\$535,104	35	\$1,133,700
Military and Veterans Affairs	0	\$0	0	\$0	13	\$17,865
Museum of Art	3	\$161	2	\$4,016	0	\$2,220
Museum of Natural History	1	\$0	1	\$0	0	\$0
Non-Jurisdictional	475	\$740,597	550	\$692,880	648	\$766,237
Office of Public Safety	0	\$272,841	0	\$183,224	0	\$79,295
Parks and Recreation	74	\$1,193,579	60	\$2,128,063	58	\$1,610,950
Pending Assignment	0	\$0	1	\$0	0	\$0
Probation	70	\$1,551,865	61	\$2,523,332	53	\$4,168,320
Public Defender	23	\$144,834	14	\$204,073	12	\$254,205
Public Health	17	\$1,055,765	43	\$2,013,678	31	\$1,024,383
Public Library	9	\$26,159	3	\$95,716	5	\$127,330
Public Social Services	50	\$678,411	37	\$525,049	48	\$1,170,618
Public Works	361	\$6,668,250	384	\$5,211,804	406	\$6,493,415
Regional Planning	12	\$268,756	14	\$240,515	27	\$243,309
Registrar-Recorder/County Clerk	22	\$265,621	23	\$267,993	21	\$143,379
Sheriff	1,175	\$38,521,543	1,524	\$37,321,496	1,085	\$54,870,980
Superior Court	0	\$0	0	\$0	1	\$0
Treasurer and Tax Collector	61	\$229,371	85	\$151,278	83	\$160,306
<b>TOTAL<sup>4</sup></b>	<b>2,789</b>	<b>\$67,724,610</b>	<b>3,470</b>	<b>\$73,269,405</b>	<b>3,109</b>	<b>\$106,632,767</b>

1. Amount Paid is the total of the transactions paid for liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2015.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**EXHIBIT E – 1 (SUBSET OF EXHIBIT E)**

**GENERAL LIABILITY / LAW ENFORCEMENT LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY**

**FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	0	\$0	0	\$0	0	\$0
Alternate Public Defender	0	\$1,073	0	\$0	2	\$5,913
Animal Care and Control	0	\$0	0	\$0	1	\$26,513
Assessor	0	\$0	0	\$0	0	\$0
Auditor-Controller	0	\$0	0	\$0	0	\$0
Beaches and Harbors	0	\$0	2	\$0	0	\$0
Board of Supervisors	2	\$0	0	\$0	1	\$68,249
Chief Executive Office	0	\$0	0	\$0	0	\$0
Chief Information Office	0	\$0	0	\$0	0	\$0
Child Support Services	0	\$0	0	\$0	0	\$0
Children and Family Services	1	\$28,834	1	\$6,106	0	\$3,545
Community and Senior Services	4	\$0	0	\$18,155	0	\$49,865
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
Medical Examiner - Coroner	0	\$0	2	\$3,761	0	\$73,755
County Counsel	2	\$0	1	\$0	1	\$0
District Attorney	24	\$473,395	33	\$230,322	19	\$644,481
Fire	2	\$14,562	1	\$0	3	\$150
Health Services	3	\$2,171	3	\$26,264	0	\$23,025
Human Resources	0	\$0	0	\$0	0	\$0
Internal Services	0	\$0	0	\$0	0	\$0
LACERA	0	\$0	0	\$0	0	\$0
Mental Health	0	\$53,541	0	\$7,980	4	\$88,307
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$0	0	\$0	0	\$0
Non-Jurisdictional	29	\$4,468	28	\$8,860	17	\$33,721
Office of Public Safety	0	\$680	0	\$0	0	\$0
Parks and Recreation	0	\$0	0	\$0	0	\$0
Pending Assignment	0	\$0	0	\$0	0	\$0
Probation	9	\$547,763	7	\$915,531	5	\$1,029,310
Public Defender	9	\$23,130	7	\$23,919	6	\$28,275
Public Health	0	\$0	12	\$0	0	\$5,702
Public Library	0	\$0	0	\$0	0	\$0
Public Social Services	0	\$0	1	\$0	0	\$3,821
Public Works	0	\$0	0	\$0	0	\$0
Regional Planning	0	\$0	1	\$0	0	\$0
Registrar-Recorder/County Clerk	0	\$0	1	\$130	0	\$0
Sheriff	778	\$31,741,825	949	\$32,461,333	738	\$46,234,208
Superior Court	0	\$0	0	\$0	1	\$0
Treasurer and Tax Collector	0	\$0	0	\$0	0	\$0
<b>TOTAL<sup>4</sup></b>	<b>828</b>	<b>\$32,891,442</b>	<b>1,003</b>	<b>\$33,702,361</b>	<b>781</b>	<b>\$48,318,840</b>

1. Amount Paid is the total of the transactions paid for liability claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2015.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**EXHIBIT E – 2 (SUBSET OF EXHIBIT E)**

**GENERAL LIABILITY / EMPLOYMENT PRACTICES LIABILITY CLAIM FREQUENCY AND EXPENSE SUMMARY  
FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
Affirmative Action Compliance	0	\$0	0	\$0	0	\$0
Agricultural Commissioner/Weights and Measures	1	\$39,564	1	\$19,415	0	\$13,088
Alternate Public Defender	0	\$0	0	\$0	0	\$0
Animal Care and Control	1	\$0	1	\$326	0	\$19,800
Assessor	0	\$33,114	1	\$769	0	\$26,940
Auditor-Controller	0	\$15,097	2	\$111,413	0	\$67,787
Beaches and Harbors	0	\$0	0	\$0	0	\$0
Board of Supervisors	1	\$518	1	\$155,380	0	\$60,999
Chief Executive Office	0	\$168,200	1	\$191,050	4	\$79,255
Chief Information Office	0	\$0	0	\$0	0	\$0
Child Support Services	1	\$141,576	1	\$60,601	2	\$39,228
Children and Family Services	13	\$336,912	13	\$607,053	10	\$3,147,739
Community and Senior Services	0	\$1,299,271	0	\$3,940	0	\$0
Consumer and Business Affairs	0	\$0	0	\$0	0	\$0
County Counsel	1	\$2,938	2	\$36,791	1	\$102,582
District Attorney	3	\$204,500	0	\$396,378	5	\$385,553
Fire	14	\$1,743,555	11	\$2,675,831	12	\$1,045,050
Health Services	21	\$2,638,886	20	\$2,613,523	46	\$4,881,081
Human Resources	1	\$4,159	0	\$0	2	\$90,986
Internal Services	5	\$246,445	2	\$351,182	1	\$406,054
LACERA	0	\$0	0	\$0	0	\$0
Medical Examiner - Coroner	0	\$0	0	\$0	1	\$3,207
Mental Health	5	\$466,624	7	\$581,302	5	\$819,823
Military and Veterans Affairs	0	\$0	0	\$0	0	\$0
Museum of Art	0	\$0	0	\$0	0	\$0
Museum of Natural History	0	\$0	0	\$0	0	\$0
Non-Jurisdictional	5	\$0	6	\$1,907	12	\$1,385
Office of Public Safety	0	\$272,162	0	\$183,224	0	\$79,295
Parks and Recreation	6	\$185,029	3	\$599,940	1	\$250,030
Pending Assignment	0	\$0	0	\$0	0	\$0
Probation	22	\$847,335	20	\$998,040	31	\$1,188,195
Public Defender	1	\$107,101	2	\$156,325	0	\$184,377
Public Health	2	\$329,181	0	\$73,238	3	\$0
Public Library	1	\$10,833	0	\$65,589	0	\$89,258
Public Social Services	12	\$471,715	8	\$297,658	7	\$363,322
Public Works	4	\$759,247	3	\$938,038	8	\$630,362
Regional Planning	0	\$0	0	\$0	1	\$0
Registrar-Recorder/County Clerk	2	\$21,751	0	\$0	1	\$0
Sheriff	39	\$5,369,391	56	\$2,799,559	42	\$7,105,653
Superior Court	0	\$0	0	\$0	0	\$0
Treasurer and Tax Collector	3	\$174,473	0	\$90,673	0	\$0
<b>TOTAL<sup>4</sup></b>	<b>164</b>	<b>\$15,889,577</b>	<b>158</b>	<b>\$14,009,145</b>	<b>193</b>	<b>\$21,081,049</b>

1. Amount Paid is the total of the transactions paid for medical malpractice claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2015.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

**EXHIBIT F**

**MEDICAL MALPRACTICE CLAIM FREQUENCY AND EXPENSE SUMMARY  
FY 2012-13 THROUGH FY 2014-15**

Department	FY 2012-13		FY 2013-14		FY 2014-15	
	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)	# New Claims	Amount Paid <sup>1,2,3</sup> (all claims)
DHS – Ambulatory Care Network	20	\$540,771	14	\$532,981	12	\$345,532
DHS – Harbor-UCLA Medical Center	100	\$1,383,226	62	\$1,690,264	52	\$1,353,298
DHS – Juvenile Court Health Services	0	\$191	1	\$0	0	\$0
DHS – LAC+USC Medical Center	126	\$9,361,095	108	\$11,670,405	72	\$12,667,962
DHS – Olive View-UCLA Medical Center	21	\$461,056	33	\$356,732	14	\$666,058
DHS – Rancho Los Amigos	5	\$94,794	5	\$243,710	7	\$159,359
<b>Health Services Subtotal<sup>4</sup></b>	<b>249</b>	<b>\$11,841,133</b>	<b>211</b>	<b>\$14,494,092</b>	<b>154</b>	<b>\$15,192,209</b>
Community and Senior Services	3	\$16	0	\$0	0	\$0
District Attorney	2	\$0	1	\$105	0	\$2,034
Fire	10	\$366,122	21	\$1,545,871	10	\$1,026,384
Medical Examiner—Coroner	4	\$0	5	\$32,161	0	\$174,330
Mental Health	12	\$45,423	24	\$81,501	13	\$109,690
Non-Jurisdictional	21	\$842	13	\$4,745	33	\$0
Probation	0	\$3,915	5	\$35,929	0	\$8,091
Public Defender	0	\$0	2	\$102	0	\$1,974
Public Health	6	\$431,981	1	\$33,770	2	\$21,701
Sheriff	27	\$132,362	68	\$250,882	24	\$160,276
<b>TOTAL<sup>4</sup></b>	<b>320</b>	<b>\$12,821,794</b>	<b>310</b>	<b>\$16,479,158</b>	<b>226</b>	<b>\$16,696,689</b>

1. Amount Paid is the total of the transactions paid for medical malpractice claims and lawsuits in the fiscal year; amount includes indemnity and legal fees and expenses, regardless of date of occurrence. Does not include RBNP or IBNR reserves.
2. Above information includes pending and non-jurisdictional departments, but does not include associated agencies that are not County departments, i.e., MTA, Foothill Transit, etc. This information includes County Counsel tort files.
3. Amounts valued as of June 30, 2015.
4. The total number of claims does not add up to the sum of claims by department since some claims are allocated to multiple departments; count includes all suffixes.

## EXHIBIT G

### COST OF RISK DETAIL

	FY 2012-13	FY 2013-14	FY 2014-15
<b>Workers' Compensation</b>			
Benefit Expense	\$261,212,780	\$259,386,332	\$269,345,561
Loss Expense <sup>1</sup>	\$72,967,604	\$70,704,480	\$76,803,910
Administrative Expense <sup>2</sup>	\$12,033,691	\$12,081,750	\$13,198,206
<b>Workers' Compensation Expense Subtotal</b>	<b>\$346,214,074</b>	<b>\$342,172,562</b>	<b>\$359,347,677</b>
<b>Labor Code 4850 / Salary Continuation</b>	<b>\$66,978,802</b>	<b>\$72,529,272</b>	<b>\$68,383,159</b>
<b>Workers' Compensation Expense Total</b>	<b>\$413,192,876</b>	<b>\$414,701,834</b>	<b>\$427,730,836</b>
<b>Liability<sup>3,4</sup></b>			
Vehicle Liability Indemnity Expense	\$3,088,729	\$6,639,588	\$3,513,359
General Liability Indemnity Expense	\$26,225,201	\$29,596,291	\$62,307,828
Medical Malpractice Indemnity Expense	\$10,242,308	\$12,735,910	\$13,297,209
<b>Liability Indemnity Expense Subtotal</b>	<b>\$39,556,238</b>	<b>\$48,971,789</b>	<b>\$79,118,396</b>
Vehicle Liability Legal Expense	\$4,935,886	\$4,040,039	\$5,321,075
General Liability Legal Expense	\$41,306,050	\$43,673,114	\$44,324,939
Medical Malpractice Legal Expense	\$2,579,485	\$3,743,248	\$3,399,480
<b>Liability Legal Expense Subtotal</b>	<b>\$48,821,421</b>	<b>\$51,456,401</b>	<b>\$53,045,494</b>
Liability Administrative Expense <sup>5</sup>	\$11,472,160	\$11,157,597	\$10,999,538
<b>Liability Expense Total</b>	<b>\$99,849,819</b>	<b>\$111,585,787</b>	<b>\$143,163,428</b>
<b>Purchased Insurance (premiums and fees)</b>	<b>\$17,628,758</b>	<b>\$17,770,156</b>	<b>\$17,268,876</b>
<b>Cost of Risk<sup>6,7</sup></b>	<b>\$530,671,453</b>	<b>\$544,057,777</b>	<b>\$588,163,140</b>
<b>Total County Operating Budget</b>	<b>\$24,228,102,000</b>	<b>\$25,333,757,000</b>	<b>\$25,988,192,000</b>
<b>Cost of Risk (as percentage of County Operating Budget)</b>	<b>2.19%</b>	<b>2.15%</b>	<b>2.26%</b>
<b>Non-County Agencies</b>			
LACERA	\$545,480	\$708,032	\$315,325
Superior Court	\$11,782,891	\$10,822,695	\$10,358,805
<b>Subtotal (Non-County agencies)</b>	<b>\$12,328,371</b>	<b>\$11,530,727</b>	<b>\$10,674,130</b>
<b>Cost of Risk (excluding non-County agencies)</b>	<b>\$518,343,082</b>	<b>\$532,527,050</b>	<b>\$577,489,010</b>
<b>Cost of Risk (Non-County agencies as percentage of County Operating Budget)</b>	<b>2.14%</b>	<b>2.10%</b>	<b>2.22%</b>

1. Loss Expense includes third party administrator fees, medical management fees, bill review fees, State User fee, etc.
2. Administrative Expense includes CEO, Auditor-Controller, and County Counsel expenses.
3. Paid claims represents the amount paid for all indemnity (pay type OC) in the fiscal year regardless of occurrence date and does not include Reported But Not Paid (RBNP) or Incurred But Not Reported (IBNR) reserves. Legal Expenses are defined in liability files as all fees and expenses paid from the liability claim (pay type SS).
4. Liability claim information included in this report is: (1) claims coded as Vehicle Liability (AL), General Liability (GL), and Medical Malpractice (MM); but, (2) information excludes Metropolitan Transportation Authority, Metrolink, departments not listed in Exhibit A, Children Services dependency cases, and probate funding accounts.
5. Liability Administrative Expense includes third party administrator fees, consulting and management fees, and CEO expenses.

**COUNTY OF LOS ANGELES  
CHIEF EXECUTIVE OFFICE  
RISK MANAGEMENT BRANCH  
3333 WILSHIRE BOULEVARD, SUITE 820  
LOS ANGELES, CA 90010  
(213) 351-5346  
(213) 252-0404 FAX**

*This report is available on the Chief Executive Office website at:*  
<http://ceo.lacounty.gov/>



# COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2211 FAX (213) 637-0820

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

January 5, 2016

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF SOLE SOURCE AGREEMENT FOR EQUITY INVESTIGATION  
SERVICES WITH PUBLIC INTEREST INVESTIGATIONS, INC.  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

The Director of Personnel recommends your Board's approval of a sole source agreement with Public Interest Investigations, Inc. (PII) to conduct equity investigations and related services on complaints against the County of Los Angeles and/or its employees that involve issues that are a potential conflict of interest and/or investigations that are part of the Department of Human Resources (DHR) Equity Investigations Unit caseload and are open more than 90 days. The term of the agreement would be one year, with two, six-month options to extend the agreement.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve and instruct the Chairman to execute the attached sole source agreement with PII to conduct equity investigation and related services on complaints against the County of Los Angeles and/or its employees, which involve issues that are a potential conflict of interest for the DHR Investigations Unit and/or investigations that are part of the Department of Human Resources (DHR) Investigations Unit caseload and are open more than 90 days. Upon approval by your Board, the agreement will be effective for one year, with an option to extend services up to two additional six-month terms.
2. Delegate authority to the Director or Personnel, or her designee, to exercise two additional six-month extensions for PII, subject to review and approval by County Counsel.

*To Enrich Lives Through Effective and Caring Service*

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On May 31, 2011, your Board adopted the County Policy of Equity (CPOE), which became effective July 1, 2011. On June 14, 2011, your Board amended County Code Chapter 5.09, Sexual Harassment Policy, to the Policy of Equity. Section 5.09.040(B)(3) of this chapter indicates the Department of Human Resources (DHR) is responsible for investigating employee complaints of potential violations of the CPOE or of federal or State law, or of County ordinance, policy, or departmental regulation. Approval of the recommended actions will better enable DHR to meet this responsibility.

The contracted services will be utilized for equity issues that are a conflict of interest if investigated by DHR and/or investigations that are part of the DHR Investigations Unit caseload and are open more than 90 days. It is important to ensure objectivity by utilizing an independent agency to investigate cases which are, or have the appearance of a, conflict of interest, such as a complaint against DHR. Further, the contracting of these services will provide investigators on a temporary and intermediate basis when a need arises to expedite the completion of matters which have been open more than 90 days and are part of the larger caseload of equity complaints being handled by DHR Equity Investigations Unit.

As stated in the May 4, 2015 memorandum from the Director of Personnel to each Supervisor, entitled "Advance Notification of Intent to Enter into Sole Source Contract Negotiations with Public Interest Investigations, Inc.", the determination as to whether cases are suitable for referral to PII for equity investigation services will be made by the Director of Personnel or her designee. Cases that are potentially high risk for the County and are open more than 90 days will be given priority in the selection process for referral to PII.

### **Implementation of Strategic Plan Goals**

The recommended action is consistent with principles of the Countywide Strategic Plan Goal 1 – Operational Effectiveness.

### **FISCAL IMPACT/FINANCING**

Approval of these recommendations will not have a direct fiscal impact. Costs associated with equity investigations conducted by DHR on behalf of County departments are budgeted within individual departments. The contracted compensation for services is structured to encourage an efficient investigative process by the Contractor through the use of a tiered rate schedule.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The recommended agreement has been approved as to form by County Counsel and includes all of the required terms and conditions, including requirements regarding contractor non-responsibility and debarment.

Proposition A requirements do not apply to this agreement based on the intermittent need for the contracted services. As provided under County Code sections 2.201.020.E. and 2.121.250.B.4., Proposition A requirements do not apply to contracted services needed on an intermittent basis. There are no departmental employee relations' issues and it will not result in a reduction of County services.

## **CONTRACTING PROCESS**

The proposed agreement is recommended on a sole source basis due to a critical need to provide immediate independent equity investigation services for the County. On May 4, 2015, DHR notified your Board of the intent to enter into sole source negotiations with PII (Attachment II) on the basis that PII has unique and extensive experience with the County's CPOE and equity investigation process. PII is well versed with the relational, interactive and responsibility roles of investigators and the County Equity Oversight Panel (Panel), the processes and procedures to be used in bringing matters to the Panel, and the investigative expectations of the DHR Investigations Unit and the Panel. Additionally, PII has process specific knowledge of the current equity investigation processes and standards. Under separate agreements, PII in 2011-12 assisted in the training of the DHR Equity Investigations Unit staff, in 2012 provided assistance in refining equity investigation processes and procedures that are still being utilized by the Investigations Unit, and conducted case investigations assigned during a one-year period commencing December 2012 to address a backlog of high-profile cases involving County executives.

During the term of this agreement, actions will be taken to develop a panel of contractors trained and experienced in equity investigations able to perform equity-related case investigations if/when temporary or intermittent increases in the DHR Equity Investigations Unit caseload are experienced. DHR is currently in the process of developing a separate, competitive solicitation for as-needed personnel and equity-related investigation services. These contractors will be assigned personnel investigations, and will also initially be referred small, appropriate numbers of equity-related investigations. The County will provide hands-on training and oversight on CPOE, equity-related investigation processes, procedures and expectations, while also ensuring timely handling of these equity investigations. This will develop additional contractors with knowledge and experience in the County's CPOE and equity-related investigations processes. At the time these contractors have acquired the required knowledge and experience to complete equity investigations and related services, the sole source agreement with PII will no longer be utilized to refer equity investigations to PII.

A Sole Source checklist is included with this Board letter (Attachment III) in accordance with Board Policy 5.100, Sole Source Contracts.

**IMPACT ON CURRENT SERVICES (OR PROJECTS)**

N/A

**CONCLUSION**

Upon approval by your Board, please return two signed originals of the Agreement and one adopted copy of the letter to DHR Administrative Services Division, attention Theresa Tran, Administrative Deputy.

Respectfully submitted,

LISA M. GARRETT  
Director of Personnel

LMG:EP:MAL  
DJ:smh

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Officer, Board of Supervisors



**CONTRACT**

**BY AND BETWEEN**

**COUNTY OF LOS ANGELES**

**AND**

**PUBLIC INTEREST INVESTIGATIONS, INC.**

**FOR**

**EQUITY INVESTIGATION AND RELATED SERVICES**

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
<b>RECITALS</b>		<b>1</b>
<b>1.0</b>	<b>APPLICABLE DOCUMENTS</b>	<b>2</b>
<b>2.0</b>	<b>DEFINITIONS</b>	<b>2</b>
<b>3.0</b>	<b>WORK</b>	<b>3</b>
<b>4.0</b>	<b>TERM OF CONTRACT</b>	<b>4</b>
<b>5.0</b>	<b>CONTRACT SUM</b>	<b>4</b>
<b>6.0</b>	<b>ADMINISTRATION OF CONTRACT- COUNTY</b>	<b>7</b>
6.1	County's Project Director	7
6.2	County's Project Manager	7
6.3	County's Contract Project Monitor	7
<b>7.0</b>	<b>ADMINISTRATION OF CONTRACT-CONTRACTOR</b>	<b>8</b>
7.1	Contractor's Project Manager	8
7.2	Approval of Contractor's Staff	8
7.3	Contractor's Staff Identification	8
7.4	Background and Security Investigations	9
7.5	Confidentiality	10
<b>8.0</b>	<b>STANDARD TERMS AND CONDITIONS</b>	<b>12</b>
8.1	Amendments	12
8.2	Assignment and Delegation	12
8.3	Authorization Warranty	13
8.4	Budget Reductions	13
8.5	Complaints	14
8.6	Compliance with Applicable Law	14
8.7	Compliance with Civil Rights Laws	15
8.8	Compliance with the County's Jury Service Program	15
8.9	Conflict of Interest	17
8.10	Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List	18
8.11	Consideration of Hiring Gain-Grow Participants	19
8.12	Contractor Responsibility and Debarment	19
8.13	Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law	22

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.14	Contractor’s Warranty of Adherence to County’s Child Support Compliance Program .....	22
8.15	County’s Quality Assurance Plan.....	23
8.16	Damage to County Facilities, Buildings or Grounds.....	23
8.17	Employment Eligibility Verification .....	23
8.18	Facsimile Representations.....	24
8.19	Fair Labor Standards .....	24
8.20	Force Majeure.....	24
8.21	Governing Law, Jurisdiction, and Venue.....	25
8.22	Independent Contractor Status .....	25
8.23	Indemnification.....	26
8.24	General Provisions for all Insurance Coverage.....	26
8.25	Insurance Coverage .....	31
8.26	Liquidated Damages .....	32
8.27	Most Favored Public Entity .....	33
8.28	Nondiscrimination and Equal Employment .....	33
8.29	Non Exclusivity .....	35
8.30	Notice of Delays.....	35
8.31	Notice of Disputes.....	35
8.32	Notice Employees Regarding the Federal Earned Income Credit.....	35
8.33	Notice to Employees Regarding the Safely Surrendered Baby Law .....	36
8.34	Notices.....	36
8.35	Prohibition Against Inducement or Persuasion .....	36
8.36	Public Records Act .....	36
8.37	Publicity .....	37
8.38	Record Retention and Inspection-Audit Settlement .....	37
8.39	Recycled Bond Paper .....	39
8.40	Subcontracting.....	39
8.41	Termination for Breach of Warranty to Maintain Compliance with the County’s Child Support Compliance Program.....	40
8.42	Termination for Convenience.....	41
8.43	Termination for Default .....	41
8.44	Termination for Improper Consideration .....	43

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

<b>PARAGRAPH</b>	<b>TITLE</b>	<b>PAGE</b>
8.45	Termination for Insolvency .....	43
8.46	Termination for Non-Adherence of County Lobbyist Ordinance.....	44
8.47	Termination for Non-Appropriation of Funds.....	44
8.48	Validity .....	44
8.49	Waiver.....	45
8.50	Warranty Against Contingent Fees .....	45
8.51	Warranty of Compliance with County’s Defaulted Property Tax Reduction Program.....	45
8.52	Termination for Breach of Warranty to Maintain Compliance with County’s Defaulted Property Tax Reduction Program .....	45
8.53	Time off for Voting .....	46
<b>9.0</b>	<b>UNIQUE TERMS AND CONDITIONS.....</b>	<b>46</b>
9.1	Information Security Requirements.....	46
9.2	Intentionally Omitted .....	46
9.3	Intentionally Omitted .....	46
9.4	Ownership of Materials, Software and Copyright.....	46
9.5	Patent, Copyright and Trade Secret Indemnification .....	47
<b>SIGNATURES</b>	.....	<b>49</b>

**CONTRACT PROVISIONS  
TABLE OF CONTENTS**

**STANDARD EXHIBITS**

- A STATEMENT OF WORK
- B PRICING SCHEDULE
- C CONTRACTOR'S CASE SCHEDULE
- D CONTRACTOR'S EEO CERTIFICATION
- E COUNTY'S ADMINISTRATION
- F CONTRACTOR'S ADMINISTRATION
- G FORM(S) REQUIRED AT THE TIME OF CONTRACT EXECUTION AND BEFORE  
WORK BEGINS
- H SAMPLE WORK ORDER AND CONTRACTOR CERTIFICATION REQUIRED  
BEFORE WORK ON CASE ASSIGNMENT(S) BEGIN
- I JURY SERVICE ORDINANCE
- J SAFELY SURRENDERED BABY LAW
- K INFORMATION SECURITY REQUIREMENTS

**CONTRACT BETWEEN  
COUNTY OF LOS ANGELES  
AND  
PUBLIC INTEREST INVESTIGATIONS, INC.  
FOR  
EQUITY INVESTIGATION AND RELATED SERVICES**

This Contract ("Contract") made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015 by and between the County of Los Angeles, hereinafter referred to as County and Public Interest Investigations, Inc., hereinafter referred to as "Contractor". Public Interest Investigations, Inc. is located at 304 South Broadway, Suite 596, Los Angeles, California, 90013.

**RECITALS**

WHEREAS, the County may contract with private businesses for equity investigation and related services when certain requirements are met; and

WHEREAS, the Contractor is a private firm specializing in providing equity investigation and related services; and

WHEREAS, the Department of Human Resources is responsible for investigating employee complaints of potential violations of Los Angeles County Code Section 5.09 – Policy of Equity or of federal or State law, or of County ordinance, policy, or departmental regulation; and

WHEREAS, this Contract is therefore authorized under Section 44.7 of the Los Angeles County Charter and Los Angeles County Codes Section 2.121.250, and under California Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

## **1.0 APPLICABLE DOCUMENTS**

Exhibits A, B, C, D, E, F, G, H, I, J, and K are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the terms and conditions of the Contract and then to the Exhibits according to the following priority.

### **Standard Exhibits:**

- 1.1 EXHIBIT A - Statement of Work
- 1.2 EXHIBIT B - Pricing Schedule
- 1.3 EXHIBIT C - Contractor's Case Schedule
- 1.4 EXHIBIT D - Contractor's EEO Certification
- 1.5 EXHIBIT E - County's Administration
- 1.6 EXHIBIT F - Contractor's Administration
- 1.7 EXHIBIT G - Forms Required at the Time of Contract Execution and Before Work Begins
- 1.8 EXHIBIT H - Sample Work Order and Contractor Certification Required Before Work on Case Assignment(s) Begin
- 1.9 EXHIBIT I - Jury Service Ordinance
- 1.10 EXHIBIT J - Safely Surrendered Baby Law
- 1.11 EXHIBIT K - Information Security Requirements

## **2.0 DEFINITIONS**

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Contract:** This agreement executed between County and Contractor. It sets forth the terms and conditions for the issuance and performance of all tasks, deliverables, services and other work including the Statement of Work, Exhibit A.
- 2.2 **Contractor:** The sole proprietor, partnership, corporation or other person or entity that has entered into this Contract with the County.
- 2.3 **Contractor Project Manager:** The individual designated by the Contractor to administer the Contract operations after the Contract award.
- 2.4 **County Contract Project Monitor:** Person with responsibility to oversee the day to day activities of this Contract. Responsibility for inspections of any and all tasks, deliverables, goods, services and other work provided by the Contractor.
- 2.5 **County Project Director:** Person designated by County with authority for County on contractual or administrative matters relating to this Contract that cannot be resolved by the County's Project Manager.
- 2.6 **County Project Manager:** Person designated by County's Project Director to manage the operations under this Contract.
- 2.7 **Day(s):** Calendar day(s) unless otherwise specified.
- 2.8 **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.9 **Business Days:** Monday through Friday, except for official holidays observed by the County of Los Angeles.

### 3.0 WORK

- 3.1 Pursuant to the provisions of this Contract, the Contractor shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth in herein.
- 3.2 If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

## 4.0 TERM OF CONTRACT

- 4.1 The term of this Contract shall be one (1) year commencing after execution by County's Board of Supervisors, unless sooner terminated or extended, in whole or in part, as provided in this Contract.
- 4.2 The County shall have the sole option to extend this Contract term for up to two (2) additional six-month periods, for a maximum total Contract term of two (2) years. Each such extension option may be exercised at the sole discretion of the Director of Personnel or his/her designee as authorized by the Board of Supervisors.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

- 4.3 The Contractor shall notify the Department of Human Resources (DHR) when this Contract is within six (6) months of the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHR at the address herein provided in Exhibit E - County's Administration.

## 5.0 CONTRACT SUM

- 5.1 The pricing Schedule for services performed under this contract is provided in Exhibit B – Pricing Schedule.
- 5.2 The Contractor shall not be entitled to payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the Contractor's duties, responsibilities, or obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall not occur except with the County's express prior written approval.

### 5.3 **No Payment for Services Provided Following Expiration-Termination of Contract**

The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any

such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration-termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

#### 5.4 **Invoices and Payments**

5.4.1 The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibit A - Statement of Work and elsewhere hereunder. The Contractor shall prepare invoices, which shall include the charges owed to the Contractor by the County under the terms of this Contract. The Contractor's payments shall be as provided in Exhibit B - Pricing Schedule, and the Contractor shall be paid only for the tasks, deliverables, goods, services, and other work approved in writing by the County. If the County does not approve work in writing no payment shall be due to the Contractor for that work.

5.4.2 The Contractor's invoices shall be priced in accordance with Exhibit B - Pricing Schedule.

5.4.3 The following monthly billing and payment process will be utilized during the term of this Contract. Billing cycle will be from the first day of the month through the last day of each month. Contractor will submit one invoice, itemized by the County Equity Investigation Unit (CEIU) case number(s) only, for: (1) total case investigation hours worked on assigned case(s) investigation in which the Investigative Report was submitted during the billing cycle, and (2) all billable hours for related services hours requested and/or pre-approved by the County and worked during the billing cycle.

5.4.4 Total Case Investigation Hours: Includes total investigative hours worked on case(s) from date case assigned to Contractor through date Investigative Report is submitted to the County. Case Investigation Hours are to be billed only upon submission of the Investigative Report to the County. Approved billable investigative hours will be calculated and paid at a pre-determined rate as detailed in Exhibit B – Pricing Schedule.

5.4.5 Related Services Hours: Includes all hours worked on non-investigative, related services (listed below) which are requested and/or pre-approved by the County. Approved Related Services Hours will be calculated and paid at a pre-determined rate as detailed in Exhibit B – Pricing Schedule:

- Providing modifications (re-writes) to previously submitted reports at the request of the County.
- Appearances and/or testimony at the request of the County at the CPOE Panel, Civil Service Commission and/or various other entities or hearings, and preparation time for said appearance/testimony will require a prior written request of Contractor and written pre-approval of the County.
- Appearances at any other meetings as requested by the County.

5.4.6 All billable hours are to be invoiced in hourly or 15-minute increments.

5.4.7 The Contractor shall submit the monthly invoices to the County by the 15<sup>th</sup> day of the month following the month of delivery and acceptance of Investigative Report and/or month pre-approved, non-investigative, related services hours were worked.

5.4.8 All invoices under this Contract shall be submitted in three (3) copies to the following address:

Department of Human Resources  
Attention: Fiscal Services  
Kenneth Hahn Hall of Administration  
500 W. Temple Street, Room 585  
Los Angeles, CA 90012

**5.4.9 County Approval of Invoices**

All invoices submitted by the Contractor for payment must have the written approval of the County's Project Manager prior to any payment thereof. In no event shall the County be liable or responsible for any payment prior to such written approval. Approval for payment will not be unreasonably withheld

## **6.0 ADMINISTRATION OF CONTRACT - COUNTY**

### **COUNTY ADMINISTRATION**

A listing of all County Administration referenced in the following subparagraphs are designated in Exhibit E - County's Administration. The County will notify the Contractor in writing of any change in the names or addresses shown.

#### **6.1 County's Project Director**

The role of the County's Project Director may include:

- coordinating with Contractor and ensuring Contractor's performance of the Contract; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby; and
- upon request of the Contractor, providing direction to the Contractor, as appropriate in areas relating to County policy, information requirements, and procedural requirements; however, in no event, shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

#### **6.2 County's Project Manager**

The role of the County's Project Manager is authorized to include:

- meeting with the Contractor's Project Manager on a regular basis; and
- inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of the Contractor; however, in no event shall Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby.

The County's Project Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate County in any respect whatsoever.

#### **6.3 County's Contract Project Monitor**

The role of the County's Project Monitor is to oversee the day-to-day administration of this Contract; however, in no event shall

Contractor's obligation to fully satisfy all of the requirements of this Contract be relieved, excused or limited thereby. The Project Monitor reports to the County's Project Manager.

## **7.0 ADMINISTRATION OF CONTRACT – CONTRACTOR**

A listing of all of Contractor's Administration referenced in the following subparagraphs are designated in Exhibit F - Contractor's Administration. The Contractor will notify the County in writing of any change in the names or addresses shown.

### **7.1 Contractor's Project Manager**

7.1.1 The Contractor's Project Manager is designated in Exhibit F - Contractor's Administration. The Contractor shall notify the County in writing of any change in the name or address of the Contractor's Project Manager.

7.1.2 The Contractor's Project Manager shall be responsible for the Contractor's day-to-day activities as related to this Contract and shall meet and coordinate with County's Project Manager and County's Contract Project Monitor on a regular basis.

### **7.2 Approval of Contractor's Staff**

County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the Contractor's Project Manager. Additionally, County has the absolute right to require specific Contractor's staff be removed from specific cases.

### **7.3 Contractor's Staff Identification**

All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense of the badging.

7.3.1 Contractor is responsible to ensure that employees have obtained a County ID badge before they are assigned to work in a County facility. Contractor personnel may be asked by a County representative to leave a County facility if they do not have the proper County ID badge on their person and Contractor personnel must immediately comply with such request.

- 7.3.2 Contractor shall notify the County within one business day when staff is terminated from working under this Contract. Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has terminated employment with the Contractor.
- 7.3.3 If County requests the removal of Contractor's staff, Contractor shall retrieve and return an employee's County ID badge to the County on the next business day after the employee has been removed from working on the County's Contract.
- 7.3.4 Contractor is responsible to ensure that if any County ID which has been issued to a Contractor employee has been lost or stolen, Contractor's employee shall immediately file a police report and shall submit a copy of that report to the Contractor, and Contractor shall immediately provide a copy to the County's Project Manager.
- 7.3.5 The County will issue to such person another County Contractor ID only upon submission of the police report and obtaining an affidavit, or declaration signed by such person under penalty of perjury, stating that the County Contractor ID has been lost and cannot be found.
- 7.3.6 Every Contractor employee to whom a County Contractor ID is issued shall agree, in writing, that he or she will return such ID to his or her employer upon the termination of his or her employment or other status upon which his or her right to retain such an ID is based.
- 7.3.7 Contractor shall pay \$25.00 for the replacement of each such ID if it is not so returned to the County or if it is lost, damaged or destroyed.

#### **7.4 Background and Security Investigations**

- 7.4.1 Each of Contractor's staff performing services under this Contract, who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may

include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless of whether the member of Contractor's staff passes or fails the background investigation.

7.4.2 Contractor is responsible for ensuring that all Contractor's staff have submitted their fingerprints through the DOJ Livescan System and have received clearance from DHR prior to commencing work on these contracted services. Contractor may make arrangements for Contractor's staff to submit their fingerprints through DHR, or may make other independent arrangements with the results being sent to DHR directly from DOJ through use of the County Originating Agency Code (ORI number) which will be provided to Contractor. DHR will conduct a review of the DOJ results to determine clearance for Contractor's staff.

7.4.3 If a member of Contractor's staff does not pass the background investigation, County may request that the member of Contractor's staff be removed immediately from performing services under the Contract. Contractor shall comply with County's request at any time during the term of the Contract. County will not provide to Contractor or to Contractor's staff any information obtained through the County's background investigation

7.4.4 County, in its sole discretion, may immediately deny or terminate facility access to any member of Contractor's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.

7.4.5 Disqualification of any member of Contractor's staff pursuant to this Paragraph 7.4 shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

## **7.5 Confidentiality**

7.5.1 Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies

concerning information technology security and the protection of confidential records and information.

- 7.5.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Sub-Contractors, to comply with this Paragraph 7.5, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 7.5 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.5.3 Contractor shall inform all of its officers, employees, agents and Sub-Contractors providing services hereunder of the confidentiality provisions of this Contract.
- 7.5.4 Contractor shall sign and adhere to the provisions of the "Contractor's Acknowledgment and Confidentiality Agreement", Exhibit G3.
- 7.5.5 Contractor shall cause each employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest", Exhibit G4.
- 7.5.6 Contractor shall cause each non-employee performing services covered by this Contract to sign and adhere to the provisions of the "Contractor Non-Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest", Exhibit G5.

## **8.0 STANDARD TERMS AND CONDITIONS**

### **8.1 Amendments**

- 8.1.1 For any change which affects the scope of work, term, contract sum, payments, or any term or condition included under this Contract, an amendment to the Contract shall be prepared and executed by the Contractor and by the Board of Supervisors.
- 8.1.2 The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Director or Personnel or his/her designee.
- 8.1.3 The Director of Personnel, may at his/her sole discretion, authorize extensions of time as defined in Paragraph 4.0 - Term of Contract. The Contractor agrees that such extensions of time shall not change any other term or condition of this Contract during the period of such extensions. To implement an extension of time, an Amendment to the Contract shall be prepared and executed by the Contractor and by the Director of Personnel or his/her designee.

### **8.2 Assignment and Delegation**

- 8.2.1 The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this subparagraph, County consent shall require a written Amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.
- 8.2.2 Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest

themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

- 8.2.3 Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any person or entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

### **8.3 Authorization Warranty**

The Contractor represents and warrants that the person executing this Contract for the Contractor is an authorized agent who has actual authority to bind the Contractor to each and every term, condition, and obligation of this Contract and that all requirements of the Contractor have been fulfilled to provide such actual authority.

### **8.4 Budget Reductions**

In the event that the County's Board of Supervisors adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. The County's notice to the Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, the Contractor shall continue to provide all of the services set forth in this Contract.

## **8.5 Complaints**

The Contractor shall develop, maintain and operate procedures for receiving, investigating and responding to complaints received from the County against the Contractor and/or Contractor's staff.

- 8.5.1 Within ten (10) business days after the Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating and responding to complaints.
- 8.5.2 The County will review the Contractor's policy and provide the Contractor with approval of said plan or with requested changes.
- 8.5.3 If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within ten (10) business days for County approval.
- 8.5.4 If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.
- 8.5.5 The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within five (5) business days of receiving the complaint.
- 8.5.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.5.7 Written response to complaints against Contractor and/or Contractor's staff shall be provided to the County's Project Manager within five (5) business days of receipt of complaint, unless additional time to respond is requested by Contractor in writing and approved in writing by the County's Project Manager.

## **8.6 Compliance with Applicable Law**

- 8.6.1 In the performance of this Contract, Contractor shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference.

8.6.2 Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or Sub-Contractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph 8.6 shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and to reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

## **8.7 Compliance with Civil Rights Laws**

The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D - Contractor's EEO Certification.

## **8.8 Compliance with the County's Jury Service Program**

### **8.8.1 Jury Service Program:**

This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010

through 2.203.090 of the Los Angeles County Code, a copy of which is attached as Exhibit I and incorporated by reference into and made a part of this Contract.

#### **8.8.2 Written Employee Jury Service Policy.**

1. Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.
2. For purposes of this subparagraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of fifty thousand dollars (\$50,000) or more in any twelve (12) month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor. "Full-time" means forty (40) hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a twelve (12) month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Sub-Contractor to perform services for the County under the Contract, the Sub-Contractor shall also be subject to the provisions of this subparagraph. The provisions of this subparagraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

3. If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.
4. Contractor's violation of this subparagraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, in its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

## **8.9 Conflict of Interest**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter

becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this subparagraph shall be a material breach of this Contract.

- 8.9.3 Contractor may not have in the past or during the term of this Contract represent(ed) any County employee in an employment related administrative or judicial case in any matter against the County of Los Angeles. Such representation creates a conflict of interest on behalf of the Contractor.
- 8.9.4 Contractor and employees of Contractor may not accept employment or provide investigative services that would present a conflict of interest with their Contractor responsibilities under this Contract, including being retained, on a paid or unpaid basis, by any future or current claimant in any suit or claim involving the County. This no conflict provision shall remain in effect for three (3) years after the termination of this Contract.
- 8.9.5 Every employee and non-employee of Contractor performing work under this Contract shall agree, in writing, prior to commencing work on these contracted services with this no conflict provision and will execute Agreement Exhibit G4 – Contractor’s Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest or Agreement Exhibit G5 – Contractor’s Non-Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest; Contractor is responsible for ensuring that all Contractor’s employees and non-employees have submitted their written agreement to Contractor prior to commencing work on these contracted services.

#### **8.10 Consideration of Hiring County Employees Targeted for Layoff or Re-Employment List**

Should the Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, the Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

## **8.11 Consideration of Hiring Gain-Grow Participants**

- 8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN-GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: [GAINGROW@dpss.lacounty.gov](mailto:GAINGROW@dpss.lacounty.gov) to obtain a list of qualified GAIN-GROW job candidates.
- 8.11.2 In the event that both laid-off County employees and GAIN-GROW participants are available for hiring, County employees shall be given first priority.

## **8.12 Contractor Responsibility and Debarment**

### **8.12.1 Responsible Contractor**

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

### **8.12.2 Chapter 2.202 of the County Code**

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five (5) years but may exceed five (5) years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

### 8.12.3 **Non-responsible Contractor**

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

### 8.12.4 **Contractor Hearing Board**

1. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.
2. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
3. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

4. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.
5. The Contractor Hearing Board will consider a request for review of a debarment determination only where 1) the Contractor has been debarred for a period longer than five (5) years; 2) the debarment has been in effect for at least five (5) years; and 3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.
6. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

#### **8.12.5 Sub-Contractors of Contractor**

These terms shall also apply to Sub-Contractors of County Contractors.

#### **8.13 Contractor's Acknowledgement of County's Commitment to Safely Surrendered Baby Law**

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Sub-Contractors, if any, to post this poster in a prominent position in the Sub-Contractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at [www.babysafela.org](http://www.babysafela.org).

#### **8.14 Contractor's Warranty of Adherence to County's Child Support Compliance Program**

8.14.1 The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.14.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

### **8.15 County's Quality Assurance Plan**

The County or its agent will evaluate the Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the Contractor's compliance with all Contract terms and conditions and performance standards. Contractor deficiencies which the County determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the Board of Supervisors.

The report will include improvement/corrective action measures taken by the County and the Contractor. If improvement does not occur consistent with the corrective action measures, the County may terminate this Contract or impose other penalties as specified in this Contract.

### **8.16 Damage to County Facilities, Buildings or Grounds**

8.16.1 The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.16.2 If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

### **8.17 Employment Eligibility Verification**

8.17.1 The Contractor warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

8.17.2 The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

### **8.18 Facsimile Representations**

The County and the Contractor hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to subparagraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

### **8.19 Fair Labor Standards**

The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

### **8.20 Force Majeure**

8.20.1 Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this Contract, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party or any of such party's Sub-Contractors), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this subparagraph as "force majeure events").

- 8.20.2 Notwithstanding the foregoing, a default by a Sub-Contractor of Contractor shall not constitute a force majeure event, unless such default arises out of causes beyond the control of both Contractor and such Sub-Contractor, and without any fault or negligence of either of them. In such case, Contractor shall not be liable for failure to perform, unless the goods or services to be furnished by the Sub-Contractor were obtainable from other sources in sufficient time to permit Contractor to meet the required performance schedule. As used in this subparagraph, the term "Sub-Contractor" and "Sub-Contractors" mean Sub-Contractors at any tier.
- 8.20.3 In the event Contractor's failure to perform arises out of a force majeure event, Contractor agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

## **8.21 Governing Law, Jurisdiction, and Venue**

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

## **8.22 Independent Contractor Status**

- 8.22.1 This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 8.22.2 The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

8.22.3 The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

8.22.4 The Contractor shall adhere to the provisions stated in subparagraph 7.5 - Confidentiality.

### **8.23 Indemnification**

The Contractor shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

### **8.24 General Provisions for all Insurance Coverage**

Without limiting Contractor's indemnification of County, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Sections 8.24 and 8.25 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

#### **8.24.1 Evidence of Coverage and Notice to County**

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and

provided prior to commencing services under this Contract.

- Renewal Certificates shall be provided to County not less than ten (10) days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand dollars (\$50,000), and list any County required endorsement forms.
- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Department of Human Resources  
Administrative Services Division  
500 W. Temple Street, Room 585  
Los Angeles, CA 90012  
Attn: Theresa Tran, Administrative Deputy

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities

entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

#### **8.24.2 Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

#### **8.24.3 Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

#### **8.24.4 Failure to Maintain Insurance**

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall

constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

#### **8.24.5 Insurer Financial Ratings**

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

#### **8.24.6 Contractor's Insurance Shall Be Primary**

Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

#### **8.24.7 Waivers of Subrogation**

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

#### **8.24.8 Sub-Contractor Insurance Coverage Requirements**

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval

of any Sub-Contractor request for modification of the Required Insurance.

#### **8.24.9 Deductibles and Self-Insured Retentions (SIRs)**

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

#### **8.24.10 Claims Made Coverage**

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

#### **8.24.11 Application of Excess Liability Coverage**

Contractors may use a combination of primary and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

#### **8.24.12 Separation of Insureds**

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

#### **8.24.13 Alternative Risk Financing Programs**

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

#### 8.24.14 **County Review and Approval of Insurance Requirements**

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

### 8.25 **Insurance Coverage**

8.25.1 **Commercial General Liability** insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$5 million
Products/Completed Operations Aggregate:	\$2 million
Personal and Advertising Injury:	\$3 million
Each Occurrence:	\$3 million

8.25.2 **Automobile Liability** insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.25.3 **Workers Compensation and Employers' Liability** insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than one million (\$1,000,000) per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage also shall be arranged to satisfy the requirements of any federal workers

or workmen's compensation law or any federal occupational disease law.

#### 8.25.4 Unique Insurance Coverage

- **Professional Liability-Errors and Omissions**

Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and three (\$3) million aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

#### 8.26 Liquidated Damages

8.26.1 If, in the judgment of the Department Head, or his/her designee, the Contractor is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the Contractor's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the Contractor from the County, will be forwarded to the Contractor by the Department Head, or his/her designee, in a written notice describing the reasons for said action.

8.26.2 If the Department Head, or his/her designee, determines that there are deficiencies in the performance of this Contract that the Department Head, or his/her designee, deems are correctable by the Contractor over a certain time span, the Department Head, or his/her designee, will provide a written notice to the Contractor to correct the deficiency within specified time frames. Should the Contractor fail to correct deficiencies within said time frame, the Department Head, or his/her designee, may: (a) Deduct from the Contractor's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Contractor to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is one hundred

dollars (\$100) per day per infraction, or as specified in the Performance Requirements Summary (PRS) Chart, as defined in Appendix B, Exhibit 2, hereunder, and that the Contractor shall be liable to the County for liquidated damages in said amount. Said amount shall be deducted from the County's payment to the Contractor; and/or (c) Upon giving five (5) days notice to the Contractor for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be deducted and forfeited from the payment to the Contractor from the County, as determined by the County.

8.26.3 The action noted in subparagraph 8.26.2 shall not be construed as a penalty, but as adjustment of payment to the Contractor to recover the County cost due to the failure of the Contractor to complete or comply with the provisions of this Contract.

8.26.4 This subparagraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this Contract provided by law or as specified in the PRS or subparagraph 8.26.2, and shall not, in any manner, restrict or limit the County's right to terminate this Contract as agreed to herein.

## **8.27 Most Favored Public Entity**

If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

## **8.28 Nondiscrimination and Equal Employment**

8.28.1 The Contractor certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

- 8.28.2 The Contractor shall certify to, and comply with, the provisions of Exhibit D - Contractor's EEO Certification.
- 8.28.3 The Contractor shall take equal employment action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 8.28.4 The Contractor certifies and agrees that it will deal with its Sub-Contractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.
- 8.28.5 The Contractor certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program, or activity supported by this Contract.
- 8.28.6 The Contractor shall allow County representatives access to the Contractor's employment records during regular business hours to verify compliance with the provisions of this subparagraph 8.28 when so requested by the County.
- 8.28.7 If the County finds that any provisions of this subparagraph 8.28 have been violated, such violation shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.

The County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal

Equal Employment Opportunity Commission that the Contractor has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Contractor has violated the anti-discrimination provisions of this Contract.

8.28.8 The parties agree that in the event the Contractor violates any of the anti-discrimination provisions of this Contract, the County shall, at its sole option, be entitled to the sum of five hundred dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

### **8.29 Non Exclusivity**

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict County from acquiring similar, equal or like goods and/or services from other entities or sources.

### **8.30 Notice of Delays**

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

### **8.31 Notice of Disputes**

The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the Director of Personnel, or his/her designee shall resolve it.

### **8.32 Notice to Employees Regarding the Federal Earned Income Credit**

The Contractor shall notify its employees, and shall require each Sub-Contractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

### **8.33 Notice to Employees Regarding the Safely Surrendered Baby Law**

The Contractor shall notify and provide to its employees, and shall require each Sub-Contractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit J of this Contract and is also available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.

### **8.34 Notices**

All notices or demands required or permitted to be given or made under this Contract shall be in writing and shall be hand delivered with signed receipt or mailed by first-class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibits E - County's Administration and F - Contractor's Administration. Addresses may be changed by either party giving ten (10) days prior written notice thereof to the other party. The Director of Personnel shall have the authority to issue all notices or demands required or permitted by the County under this Contract.

### **8.35 Prohibition Against Inducement or Persuasion**

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

### **8.36 Public Records Act**

8.36.1 Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to subparagraph 8.38 - Record Retention and Inspection-Audit Settlement of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or

“proprietary”. The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.36.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked “trade secret”, “confidential”, or “proprietary”, the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney’s fees, in action or liability arising under the Public Records Act.

### **8.37 Publicity**

8.37.1 The Contractor shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Contractor’s need to identify its services and related clients to sustain itself, the County shall not inhibit the Contractor from publishing its role under this Contract within the following conditions:

- The Contractor shall develop all publicity material in a professional manner; and
- During the term of this Contract, the Contractor shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County’s Project Director. The County shall not unreasonably withhold written consent.

8.37.2 The Contractor may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this subparagraph 8.37 shall apply.

### **8.38 Record Retention and Inspection-Audit Settlement**

The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The

Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 8.38.1 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 8.38.2 Failure on the part of the Contractor to comply with any of the provisions of this subparagraph 8.38 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 8.38.3 If, at any time during the term of this Contract or within five (5) years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts

due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

### **8.39 Recycled Bond Paper**

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, the Contractor agrees to use recycled-content paper to the maximum extent possible on this Contract.

### **8.40 Subcontracting**

8.40.1 The requirements of this Contract may not be subcontracted by the Contractor **without the advance approval of the County**. Any attempt by the Contractor to subcontract without the prior consent of the County may be deemed a material breach of this Contract.

8.40.2 If the Contractor desires to subcontract, the Contractor shall provide the following information promptly at the County's request:

- A description of the work to be performed by the Sub-Contractor;
- A draft copy of the proposed subcontract; and
- Other pertinent information and/or certifications requested by the County.

8.40.3 The Contractor shall indemnify, defend, and hold the County harmless with respect to the activities of each and every Sub-Contractor in the same manner and to the same degree as if such Sub-Contractor(s) were the Contractor employees.

8.40.4 The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

- 8.40.5 The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Sub-Contractor employees, providing services under this Contract. The Contractor is responsible to notify its Sub-Contractors of this County right.
- 8.40.6 The County's Project Director is authorized to act for and on behalf of the County with respect to approval of any subcontract and Sub-Contractor employees. After approval of the subcontract by the County, Contractor shall forward a fully executed subcontract to the County for their files.
- 8.40.7 The Contractor shall be solely liable and responsible for all payments or other compensation to all Sub-Contractors and their officers, employees, agents, and successors in interest arising through services performed hereunder, notwithstanding the County's consent to subcontract.
- 8.40.8 The Contractor shall obtain certificates of insurance, which establish that the Sub-Contractor maintains all the programs of insurance required by the County from each approved Sub-Contractor. The Contractor shall ensure delivery of all such documents to:

County of Los Angeles  
Department of Human Resources  
Administrative Services Division  
500 W. Temple Street, Room 585  
Los Angeles, CA 90012  
Attn: Theresa Tran, Administrative Deputy

before any Sub-Contractor employee may perform any work hereunder.

**8.41 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program**

Failure of the Contractor to maintain compliance with the requirements set forth in subparagraph 8.14 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may terminate this Contract pursuant to subparagraph 8.43 - Termination for Default and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

## **8.42 Termination for Convenience**

- 8.42.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to the Contractor specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.
- 8.42.2 After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall:
- Stop work under this Contract on the date and to the extent specified in such notice, and
  - Complete performance of such part of the work as shall not have been terminated by such notice.
- 8.42.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Contractor under this Contract shall be maintained by the Contractor in accordance with subparagraph 8.38, Record Retention and Inspection-Audit Settlement.

## **8.43 Termination for Default**

- 8.43.1 The County may, by written notice to the Contractor, terminate the whole or any part of this Contract, if, in the judgment of County's Project Director:
- Contractor has materially breached this Contract; or
  - Contractor fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this Contract; or
  - Contractor fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

- 8.43.2 In the event that the County terminates this Contract in whole or in part as provided in subparagraph 8.43.1, the County may procure, upon such terms and in such manner as the County may deem appropriate, goods and services similar to those so terminated. The Contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. The Contractor shall continue the performance of this Contract to the extent not terminated under the provisions of this subparagraph.
- 8.43.3 Except with respect to defaults of any Sub-Contractor, the Contractor shall not be liable for any such excess costs of the type identified in subparagraph 8.43.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor. If the failure to perform is caused by the default of a Sub-Contractor, and if such default arises out of causes beyond the control of both the Contractor and Sub-Contractor, and without the fault or negligence of either of them, the Contractor shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Sub-Contractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required performance schedule. As used in this subparagraph, the term "Sub-Contractor(s)" means Sub-Contractor(s) at any tier.
- 8.43.4 If, after the County has given notice of termination under the provisions of this subparagraph 8.43, it is determined by the County that the Contractor was not in default under the provisions of this subparagraph 8.43, or that the default was excusable under the provisions of subparagraph 8.43.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to subparagraph 8.42 - Termination for Convenience.

8.43.5 The rights and remedies of the County provided in this subparagraph 8.43 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.44 Termination for Improper Consideration**

8.44.1 The County may, by written notice to the Contractor, immediately terminate the right of the Contractor to proceed under this Contract if it is found that consideration, in any form, was offered or given by the Contractor, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment, or extension of this Contract or the making of any determinations with respect to the Contractor's performance pursuant to this Contract. In the event of such termination, the County shall be entitled to pursue the same remedies against the Contractor as it could pursue in the event of default by the Contractor.

8.44.2 The Contractor shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.44.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

#### **8.45 Termination for Insolvency**

8.45.1 The County may terminate this Contract forthwith in the event of the occurrence of any of the following:

- Insolvency of the Contractor. The Contractor shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Contractor is insolvent within the meaning of the Federal Bankruptcy Code;

- The filing of a voluntary or involuntary petition regarding the Contractor under the Federal Bankruptcy Code;
- The appointment of a Receiver or Trustee for the Contractor; or
- The execution by the Contractor of a general assignment for the benefit of creditors.

8.45.2 The rights and remedies of the County provided in this subparagraph 8.45 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.46 Termination for Non-Adherence of County Lobbyist Ordinance**

The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

#### **8.47 Termination for Non-Appropriation of Funds**

Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

#### **8.48 Validity**

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

#### **8.49 Waiver**

No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this subparagraph 8.49 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

#### **8.50 Warranty Against Contingent Fees**

8.50.1 The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

8.50.2 For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

#### **8.51 Warranty of Compliance with County's Defaulted Property Tax Reduction Program**

Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

#### **8.52 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program**

Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 8.51 "Warranty of Compliance with County's

Defaulted Property Tax Reduction Program” shall constitute default under this contract. Without limiting the rights and remedies available to County under any other provision of this contract, failure of Contractor to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

### **8.53 Time Off for Voting**

The Contractor shall notify its employees, and shall require each Sub-Contractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every Contractor and Sub-Contractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

## **9.0 UNIQUE TERMS AND CONDITIONS**

### **9.1 Information Security Requirements**

This Contract and the work provided by Contractor under the Contract are subject to the provisions of Exhibit K – Information Security Requirements, to the extent applicable. Failure by Contractor to meet the requirements of such Exhibit K – Information Security Requirements shall constitute a material breach of the Contract and shall be grounds for immediate termination of this Contract for default at the sole discretion of County.

### **9.2 Intentionally Omitted**

### **9.3 Intentionally Omitted**

### **9.4 Ownership of Materials, Software and Copyright**

9.4.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through the Contractor’s work pursuant to this Contract. The Contractor, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all of the Contractor’s right, title and interest in and to such original materials, including any copyright, patent and trade

secret rights which arise pursuant to the Contractor's work under this Contract.

- 9.4.2 Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.
- 9.4.3 The County will use reasonable means to ensure that the Contractor's proprietary and/or confidential items are safeguarded and held in confidence. The County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of the Contractor.
- 9.4.4 Notwithstanding any other provision of this Contract, the County will not be obligated to the Contractor in any way under subparagraph 9.4.4 for any of the Contractor's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by subparagraph 9.4.3 or for any disclosure which the County is required to make under any state or federal law or order of court.
- 9.4.5 All the rights and obligations of this subparagraph 9.4 shall survive the expiration or termination of this Contract.

## **9.5 Patent, Copyright and Trade Secret Indemnification**

- 9.5.1 The Contractor shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of the Contractor's work under this Contract. County shall inform the Contractor as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support the Contractor's defense and settlement thereof.

9.5.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, the Contractor, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

- Procure for County all rights to continued use of the questioned equipment, part, or software product; or
- Replace the questioned equipment, part, or software product with a non-questioned item; or
- Modify the questioned equipment, part, or software so that it is free of claims.

9.5.3 The Contractor shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by the Contractor, in a manner for which the questioned product was not designed nor intended.

/

/

/

/

/

/

IN WITNESS WHEREOF, Contractor has executed this Contract, or caused it to be duly executed and the County of Los Angeles, by order of its Board of Supervisors has caused this Contract to be executed on its behalf by the Chair of said Board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, the day and year first above written.

CONTRACTOR:  
PUBLIC INTEREST INVESTIGATIONS, INC

By \_\_\_\_\_  
Keith Rohman,  
President

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Chair, Board of Supervisors

ATTEST:

PATRICK OGAWA  
Acting Executive Officer  
of the Board of Supervisors

By \_\_\_\_\_

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By \_\_\_\_\_  
Richard Bloom,  
Principal Deputy County Counsel

# EXHIBIT A

## STATEMENT OF WORK

### TABLE OF CONTENTS

SECTION	TITLE	PAGE
1.0	SCOPE OF WORK .....	1
2.0	ADDITION/DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS .....	1
3.0	QUALITY CONTROL .....	1
4.0	QUALITY ASSURANCE PLAN .....	1
5.0	DEFINITIONS .....	2
6.0	RESPONSIBILITIES .....	3
	<u>COUNTY</u>	
6.1	Personnel .....	3
6.2	Furnished Items.....	3
	<u>CONTRACTOR</u>	
6.3	Project Manager .....	4
6.4	Personnel .....	4
6.5	Identification Badges .....	5
6.6	Licenses .....	5
6.7	Materials and Equipment.....	5
6.8	Training .....	5
6.9	Contractor's Office.....	5
7.0	SPECIFIC WORK REQUIREMENTS.....	6
8.0	GREEN INITIATIVES.....	9

# STATEMENT OF WORK (SOW)

## 1.0 SCOPE OF WORK

Contractor shall provide investigation services and produce an Investigative Report on equity complaints jurisdictional to the County Policy of Equity (CPOE) and which are classified as presenting potential conflict of interest issues for the County Equity Investigations Unit (CEIU) of the Department of Human Resources (DHR) and/or investigations which are part of the CEIU caseload and are open more than 90 days. The investigation information shall be utilized by the County Equity Oversight Panel (CEOP) in making recommendations regarding complaints alleging potential violation of the CPOE filed by County employees. Equity investigations shall include, but not be limited to, matters related to the CPOE as well as federal, state, and County anti-discrimination laws and policies.

## 2.0 ADDITION AND/OR DELETION OF FACILITIES, SPECIFIC TASKS AND/OR WORK HOURS

2.1 All changes must be made in accordance with sub-paragraph 8.1 Amendments of the Contract.

## 3.0 QUALITY CONTROL

The Contractor shall establish and utilize a comprehensive Quality Control Plan to assure the County a consistently high level of service throughout the term of the Contract. The Plan shall be submitted to the County Contract Project Monitor for review. The plan shall include, but may not be limited to the following:

3.1 Method of monitoring to ensure that Contract requirements are being met;

## 4.0 QUALITY ASSURANCE PLAN

The County will evaluate the Contractor's performance under this Contract using the quality assurance procedures as defined in this Contract, Paragraph 8, Standard Terms and Conditions, Sub-paragraph 8.15, County's Quality Assurance Plan.

### 4.1 As-Needed Meetings

Contractor is required to attend a meeting on an as-needed basis as requested by the County. Failure to attend will cause an assessment of one-hundred dollars (\$100).

### 4.2 Contract Discrepancy Report (SOW Exhibit 1)

Verbal notification of a Contract discrepancy will be made to the Contract Project Monitor as soon as possible whenever a Contract discrepancy is identified. The problem shall be resolved within a time period mutually agreed upon by the County and the Contractor.

The County Contract Project Monitor will determine whether a formal Contract Discrepancy Report shall be issued. Upon receipt of this document, the Contractor is required to respond in writing to the County Contract Project Monitor within five (5) workdays, acknowledging the reported discrepancies or presenting contrary evidence. A plan for correction of all deficiencies identified in the Contract Discrepancy Report shall be submitted to the County Contract Project Monitor within five (5) workdays.

#### **4.3 County Observations**

In addition to departmental contracting staff, other County personnel may observe performance, activities, and review documents relevant to this Contract at any time during normal business hours. However, these personnel may not unreasonably interfere with the Contractor's performance.

### **5.0 DEFINITIONS**

The headings herein contained are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 5.1 Calendar Month:** The first day through the last day of each month.
- 5.2 Date of Case Assignment:** The date of County's issuance of the "Work Order and Contractor Certification" assigning case(s) to Contractor.
- 5.3 Instructions for Electronic Submission of Documents:** Instructions provided to Contractor after execution of contract for electronically and securely receiving documents from, and submitting documents to, the County.
- 5.4 Investigative Case File:** An electronic file which contains case documents obtained and/or created during case investigation process, including working documents. The Investigative Case File will adhere to the Investigative Case File Template (SOW Exhibit 3), and will contain the case documents organized with labelled section dividers.
- 5.5 Investigative Plan:** A tool which helps the investigator navigate through the investigation, and is completed after the review of the case file. The Investigative Plan will adhere to the Investigative Plan Template, and identifies the following: the Complaining Party (CP) and the alleged protected status of the CP; the Subject of the Investigation (SOI) and the alleged prohibited conduct of the SOI; the specific allegations and act(s) of harm; the list of witnesses; the list of documents received, reviewed and/or needed; and an interview scheduling chart.
- 5.6 Monthly Status Report:** A report provided to County by Contractor which provides the status of the investigation for all cases assigned to and/or pending with Contractor for the prior Calendar Month. The Monthly Status Report submitted by Contractor will adhere to the Monthly Status Report Template, and identifies the following: General case information, Contractor's assigned

investigator, due date and submission dates of the Investigative Plan, what has been accomplished, what remains to be accomplished, any barriers which may preclude the Case Report from being submitted to the County within 60 days of Case Assignment to Contractor, requests for County assistance needed to address the barrier(s), and the initial and any extensions to the due date for the Investigative Report.

**5.7 Investigative Report:** A written summary of the facts gathered during the course of the investigation. The Investigative Report will adhere to the Investigative Report Template, and include all referenced exhibits, documents, and copies of all recorded interviews.

## **6.0 RESPONSIBILITIES**

The County's and the Contractor's responsibilities are as follows:

### **COUNTY**

#### **6.1 Personnel**

The County will administer the Contract according to the Contract, Paragraph 6.0, Administration of Contract - County. Specific duties will include:

- 6.1.1 Monitoring the Contractor's performance in the daily operation of this Contract.
- 6.1.2 Providing direction to the Contractor in areas relating to policy, information and procedural requirements.
- 6.1.3 Preparing Amendments in accordance with the Contract, Paragraph 8.0, Standard Terms and Conditions, Sub-paragraph 8.1 Amendments.

#### **6.2 Furnished Items**

- 6.2.1 Upon issuance of a work order and acceptance by Contractor, County will provide Contractor the confidential Investigative Case File for each assigned case. Confidential Investigative Case Files remain the sole property of the County and will be returned to the County, unduplicated by the Contractor, on the 1<sup>st</sup> or 15<sup>th</sup> of each month and within no more than fifteen (15) calendar days of County's acceptance of Investigative Report.
- 6.2.2 County will provide a County Contractor identification badge to Contractor employees as set forth in sub-paragraph 7.3 – Contractor's Staff Identification, of the Contract.
- 6.2.3 County will provide Contractor the template for the Investigative Plan to be completed for each assigned case (SOW – Exhibit 2). The County reserves the right to, in its sole discretion; revise the template to be used by Contractor.

- 6.2.4 County will provide Contractor a template to be followed for the organization and elements to be included in the Investigative Report (SOW – Exhibit 3). The County reserves the right to, in its sole discretion; revise the template to be used by Contractor.
- 6.2.5 County will provide Contractor a form to request extension of time for submission of the Investigative Plan and/or Investigative Report (SOW – Exhibit 4). The County reserves the right to, in its sole discretion; revise the form to be used by Contractor.
- 6.2.6 County will provide Contractor the template for the Monthly Status Report to be completed with information on all cases assigned to and/or pending with Contractor for the prior Calendar Month (SOW – Exhibit 5). The County reserves the right to, in its sole discretion; revise the template to be used by Contractor.
- 6.2.7 County will provide Contractor with Instructions for Electronic Submission of Documents upon execution of the Contract. The County reserves the right to, in its sole discretion, revise the instructions to be used by Contractor.

## **CONTRACTOR**

### **6.3 Project Manager**

- 6.3.1 Contractor shall provide a Project Manager or designated alternate. Contractor shall provide a telephone number where the Project Manager may be reached between the hours of 9:00 a.m. and 5:30 p.m. on all Business Days.
- 6.3.2 Project Manager shall act as a central point of contact with the County.
- 6.3.3 Project Manager/alternate shall have full authority to act for Contractor on all matters relating to the daily operation of the Contract. Project Manager/alternate shall be able to effectively communicate, in English, both orally and in writing.

### **6.4 Personnel**

- 6.4.1 Contractor shall assign a sufficient number of employees to meet all requirements for case completion and submission of Investigative Report to the County within 60 calendar days of Case Assignment to Contractor.
- 6.4.2 Contractor investigators must possess the following minimum qualifications:
- Two (2) years of experience conducting employment and/or administrative investigations.
- 6.4.3 Contractor shall submit to County executed Confidentiality Agreement (Exhibit G) for each Contractor employee performing services covered by

this Contract, as set forth in sub-paragraph 7.5.3 – Confidentiality, of the Contract.

6.4.4 Contractor shall be required to background check their employees as set forth in sub-paragraph 7.4 – Background & Security Investigations, of the Contract.

6.4.5 Contractor shall ensure their employees have obtained a County Contractor ID before they are assigned to work in a County facility, as set forth in sub-paragraph 7.3 – Contractor's Staff Identification, of the Contract.

## **6.5 Identification Badges**

Contractor shall ensure their employees are appropriately identified as set forth in sub-paragraph 7.3 – Contractor's Staff Identification, of the Contract.

## **6.6 License**

Contractor shall possess a current Private Investigator license issued by the State of California.

## **6.7 Materials and Equipment**

The purchase of all materials/equipment to provide the needed services is the responsibility of the Contractor. Contractor shall use materials and equipment that are safe for the environment and safe for use by the employee.

## **6.8 Training**

6.8.1 Contractor shall provide training programs for all new employees and continuing in-service training for all employees. Contractor shall include the processes, procedures, standards and expectations of the County for the services being provided under this contract.

6.8.2 All employees shall be trained in their assigned tasks and in the safe handling of equipment. All equipment shall be checked daily for safety. All employees must wear safety and protective gear according to OSHA standards.

## **6.9 Contractor's Office**

Contractor shall maintain an office with a telephone in the company's name where Contractor conducts business. The office shall be staffed during the hours of 9:00 a.m. to 5:30 p.m., during all Business Days, by at least one employee who can respond to inquiries and complaints which may be received about the Contractor's performance of the Contract. When the office is closed, an answering service or electronic answering machine shall be provided to receive calls. The Contractor shall answer calls received by the answering service/electronic machine by the next Business Day after receipt of the call.

## 7.0 SPECIFIC WORK REQUIREMENTS

### Assignment of Work to Contractor:

- 7.1 Upon issuance of a "Work Order and Contractor Certification" (Contract Exhibit H – Sample Work Order and Contractor Certification), Contractor shall execute Section II of the "Work Order and Contractor Certification".
- 7.2 After executing Section II, Contractor shall electronically return the "Work Order and Contractor Certification" to the County Project Manager within four (4) Business Days of issuance of the work order and the original signed copy to County within fifteen (15) Business Days of the issuance of the work order.

### Investigative Plan:

- 7.3 Utilizing the template provided by County (SOW – Exhibit 2), Contractor shall develop an appropriate Investigative Plan describing the complaint analysis and approach to guide the investigator at the onset of each investigation, including but not limited to, identification of the adverse action(s) alleged, the protected "basis" of discrimination involved, the list of initial witnesses to be interviewed, and a list of initial documents to be obtained. The Investigative Plan is completed after the review of the case file.
- 7.4 Within ten (10) Business Days of Case Assignment, Contractor shall electronically submit for review and approval an Investigative Plan for each assigned case to the County Project Director.
- 7.5 Contractor shall electronically submit revised Investigative Plans when actual performance differs substantially from planned performance. Within four (4) Business Days of determining the performance differentiation, revisions shall be submitted to the County Project Manager for review and approval.

### Monthly Status Reports:

- 7.6 Utilizing the template provided by County (SOW – Exhibit 5), Contractor shall complete a Monthly Status Report describing the status of the investigation for all cases assigned to and/or pending with Contractor for the prior Calendar Month. The Monthly Status Report includes general case information, Contractor's assigned investigator, due date and submission dates of the Investigative Plan, what has been accomplished, what remains to be accomplished, any barriers which may preclude the Case Report from being submitted to the County within 60 days of Case Assignment to Contractor, requests for County assistance needed to address the barrier(s), and the initial and any County-approved extensions to the due date for the Investigative Report.
- 7.7 Contractor shall electronically submit Monthly Status Reports to the County Project Manager by no later than the 10<sup>th</sup> of every month for the prior Calendar Month.

Case Investigation:

- 7.8 Contractor shall identify and analyze all relevant and pertinent testimonial, documentary, and/or physical evidence relevant to the allegations.
- 7.9 Contractor shall utilize appropriate interview techniques, credibility assessments, and conduct effective and comprehensive witness interviews. Contractor shall audio record every interview.
- 7.10 Contractor shall notify the County Contract Manager and County Contract Project Manager of other matters uncovered during the course of the investigations that may potentially violate the County Policy of Equity (CPOE) and/or federal, State and/or County anti-discrimination laws or policies.
- 7.11 Contractor shall communicate with designated CEIU staff and any other relevant County representatives as deemed reasonable to keep the County informed of progress as necessary to obtain additional data and/or information needed to complete the investigation.

Investigative Report:

- 7.12 Utilizing the template provided by County (SOW – Exhibit 3), Contractor shall provide a comprehensive written Investigative Report for each investigation. The report shall include an investigative summary containing all facts and evidence relevant to the investigation, exhibits that contain relevant documentary evidence, and/or other documentation prescribed by the CEIU. The Investigative Report shall be organized in the format provided by County in SOW Exhibit 3 – Investigative Report Template.
- 7.13 Contractor shall complete all equity investigations, including the specific tasks contained herein, and to submit the Investigative Report to the County no later than 60 calendar days after Case Assignment to Contractor.
- 7.14 Contractor shall electronically submit the Investigative Report to the County Project Director in both a Word document and a PDF document.
- 7.15 Contractor shall provide modifications to previously submitted reports as requested by the County.

Investigative Case File:

- 7.16 Contractor shall provide a comprehensive electronic Investigative Case File for each investigation. The Investigative Case File shall include all documents obtained and/or created during the investigative process, including working documents and investigator notes.
- 7.17 Contractor shall organize all documents and audio recordings in electronic files as described in SOW Exhibit 3 – Investigative Report Template.

- 7.18 Contractor shall electronically submit the Investigative Case File to the County within 10 calendar days of the County's acceptance of the Investigative Report.
- 7.19 Contractor shall hand-deliver any documents in the Investigative Case File to the County which cannot be electronically submitted. Documents will be hand-delivered only to the County Project Manager and/or County Project Monitor in a secured, sealed envelope or container which is clearly marked "Confidential".

Request for Extension of Time:

- 7.20 Contractor shall immediately advise the County Contract Manager and County Contract Project Manager of any issue(s) that would preclude the timely completion of the case investigation and submission of required reports as set forth in this contract.
- 7.21 Contractor shall immediately electronically submit the Contractor's Request for Extension of Time on Case Investigation (SOW – Exhibit 4) to County if there is good cause for Contractor to request an extension to the timeline to submit the Investigative Plan (i.e., 10 calendar days from Case Assignment) and/or Investigative Report (i.e., 60 calendar days from Case Assignment). Any Request for Extension of Time shall be approved or denied at the sole discretion of County, and shall be deemed approved only in writing by the County.

Electronic Documents:

- 7.22 Contractor shall submit all documents to the County in an electronic PDF format, except for the Investigative Report which shall be submitted in both an electronic PDF format and a Word document format.
- 7.23 Contractor shall electronically submit all required documents, including but not limited to Investigative Plans, Investigative Reports, Monthly Status Reports, and Requests for Good Cause Extension, to the County Project Manager utilizing the Instructions for Electronic Submission of Documents. Contractor shall adhere to all instructions and protocols when electronically submitting documents to the County to ensure secure and confidential transmission of all documents, including but not limited to the requirements set forth in Exhibit K (Information Security Requirements) to the Contract.
- 7.24 Contractor shall use the file naming protocol provided by the County for all electronic files submitted to the County.
- 7.25 Contractor shall immediately permanently delete all electronic files from its records and servers, and destroy all paper copies of documents in its possession upon receipt of written acceptance of the electronic documents by the County. Contractor shall destroy such electronic records and paper documents by (a) shredding or otherwise destroying paper, film, or other hard copy media so that the document cannot be read or otherwise cannot be reconstructed; and (b) clearing, purging or destroying electronic files such that the information cannot be retrieved, subject to

the provisions of Exhibit K (Information Security Requirements) to the extent applicable.

Related Work:

- 7.26 Contractor shall attend, appear and/or testify at the CPOE Panel, at various other entities or hearings (such as the Civil Service Commission) and/or other meetings as requested by the County, with payment for preparation time for said appearance/testimony only upon a prior written request of Contractor and written pre-approval of the County.

Confidentiality:

- 7.27 Contractor shall consider all documents, conversations, and evidence related to County investigative matters confidential and shall maintain all such documents, conversations and evidence in the strictest level of security and non-disclosure, in compliance with the Confidentiality Agreement (Exhibit G).
- 7.28 Contractor shall ensure that all electronic and paper copy documents and records are permanently and securely deleted and destroyed after written acceptance of the document by the County (see 7.25 above), subject to the provisions of Exhibit K (Information Security Requirements) to the extent applicable.

## **8.0 GREEN INITIATIVES**

- 8.1 Contractor shall use reasonable efforts to initiate “green” practices for environmental and energy conservation benefits.
- 8.2 Contractor shall notify County’s Project Manager of Contractor’s new green initiatives prior to the contract commencement.

# STATEMENT OF WORK EXHIBITS

## TABLE OF CONTENTS

### Exhibit

- 1 Contract Discrepancy Report
- 2 Investigative Plan Template
- 3 Investigative Report Template
- 4 Contractor's Request for Good Cause Extension
- 5 Monthly Status Report Template

CONTRACT DISCREPANCY REPORT

TO: \_\_\_\_\_

FROM: \_\_\_\_\_

DATES: Prepared: \_\_\_\_\_

Returned to Contractor: \_\_\_\_\_

Action Completed: \_\_\_\_\_

1. DISCREPANCY PROBLEMS:

[Empty box for discrepancy problems]

\_\_\_\_\_  
Signature of County Representative

\_\_\_\_\_  
Date

2. CONTRACTOR RESPONSE (Cause and Corrective Action):

[Empty box for contractor response]

\_\_\_\_\_  
Signature of Contractor Representative

\_\_\_\_\_  
Date

3. COUNTY EVALUATION OF CONTRACTOR RESPONSE:

[Empty box for county evaluation]

\_\_\_\_\_  
Signature of County Representative

\_\_\_\_\_  
Date

4. COUNTY ACTIONS:

[Empty box for county actions]

5. CONTRACTOR NOTIFIED OF ACTION:

County Representative's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Contractor Representative's Signature: \_\_\_\_\_ Date: \_\_\_\_\_



## COUNTY EQUITY INVESTIGATIONS UNIT Investigative Plan

CEIU Case Number: \_\_\_\_\_

Contractor Case Assigned to: \_\_\_\_\_

Date Case Assigned to Contractor: \_\_\_\_\_

Date Investigative Plan Prepared:	
Complaining Party (CP):	
Department:	
Job Title:	

Subject(s) of Investigation (SOIs)	Job Title(s)	Department(s)
1.		
2.		
3.		

**A. Alleged Protected Status (List all that CP identified)**

- Sex     Race     Color     Ancestry     National Origin     Ethnicity   
 Age     Disability     Religion     Marital Status     Sexual Orientation     Medical Condition   
 Retaliation     If retaliation, what was the protected activity?

**B. Alleged Prohibited Conduct For Each SOI**

**SOI #1    SOI #2    SOI #3**

- |   |                          |                          |                          |
|---|--------------------------|--------------------------|--------------------------|
| • Disparate Treatment                         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Sexual Harassment                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Harassment/Hostile Work Environment         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Third-person bystander harassment           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Failure to provide reasonable accommodation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Failure to provide religious accommodation  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Inappropriate conduct toward others         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Retaliation                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Failure to Report                           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| • Other:                                      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**C. Allegations/Acts of Harm:**

**List each allegation and the resulting act of harm for the CP:**

Allegation(s)	Act(s) of Harm	Name(s) of SOI(s)	Name(s) of Witness(es)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

**D. Timely Reporting:**

- Date(s) of allegation(s):
- Date management notified:
- Date CEIU notified

**E. Steps of the Investigation**

**Date Completed**

1. Review case file.	
2. Draft initial investigative plan.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
11.	
12.	

**F. List of Possible Witnesses**

Type of witness	Name/Title	Connection to allegation(s)	Interview Date(s)
Complaining Party			
CP's Witnesses			
Other witnesses			
SOI(s)			
SOI witnesses			

**G. List of Documents**

	Type of document	Date of Request	Who Request Made To	Date of Receipt
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

**Assigned Investigator(s)**

Name:	Date Assigned:
Name:	Date Assigned:
Name:	Date Assigned:

**Review Information**

Completed by Investigator:	Date Completed:
Contractor's Quality Control Conducted By:	Date Conducted:
Submitted to County by Contractor Staff:	Date Submitted:
Reviewed by County Staff:	Date Reviewed:
Returned for Revision by County Staff:	Date Returned:
Re-submitted to County by Contractor Staff:	Date Re-Submitted:
Reviewed by County Staff:	Date Reviewed:



# COUNTY EQUITY INVESTIGATIONS UNIT

## Investigative Report Template

Each Investigative Report is comprised of the below required documents.

- Contractor to provide County with all documents in an electronic Case File saved as a single PDF document and all audio recordings saved as WMA file(s) at the conclusion of the case investigation.
- Required documents are to be organized and saved in the electronic Case File in the below specified order, with the Case File Cover Sheet at the top of the case file.
- Each section is to have the appropriate Section Cover page inserted at the beginning of the section (see Pages 17 – 25 for cover sheets to be used)
- *Note: The County may, at its sole discretion, make changes to the required document templates contractor is required to utilize for the Investigative Report.*

Required Document		Reference	Section Description
1.	Case File Cover Sheet	See Page 3 for Cover Sheet Form	Provides a confidential cover sheet for case investigation file.
2.	Table of Contents	See Pages 4 - 5 for Sample Table of Contents.	Provides a Table of Contents for Investigative Report.
3.	List of Persons Interviewed	See Page 6 for List of Persons Interviewed Form	Provides a list of all individuals interviewed for case.
4.	Summary Chart	See Page 7 for Summary Chart Form	Provides a summary of the issues and incidents related to case, to assist in following the chain of events as stated by the Charging Party, the Subject(s) of Investigation and witnesses; it is not a comprehensive list of all events related to the investigation.
5.	Investigative Summary	See Pages 8 -10 for Investigative Summary Form	Provides a summary of the allegations, parties involved, and the case investigation.
6.	Intake Information	n/a	Section comprised of documents received from County Intake Specialist Unit (CISU).

Required Document		Reference	Section Description
7.	Audio Tracking Sheet & Audio Recordings	See Page 11 for Audio Tracking Sheet Form	<p><u>The Audio Tracking Sheet</u>: Provides a list of recorded interviews.</p> <p><u>Audio Recordings</u>: All interview recordings are to be saved in WMA file format as separate electronic files, and are to be submitted concurrently with the submission of the electronic PDF Case File. The lowest memory storage size for audio may be used.</p>
8.	Exhibits	n/a	Section comprised of documents received and reviewed as part of case investigation.
9.	Admonition Forms	See Pages 12 -15 for Admonition Forms	<p>Section comprised of admonition forms (Administrative Rights &amp; Responsibilities) signed by each individual interviewed during case investigation. One of four admonition forms are to be used based on status of interviewee to case investigation:</p> <ul style="list-style-type: none"> <li>• <u>Exhibit on Page 12</u>: For Complaining Party</li> <li>• <u>Exhibit on Page 13</u>: For Subject of Investigation</li> <li>• <u>Exhibit on Page 14</u>: For witness that is a County employee</li> <li>• <u>Exhibit on Page 15</u>: For witness that is not a County employee</li> </ul>
10.	DHR Class Specifications	See Page 16 for DHR Class Specifications Form	<p><u>DHR Class Specifications Form (form)</u>: Provides a summary of the DHR Class Specifications for the payroll title of each Charging Party, Subject(s) of Investigation, and County employee witness. The form is to list individuals in the following order: 1) Charging Party, 2) Subject(s) of Investigation, 3) Witnesses; and, within each of the three categories, individuals should be listed in alphabetical order by their last name.</p> <p><u>Individual Class Specifications</u>: For each payroll title listed on the form, the Class Specification is to be printed out and placed behind the form in the order they are listed on the form.</p> <p>Class Specifications are available on-line at <a href="http://dhrdcap.co.la.ca.us/classspec/index.cfm?fuseaction=search.search">http://dhrdcap.co.la.ca.us/classspec/index.cfm?fuseaction=search.search</a></p>



# CONFIDENTIAL

**DEPARTMENT OF HUMAN RESOURCES  
COUNTY EQUITY INVESTIGATIONS UNIT**

**CEIU CASE # [INSERT CASE NUMBER]**

**DEPARTMENT OF HUMAN RESOURCES  
COUNTY EQUITY INVESTIGATIONS UNIT**

**TABLE OF CONTENTS  
CEIU # [INSERT CASE NUMBER]**

1. List of Persons Interviewed (*List all individuals interviewed and their title in case*)
  - CP [Insert name]
  - SOI [Insert name]
  - SOI [Insert name]
  - Witness [Insert name]
  - Witness [Insert name]
2. Summary Chart
3. Investigative Summary
4. Intake Information (*List all intake detail document*)
  - [Insert document name, date of document]
  - [Insert document name, date of document]
  - [Insert document name, date of document]
5. Audio Tracking Sheet and Audio CD (Departmental copy only)  
(*List all individuals recorded and their title in case*)
  - CP [Insert name]
  - SOI [Insert name]
  - SOI [Insert name]
  - Witness [Insert name]
  - Witness [Insert name]
6. Exhibits (*List all exhibit documents*)
  - [Insert document name, date of document]
  - [Insert document name, date of document]
  - S/I [Insert document name, date of document]
  - [Insert document name, date of document]
  - [Insert document name, date of document]

7. Admonition Forms (*List all individuals with Admonition Forms and their title in case*)
  - SOI [Insert name]
  - SOI [Insert name]
  - Witness [Insert name]
8. DHR Class Specifications (*List all CP and SOI's, their title in case, and their payroll title*)
  - CP [Insert name] – [Insert Payroll Title]
  - SOI [Insert name] – [Insert Payroll Title]
  - SOI [Insert name] – [Insert Payroll Title]

**DEPARTMENT OF HUMAN RESOURCES  
COUNTY EQUITY INVESTIGATIONS UNIT**

**LIST OF PERSONS INTERVIEWED  
CEIU CASE # [INSERT CASE NUMBER]**

**CONFIDENTIAL PERSONNEL INFORMATION**

	<b>NAME</b>	<b>TITLE</b>	<b>RACE/ETHNICITY</b>	<b>AGE</b>	<b>GENDER</b>	<b>DATE OF HIRE</b>
1.						
2.						
3.						
4.						
6.						
7.						
8.						
9.						
10.						
11.						

**DEPARTMENT OF HUMAN RESOURCES  
COUNTY EQUITY INVESTIGATIONS UNIT**

**SUMMARY CHART  
CEIU Case # [INSERT CASE NUMBER]**

**CONFIDENTIAL PERSONNEL INFORMATION**

DATE	EVENTS/ALLEGATIONS	WITNESS – SUPPORTING/DISPUTING INFORMATION
[Insert Date]	1. [Insert event/allegation]	SUPPORTING: [insert information or type "None"].  DISPUTING: [insert information or type "None"].  OTHER: [insert information or type "None"].
[Insert Date]	2. [Insert event/allegation]	SUPPORTING: [insert information or type "None"].  DISPUTING: [insert information or type "None"].  OTHER: [insert information or type "None"].
[Insert Date]	3. [Insert event/allegation]	SUPPORTING: [insert information or type "None"].  DISPUTING: [insert information or type "None"].  OTHER: [insert information or type "None"].
[Insert Date]	4. [Insert event/allegation]	SUPPORTING: [insert information or type "None"].  DISPUTING: [insert information or type "None"].  OTHER: [insert information or type "None"].

CEIU Case # [insert case number]

Page 1 of 1

SUMMARY CHART

**DEPARTMENT OF HUMAN RESOURCES  
COUNTY EQUITY INVESTIGATIONS UNIT**

**INVESTIGATIVE SUMMARY  
CEIU CASE # [INSERT CASE NUMBER]**

**COMPLAINING PARTY:** *[Insert last name, first name], (CP [Insert last name]), [Insert employee number], [Insert Payroll Title], [Insert department]*

**SUBJECT(S) OF INVESTIGATION:** *[Insert last name, first name], (SOI [Insert last name]), [Insert employee number], [Insert Payroll Title], [Insert department]*

*[Insert last name, first name], (SOI [Insert last name]), [Insert employee number], [Insert Payroll Title], [Insert department]*

**DATE OF INCIDENT:** *[Insert start date] to [Insert end date]*

**LOCATION:** *[Insert department/office name]  
[Insert locations' physical address]*

**DATE DEPARTMENT NOTIFIED:** *[Insert date]*

**DATE OF INTAKE NOTIFICATION:** *[Insert date]*

**DATE CEIU OPENED:** *[Insert date]*

**PRIMARY INVESTIGATOR:** *[Insert name]  
[Insert title]*

**INVOLVED CODES AND POLICIES:**

The involved County Code and Policy section at issue in this investigation includes:

- *[List individual code or policy, with section number and name]*
- 
-

**ALLEGATION SUMMARY**

*[Provide summary of allegation made by CP]*

**CURRENT STATUS:**

*[Provide the current status of the CP and SOI(s), including their reporting relationship and physical proximity]*

**BACKGROUND:**

**Complaining Party:**

*[Provide brief background information on CP, including dates of employment, history of County departments worked for and dates and titles of promotions/transfers. Provide brief overview of events and dates related to case allegation(s), and any past or current disciplinary action].*

**Subject of Investigation *[Insert last name]*:**

*[Provide brief background information on SOI, including dates of employment, history of County departments worked for and dates and titles of promotions/transfers. Provide brief overview of events and dates related to case allegation(s), and any past or current disciplinary action].*

**Subject of Investigation *[Insert last name]*:**

*[Provide brief background information on SOI, including dates of employment, history of County departments worked for and dates and titles of promotions/transfers. Provide brief overview of events and dates related to case allegation(s), and any past or current disciplinary action].*

**SPECIFIC ALLEGATIONS:**

1. *[List allegations, including events and dates of events, made by CP in chronological order where possible].*
- 2.
- 3.

**INVESTIGATIVE STATEMENTS:**

*[Provide list of individuals making statements during case investigation in the following order: CP, SOI, Witness(es). Under each individual:*

- Provide summary of the statements made, including events, dates, witnesses, etc.*
- Clearly label and provide any CEIU notes where applicable.*
- Provide case investigation number when documents which are part of case file are referred to.*
- Provide reference to audio recording location when statements made during recorded interview are referred to.]*

**CP [Insert last name]**

**SOI [Insert last name]**

**SOI [Insert last name]**

**Witness [Insert last name]**

**Witness [Insert last name]**

**Witness [Insert last name]**

**CEIU # [Insert case number]**

**Page 3**

**INVESTIGATIVE SUMMARY**

# DEPARTMENT OF HUMAN RESOURCES

## AUDIO TRACKING SHEET

---

CEIU Number: *[Insert case number]*

Investigator(s) Name: *[Insert name, title]*

Total Number of Audio Files: *[Insert number of audio files (not actual number of CD's)]*

File Names:

Complaining Party

*[Insert name]*

Subjects of Investigation

*[Insert name]*

*[Insert name]*

*[Insert name]*

Witnesses

*[Insert name]*

*[Insert name]*

*[Insert name]*



# COUNTY OF LOS ANGELES DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
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BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2211 FAX (213) 637-0820

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

## ADMINISTRATIVE RIGHTS & RESPONSIBILITIES

***[INSERT NAME OF COMPLAINING PARTY]***

I am *[Insert name and title]*. I can be reached by telephone at (XXX) XXX-XXXX. Under the authority of the Director of Personnel, I have been assigned to investigate employee complaints of potential violations of the County Policy of Equity.

You are about to be interviewed as part of an official Los Angeles County administrative investigation. The Department of Human Resources, under the direction of the Director of Personnel, is required to conduct an investigation whenever a complaint under the County Policy of Equity (CPOE) is filed. You are the Complainant Party in a complaint falling within the scope of the CPOE against employee(s) of Los County *[insert department name]*. As the Complainant Party, your statement is necessary in order to initiate the investigation of the allegations made against the subject(s) named in this matter.

The interview will be tape recorded. You may also tape record the interview, if you wish.

As a County employee, you are required to participate in administrative investigations including any and all interviews deemed necessary and to answer the interview questions truthfully to the best of your knowledge and belief pursuant to County/Department policy. Failure to cooperate, failure or refusal to answer questions, or providing false statements or answers in the interview or during the course of the investigation may subject you to disciplinary action, up to and including discharge.

Be advised that any act(s) of retaliation, interference, and/or discrimination against any individual(s) involved in this investigation is a violation of County/Department policy and could result in disciplinary action, up to and including discharge.

The investigation, including this interview, is a confidential personnel matter. You are instructed not to discuss this matter with any staff or other personnel/individuals designated by the investigator.

---

The above admonition has been read to me. I understand its contents and have received a copy.

DATE \_\_\_\_\_ CASE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ PRINT NAME \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_

INVESTIGATOR'S SIGNATURE \_\_\_\_\_

*To Enrich Lives Through Effective and Caring Service*



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**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

## ADMINISTRATIVE RIGHTS & RESPONSIBILITIES

### ***[INSERT NAME OF SUBJECT OF INVESTIGATION]***

I am *[Insert name and title]*. I can be reached by telephone at (XXX) XXX-XXXX. Under the authority of the Director of Personnel, I have been assigned to investigate employee complaints of potential violations of the County Policy of Equity.

You are about to be interviewed as part of an official Los Angeles County administrative investigation. The Department of Human Resources, under the direction of the Director of Personnel, is required to conduct an investigation whenever a complaint under the County Policy of Equity (CPOE) is filed. You have been named as a Subject of Investigation in a complaint falling within the scope of the CPOE filed by *[insert name of Complaining Party]*, an employee of Los Angeles County *[insert department name]*.

The complaint alleges *[insert specific charge]* based on *[insert specific basis]*.

The interview will be tape recorded. You may also tape record the interview, if you wish. As the Subject of Investigation, you have the right to have a representative of your choice, who is not involved in this investigation, present with you during the interview. If you wish to tape record or have a representative present, the interview will be suspended for a reasonable time for you to obtain a tape recorder and/or representative.

As a County employee, you are required to participate in administrative investigations including any and all interviews deemed necessary and to answer the interview questions truthfully to the best of your knowledge and belief pursuant to County/Department policy. Failure to cooperate, failure or refusal to answer questions, or providing false statements or answers in the interview or during the course of the investigation may subject you to disciplinary action, up to and including discharge.

Be advised that any act(s) of retaliation, interference, and/or discrimination against any individual(s) involved in this investigation is a violation of County/Department policy and could result in disciplinary action, up to and including discharge.

The investigation, including this interview, is a confidential personnel matter. You are instructed not to discuss this matter with any staff or other personnel/individuals designated by the investigator.

---

The above admonition has been read to me. I understand its contents and have received a copy.

DATE \_\_\_\_\_ CASE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ PRINT NAME \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_

INVESTIGATOR'S SIGNATURE \_\_\_\_\_

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**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

## **ADMINISTRATIVE RIGHTS & RESPONSIBILITIES**

***[INSERT NAME OF WITNESS – County Employee]***

I am *[Insert name and title]*. I can be reached by telephone at (XXX) XXX-XXXX. Under the authority of the Director of Personnel, I have been assigned to investigate employee complaints of potential violations of the County Policy of Equity.

You are about to be interviewed as part of an official Los Angeles County administrative investigation. The Department of Human Resources, under the direction of the Director of Personnel, is required to conduct an investigation whenever a complaint under the County Policy of Equity (CPOE) is filed. You have been named as a witness in a complaint falling within the scope of the CPOE filed by a Los Angeles County *[insert department name]* employee. The Complaining Party has not filed a complaint against you, and you are not under investigation in this matter.

The interview will be tape recorded. You may also tape record the interview, if you wish.

As a County employee, you are required to participate in administrative investigations including any and all interviews deemed necessary and to answer the interview questions truthfully to the best of your knowledge and belief pursuant to County/Department policy. Failure to cooperate, failure or refusal to answer questions, or providing false statements or answers in the interview or during the course of the investigation may subject you to disciplinary action, up to and including discharge.

Be advised that any act(s) of retaliation, interference, and/or discrimination against any individual(s) involved in this investigation is a violation of County/Department policy and could result in disciplinary action, up to and including discharge.

The investigation, including this interview, is a confidential personnel matter. You are instructed not to discuss this matter with any staff or other personnel/individuals designated by the investigator.

---

**The above admonition has been read to me. I understand its contents and have received a copy.**

DATE \_\_\_\_\_ CASE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ PRINT NAME \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_

INVESTIGATOR'S SIGNATURE \_\_\_\_\_

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**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

## ADMINISTRATIVE RIGHTS & RESPONSIBILITIES

***[INSERT NAME OF WITNESS – Non-County Employee]***

I am *[Insert name and title]*. I can be reached by telephone at (XXX) XXX-XXXX. Under the authority of the Director of Personnel, I have been assigned to investigate employee complaints of potential violations of the County Policy of Equity.

You are about to be interviewed as part of an official Los Angeles County administrative investigation. The Department of Human Resources, under the direction of the Director of Personnel, is required to conduct an investigation whenever a complaint under the County Policy of Equity (CPOE) is filed.

You have been named as a witness in a complaint falling within the scope of the CPOE filed by a Los Angeles County *[insert department name]* employee. The Complaining Party has not filed a complaint against you, and you are not under investigation in this matter.

The interview will be tape recorded. You may also tape record the interview, if you wish.

You are not obligated to participate in the investigation; however, your cooperation would be appreciated. Because the investigation is a confidential matter, if you choose to participate, you should not discuss the matter with any Los Angeles County personnel or other individuals designated by the investigator.

---

The above admonition has been read to me. I understand its contents and have received a copy.

DATE \_\_\_\_\_ CASE \_\_\_\_\_

SIGNATURE \_\_\_\_\_ PRINT NAME \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_

INVESTIGATOR'S SIGNATURE \_\_\_\_\_

*To Enrich Lives Through Effective and Caring Service*

# DEPARTMENT OF HUMAN RESOURCES

## DHR Classification Specifications

---

CEIU Number: *[Insert case number]*

Investigator(s) Name: *[Insert name and title]*

Total Number of Involved Parties: *[Insert number of involved parties listed below]*

Charging Party <i>[Insert name]</i>	<i>[Insert Payroll Title]</i>
Subject of Investigation <i>[Insert name]</i>	<i>[Insert Payroll Title]</i>
Witness <i>[Insert name]</i>	<i>[Insert Payroll Title]</i>
Witness <i>[Insert name]</i>	<i>[Insert Payroll Title]</i>
Witness <i>[Insert name]</i>	<i>[Insert Payroll Title]</i>

# **TABLE OF CONTENTS**

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# **INVESTIGATIVE REPORT**

## **LIST OF PERSONS INTERVIEWED**

---

## **SUMMARY CHART**

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## **INVESTIGATIVE SUMMARY**

---

## **INTAKE INFORMATION**

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**AUDIO TRACKING SHEET & AUDIO CD**

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## **EXHIBITS**

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# **ADMONITION FORMS**

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# **DHR CLASS SPECIFICATIONS**

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# COUNTY EQUITY INVESTIGATIONS UNIT Contractor’s Request for Good Cause Extension

CEIU Case Number: \_\_\_\_\_  
 Complaining Party (CP): \_\_\_\_\_  
 Department: \_\_\_\_\_  
 Name of Contractor Case Assigned to: \_\_\_\_\_  
 Date Case Assigned to Contractor: \_\_\_\_\_

Contractor is hereby requesting an extension of the due date for submission of the Investigative Report, and understands that extension is only effective upon County’s written approval.

<i>To Be Completed By Contractor:</i>		<i>To be Completed by County:</i>		Approved Extension Date
Current Due Date	Requested Extension Date	Request Is:		
		Approved	Not Approved	

**Contractor’s Justification for Request:**

**Contractor Submission By:**

**County Review By:**

Name:	Name:
Title:	Title:
Date:	Date:

EQUITY INVESTIGATION SERVICES  
 CONTRACTOR'S MONTHLY STATUS REPORT

Contractor Name:  
 Report for Month of:

CEIU Case Number	CASE INFORMATION							INVESTIGATIVE PLAN			INVESTIGATION STATUS
	Date Case Assigned to Contractor	Charging Party	Subject(s) of Investigation	Department	Contractor's Assigned Investigator	Basic Facts of Case	Basis of Allegations	Investigative Plan Due Date <i>(10 Days from Case Assignment)</i>	Date Investigative Plan Submitted to County	Date Investigative Plan Approved by County <i>(Enter date or "pending")</i>	Investigation Status: What Has Been Accomplished and What Remains to Be Accomplished
1.											Accomplished: [Enter here] Remaining: [Enter here]
2.											Accomplished: [Enter here] Remaining: [Enter here]
3.											Accomplished: [Enter here] Remaining: [Enter here]
4.											Accomplished: [Enter here] Remaining: [Enter here]
5.											Accomplished: [Enter here] Remaining: [Enter here]
6.											Accomplished: [Enter here] Remaining: [Enter here]
7.											Accomplished: [Enter here] Remaining: [Enter here]
8.											Accomplished: [Enter here] Remaining: [Enter here]
9.											Accomplished: [Enter here] Remaining: [Enter here]
10.											Accomplished: [Enter here] Remaining: [Enter here]
11.											Accomplished: [Enter here] Remaining: [Enter here]

EQUITY INVESTIGATION SERVICES  
 CONTRACTOR'S MONTHLY STATUS REPORT

Contractor Name:  
 Report for Month of:

CEIU Case Number	POTENTIAL BARRIERS		COMMENTS Contractor Comments	INVESTIGATIVE REPORT												
	Potential Issues That May Impact Contractor's Ability to Meet Investigative Report Due Date	Date Contractor Requested Assistance From County		Initial Investigative Report Due Date <i>(60 Days from Case Assignment)</i>	1st Good Cause Extension: Date Request Submitted to County	Request Status <i>(Select from Dropdown List)</i>	If Approved, 1st Revised Due Date for Investigative Plan	2nd Good Cause Extension: Date Request Submitted to County	Request Status <i>(Select from Dropdown List)</i>	If Approved, 2nd Revised Due Date for Investigative Plan	3rd Good Cause Extension: Date Request Submitted to County	Request Status <i>(Select from Dropdown List)</i>	If Approved, 2nd Revised Due Date for Investigative Plan	Date Investigative Report Submitted to County	Date Revised Investigative Report Submitted to County	Date Investigative Report Approved by County
1.																
2.																
3.																
4.																
5.																
6.																
7.																
8.																
9.																
10.																
11.																

## PRICING SCHEDULE

Billable hours are to be invoiced in no less than 15 minute increments. The below rates will be applied to approved billable hours as described in Master Agreement 5.4 – Invoice and Payments.

<b>SECTION A: HOURLY RATES</b>	<b>Hourly Rate</b>
TIER 1 HOURLY RATE:	\$170.00 Per Hour
TIER 2 HOURLY RATE:	\$150.00 Per Hour
<p><u>CASE INVESTIGATION:</u></p> <p>Tier 1 Rate: Applied to the first 54 hours worked on case within 60 calendar days from date of Case Assignment to Contractor.</p> <p>Tier 2 Rate: Applied upon reaching either 54 hours worked – or – 61 calendar days from date of Case Assignment, whichever occurs first.</p>	

<b>SECTION B: GOOD CAUSE EXCEPTION</b>	<b>Hourly Rate</b>
TIER 1 HOURLY RATE IF REQUEST APPROVED:	\$170.00 Per Hour
TIER 2 HOURLY RATE IF REQUEST APPROVED:	\$150.00 Per Hour
<p><u>GOOD CAUSE EXTENSION:</u></p> <p>Upon Contractor requesting an extension of the 54 hours and/or number of calendar days from Case Assignment in which to submit Investigative Report, the County at its sole discretion may find good cause, for reasons beyond the control of Contractor, to approve the requested extension and extend the number of hours paid at the Tier 1 hourly rate.</p> <p>Tier 1 Rate: Applied to the first number of hours and/or days worked on case specifically designated in the written approval of the Request for Good Cause Extension.</p> <p>Tier 2 Rate: Applied upon reaching the specific number of hours and/or days approved in the written approval of the Request for Good Cause Extension.</p>	

### CONTRACTOR'S CASE SCHEDULE

Contractor will be assigned cases for equity investigation services and will perform services as described in Exhibit A – Statement of Work on the following proposed schedule:

Service	Target Timeline
Contractor will be assigned a case through issuance of a Work Order	Not Applicable
Contractor will certify their capacity to accept Work Order case assignment(s) and meet standards and requirements of the Agreement and Statement of Work	Return completed Work Order to the County: <ul style="list-style-type: none"> <li>○ Electronically: Within four (4) Business Days of issuance of a Work Order, and</li> <li>○ Original: Within fifteen (15) Business days of issuance of Work Order.</li> </ul>
Contractor to provide an Investigative Plan to County	Within ten (10) Business Days of issuance of Work Order (unless otherwise requested by Contractor and approved by County in writing)
Contractor to provide Revised Investigative Plan when actual performance differs substantially from planned performance	Within four (4) business days of determining performance differentiation
Contractor to provide Monthly Status Reports to County	By the 10 <sup>th</sup> of every month for all cases assigned to and/or pending with Contractor for the prior Calendar Month
Contractor to provide Investigative Report to County	Within 60 calendar days of Contractor's receipt of Work Order (unless otherwise requested by Contractor and approved by County in writing)
Contractor to provide Investigative Case File to County	Within ten (10) calendar days of County's acceptance of Investigative Report
Contractor to provide County a request for an extension to the number of days to submit Investigative Report when due date will not be met	Immediately upon Contractor becoming aware that due date for Investigative Report will not be met

## CONTRACTOR'S EEO CERTIFICATION

---

 Contractor Name
 

---



---

 Address
 

---



---

 Internal Revenue Service Employer Identification Number
 

---

### GENERAL CERTIFICATION

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

### CONTRACTOR'S SPECIFIC CERTIFICATIONS

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. The Contractor has a written policy statement prohibiting discrimination in all phases of employment.   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. The Contractor periodically conducts a self analysis or utilization analysis of its work force.   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. The Contractor has a system for determining if its employment practices are discriminatory against protected groups.  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

---

 Authorized Official's Printed Name and Title
 

---



---

 Authorized Official's Signature
 

---



---

 Date
 

---

**COUNTY'S ADMINISTRATION****CONTRACT NO:** \_\_\_\_\_**COUNTY PROJECT DIRECTOR:**

Name: Michael Lynd

Title: Assistant Director

Address: Kenneth Hahn Hall of Administration  
500 W. Temple Street, Room 555, Los Angeles, California 90012

Telephone: (213) 974-2449

Facsimile: (213) 626-6075

E-Mail Address: MLynd@hr.lacounty.gov

**COUNTY'S PROJECT MANAGER:**

Name: Stephen Stratti

Title: Principal Analyst

Address: Kenneth Hahn Hall of Administration  
500 W. Temple Street, Room 588, Los Angeles, California 90012

Telephone: (213) 974-2351

Facsimile: (213) 613-4789

E-Mail Address: SStratti@hr.lacounty.gov

**COUNTY'S CONTRACT PROJECT MONITORS:**

Name: Letitia Ellison-Cooper

Title: Principal Analyst

Address: Kenneth Hahn Hall of Administration  
500 W. Temple Street, Room 588, Los Angeles, California 90012

Telephone: (213) 202-5835

Facsimile: (213) 613-4789

E-Mail Address: LEllison-Cooper@hr.lacounty.gov

**CONTRACTOR'S ADMINISTRATION**

**CONTRACTOR'S NAME: PUBLIC INTEREST INVESTIGATIONS, INC.**

**AGREEMENT NO:** \_\_\_\_\_

**CONTRACTOR'S PROJECT MANAGER:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**CONTRACTOR'S AUTHORIZED OFFICIAL(S)**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**Notices to Contractor shall be sent to the following:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

## **EXHIBIT G**

### **FORMS REQUIRED AT THE TIME OF CONTRACT EXECUTION AND BEFORE WORK BEGINS**

#### **FORMS TO BE COMPLETED BY CONTRACTOR:**

- G1 CONTRACTOR'S CERTIFICATION OF EMPLOYEE STATUS
- G2 CONTRACTOR'S CERTIFICATION OF NO CONFLICT OF INTEREST  
(County Code 2.180.010.A)
- G3 CONTRACTOR'S ACKNOWLEDGEMENT AND CONFIDENTIALITY  
AGREEMENT

#### **FORMS TO BE COMPLETED BY CONTRACTOR'S EMPLOYEES AND NON-EMPLOYEES:**

- G4 CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT AND AGREEMENT:  
CONFIDENTIALITY AND NO CONFLICT OF INTEREST
- G5 CONTRACTOR'S NON-EMPLOYEE ACKNOWLEDGEMENT AND  
AGREEMENT: CONFIDENTIALITY AND NO CONFLICT OF INTEREST

**EQUITY INVESTIGATION SERVICES  
AGREEMENT**

**CONTRACTOR’S CERTIFICATION OF EMPLOYEE STATUS**

*(Note: This certification is to be executed and returned to the County reflecting the name of any Contractor employee who Contractor submits for County approval to perform work under this Contract. Contractor employee(s) cannot perform any work under the Contract until the County receives this executed document for the named Contractor employee(s).)*

Name of Contractor: \_\_\_\_\_

County Contract Number: \_\_\_\_\_

**I CERTIFY THAT:** (1) I am an Authorized Official of Contractor; (2) the individual(s) named below is(are) this organization’s employee(s); (3) applicable state and federal income tax, FICA, unemployment insurance premiums, and workers' compensation insurance premiums, in the correct amounts required by state and federal law, will be withheld as appropriate, and paid by Contractor for the individual(s) named below for the entire time period covered by the Contract.

**EMPLOYEES**

- |          |           |
|----------|-----------|
| 1. _____ | 9. _____  |
| 2. _____ | 10. _____ |
| 3. _____ | 11. _____ |
| 4. _____ | 12. _____ |
| 5. _____ | 13. _____ |
| 6. _____ | 14. _____ |
| 7. _____ | 15. _____ |
| 8. _____ | 16. _____ |

I declare under penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Printed Name of Authorized Official

\_\_\_\_\_  
Title of Authorized Official

\_\_\_\_\_  
Date

EQUITY INVESTIGATION SERVICES  
AGREEMENT

**CONTRACTOR’S CERTIFICATION OF NO CONFLICT OF INTEREST**  
**(COUNTY CODE SECTION 2.180.010.A)**

*(Note: This certification is to be executed and returned to the County at the time Contractor executes the Contract. Contractor’s cannot perform any work under the Contract until the County receives this executed document.)*

Name of Contractor: \_\_\_\_\_

County Contract Number: \_\_\_\_\_

Los Angeles County Code Section 2.180.010.A provides as follows:

**“Certain contracts prohibited.**

- A. Notwithstanding any other section of this code, the county shall not contract with, and shall reject any bid or proposal submitted by, the persons or entities specified below, unless the board of supervisors finds that special circumstances exist which justify the approval of such contract:
  - 1. Employees of the county or of public agencies for which the board of supervisors is the governing body;
  - 2. Profit-making firms or businesses in which employees described in subdivision 1 of subsection A serve as officers, principals, partners, or major shareholders;
  - 3. Persons who, within the immediately preceding 12 months, came within the provisions of subdivision 1 of subsection A, and who:
    - a. Were employed in positions of substantial responsibility in the area of service to be performed by the contract; or
    - b. Participated in any way in developing the contract or its service specifications; and
  - 4. Profit-making firms or businesses in which the former employees, described in subdivision 3 of subsection A, serve as officers, principals, partners, or major shareholders.”

Contractor hereby declares and certifies that no Contractor Personnel, nor any other person acting on Contractor’s behalf, who prepared and/or participated in the preparation of the Statement of Qualifications submitted in response to the Request for Statement of Qualifications or in the execution of the Contract, is within the purview of County Code Section 2.180.010.A, above.

I declare under penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Printed Name of Authorized Official

\_\_\_\_\_  
Title of Authorized Official

\_\_\_\_\_  
Date

**CONTRACTOR'S ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT**

*(Note: This certification is to be executed and returned to County at the time Contractor executes the Contract. Contractor cannot perform any work under the Contract until the County receives this executed document.)*

Contractor Name: \_\_\_\_\_

Work Order Number: \_\_\_\_\_ County Contract Number: \_\_\_\_\_

**GENERAL INFORMATION:**

The Contractor referenced above has entered into a Contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

**CONTRACTOR ACKNOWLEDGEMENT:**

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced contract are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced Contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced Contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

**CONFIDENTIALITY AGREEMENT:**

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff, will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced Contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

PRINTED NAME: \_\_\_\_\_

POSITION: \_\_\_\_\_



**CONTRACTOR'S EMPLOYEE ACKNOWLEDGEMENT AND AGREEMENT:  
CONFIDENTIALITY AND NO CONFLICT OF INTEREST**

*County Equity Investigations Unit*

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

*(Note: This agreement is to be executed and returned to the County prior to any Contractor's employee being approved to perform work under this Contract. Contractor's employee cannot perform any work under the Contract until the County receives this executed document for the Contractor's employee.)*

I, \_\_\_\_\_, pursuant to paragraphs 7.5, "Confidentiality," and 8.9, "Conflict of Interest," of the County of Los Angeles and Public Interest Investigations, Inc. Contract Number \_\_\_\_\_ for Equity Investigation Services effective \_\_\_\_\_:

shall, in my capacity as a Contractor's employee performing equity investigations for the County of Los Angeles ("County"), have access to and review confidential personnel records of the County, its departments and/or its workforce, as may be material and relevant to the performance of my equity investigation responsibilities, including but not limited to: any and all information, data, opinions, findings, or conclusions contained in an employee's personnel file, County Intake Specialist Unit ("CISU") file, County Equity Investigation's Unit ("CEIU") file or any other document(s) relevant to the performance of my duties or when discussed by/with the County Equity Oversight Panel ("CEOP") in the course and scope of exercising its duties (Confidential Information/Records).

1. As to such Confidential Information/Records, I understand and agree:
  - a. that I will use the utmost discretion and care to maintain the integrity of such while executing all of my equity investigation duties;
  - b. that I will exercise the utmost care to preserve all statutory and constitutional requirements of confidentiality with regard to such;
  - c. that such information acquired in my capacity as a Contractor's employee performing equity investigations shall be considered as information acquired in confidence by a public employee in the course of his or her duty and not open, or officially disclosed, to the public within the meaning of Evidence Code Section 1040;
  - d. that as a Contractor's employee with the County who is permitted to review the Confidential Information/Records, I am bound by any and all applicable confidentiality, privacy and privilege, Federal and California laws, and I agree not to disclose any such Confidential Information/Records, without the express written authorization of the County Director of Personnel or to the extent allowed by the law;

**Confidentiality and No Conflict of Interest Agreement**

- e. that any unauthorized disclosure of Confidential Information/Records will result in my immediate termination of performing any services under the above Contract, and may subject me to civil and/or criminal liability.

Further, I certify and agree that I am in compliance with, and will continue to comply with all the below terms, conditions and requirements of the Contract, which are to remain in effect during the term of this Contract and for three (3) years after the termination of this Contract:

**“8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County’s approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County’s approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this subparagraph 8.9 shall be a material breach of this Contract.
- 8.9.3 Contractor may not have in the past or during the term of this Contract represent(ed) any County employee in an employment related administrative or judicial case in any matter against the County of Los Angeles. Such representation creates a conflict of interest on behalf of the Contractor.
- 8.9.4 Contractor and employees of Contractor may not accept employment or provide investigative services that would present a conflict of interest with their Contractor responsibilities under this Contract, including being retained, on a paid or unpaid basis, by any future or current claimant in any suit or claim involving the County. This no conflict provision shall remain in effect for three (3) years after the termination of this Contract.

**Confidentiality and No Conflict of Interest Agreement**

8.9.5 Every employee and non-employee of Contractor performing work under this Contract shall agree, in writing, prior to commencing work on these contracted services with this no conflict provision and will execute Agreement Exhibit G4 – Contractor’s Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest or Agreement Exhibit G5 – Contractor’s Non-Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest; Contractor is responsible for ensuring that all Contractor’s employees and non-employees have submitted their written agreement to Contractor prior to commencing work on these contracted services.”

Signature of Contractor’s Employee: \_\_\_\_\_

Title of Contractor’s Employee: \_\_\_\_\_

Date: \_\_\_\_\_



**CONTRACTOR'S NON-EMPLOYEE ACKNOWLEDGEMENT AND AGREEMENT: CONFIDENTIALITY AND NO CONFLICT OF INTEREST**

*County Equity Investigations Unit*

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

*(Note: This agreement is to be executed and returned to the County prior to any Contractor's non-employee being approved to perform work under this Contract. Contractor's non-employee cannot perform any work under the Contract until the County receives this executed document for the Contractor's non-employee.)*

I, \_\_\_\_\_, pursuant to paragraphs 7.5, "Confidentiality," and 8.9, "Conflict of Interest," of the County of Los Angeles and Public Interest Investigations, Inc. Contract Number \_\_\_\_\_ for Equity Investigation Services effective \_\_\_\_\_:

shall, in my capacity as a Contractor's non-employee performing equity investigations for the County of Los Angeles ("County"), have access to and review confidential personnel records of the County, its departments and/or its workforce, as may be material and relevant to the performance of my equity investigation responsibilities, including but not limited to: any and all information, data, opinions, findings, or conclusions contained in an employee's personnel file, County Intake Specialist Unit ("CISU") file, County Equity Investigation's Unit ("CEIU") file or any other document(s) relevant to the performance of my duties or when discussed by/with the County Equity Oversight Panel ("CEOP") in the course and scope of exercising its duties (Confidential Information/Records).

1. As to such Confidential Information/Records, I understand and agree:
  - a. that I will use the utmost discretion and care to maintain the integrity of such while executing all of my equity investigation duties;
  - b. that I will exercise the utmost care to preserve all statutory and constitutional requirements of confidentiality with regard to such;
  - c. that such information acquired in my capacity as a Contractor's non-employee performing equity investigations shall be considered as information acquired in confidence by a public employee in the course of his or her duty and not open, or officially disclosed, to the public within the meaning of Evidence Code Section 1040;
  - d. that as a Contractor's non-employee with the County who is permitted to review the Confidential Information/Records, I am bound by any and all applicable confidentiality, privacy and privilege, Federal and California laws, and I agree not to disclose any such Confidential Information/Records, without the express written authorization of the County Director of Personnel or to the extent allowed by the law;

**Confidentiality and No Conflict of Interest Agreement**

- e. that any unauthorized disclosure of Confidential Information/Records will result in my immediate termination of performing any services under the above Contract, and may subject me to civil and/or criminal liability.

Further, I certify and agree that I am in compliance with, and will continue to comply with all the below terms, conditions and requirements of the Contract, which are to remain in effect during the term of this Contract and for three (3) years after the termination of this Contract:

**“8.9 CONFLICT OF INTEREST**

- 8.9.1 No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County’s approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County’s approval or ongoing evaluation of such work.
- 8.9.2 The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this subparagraph 8.9 shall be a material breach of this Contract.
- 8.9.3 Contractor may not have in the past or during the term of this Contract represent(ed) any County employee in an employment related administrative or judicial case in any matter against the County of Los Angeles. Such representation creates a conflict of interest on behalf of the Contractor.
- 8.9.4 Contractor and employees of Contractor may not accept employment or provide investigative services that would present a conflict of interest with their Contractor responsibilities under this Contract, including being retained, on a paid or unpaid basis, by any future or current claimant in any suit or claim involving the County. This no conflict provision shall remain in effect for three (3) years after the termination of this Contract.

**Confidentiality and No Conflict of Interest Agreement**

8.9.5 Every employee and non-employee of Contractor performing work under this Contract shall agree, in writing, prior to commencing work on these contracted services with this no conflict provision and will execute Agreement Exhibit G4 – Contractor’s Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest or Agreement Exhibit G5 – Contractor’s Non-Employee Acknowledgment and Agreement: Confidentiality and No Conflict of Interest; Contractor is responsible for ensuring that all Contractor’s employees and non-employees have submitted their written agreement to Contractor prior to commencing work on these contracted services.”

Signature of Contractor’s Non-Employee: \_\_\_\_\_

Title of Contractor’s Non-Employee: \_\_\_\_\_

Date: \_\_\_\_\_

**WORK ORDER ATTACHMENT CONTAINS CONFIDENTIAL INFORMATION****SAMPLE EQUITY INVESTIGATION SERVICES  
WORK ORDER AND CONTRACTOR CERTIFICATION**

<b>Contract Number:</b>	<b>Contractor :</b>
<b>Work Order Number:</b>	<b>Work Order Issuance Date:</b>

**1. GENERAL**

Contractor shall satisfactorily perform all services and tasks and provide all the deliverables detailed in the Statement of Work attached to above Contract, on a pricing schedule and in compliance with the terms and conditions of the above Agreement for all cases reflected on the attached Case Assignment List.

**2. CASE ASSIGNMENT(S)**

Contractor is hereby assigned the \_\_\_\_\_ cases listed on the Confidential Case Assignment List (Attachment 1) as of the above issuance date of this work order.

**3. PERSONNEL**

Contractor will only utilize personnel to perform work under this work order who have met all terms and conditions stated in above Contract, including but not limited to, Contractor having received written notice from the County of Contractor Employee's clearance of the security and investigations background check.

**4. PAYMENT**

A. Contractor shall invoice the County only for work which has been assigned to the Contractor by the County in a written Work Order and that has been satisfactorily completed in compliance with the terms and conditions of the above Contract.

B. Contractor shall satisfactorily provide and complete all required deliverables and services in accordance with Exhibit A (Statement of Work) to the Contract.

C. Contractor shall submit all invoices under this work order in compliance with paragraph 5.0 of the Contract, including requirement that cases be identified by CEIU case number only and **no names of individuals are to be included on the invoice submitted to County** (e.g., names of complaining party or subject(s) of investigation.)

**5. SERVICES**

In accordance with Contract sub-paragraph 3.2, Contractor may not be paid for any task, deliverable, service or other work that is not specified in this Work Order, and/or that utilizes personnel not specified in this Work Order, and/or that goes beyond the expiration date of the above Contract.

**WORK ORDER ATTACHMENT CONTAINS CONFIDENTIAL INFORMATION**

**6. CONTRACTOR’S CAPACITY**

Within two (2) business days of the issuance date of this Work Order, Contractor shall execute Section II of this Work Order, certifying its ability to complete the assigned case(s) on the attached Case Assignment List and meet all standards and requirements of above Contract. Contractor shall return an electronic signed copy to County within two (2) Business Days of the issuance of the work order and the original signed copy to County within fifteen (15) Business Days of the issuance of the Work o\Order.

**IF CONTRACTOR DOES NOT HAVE THE CAPACITY TO ACCEPT THE CASE ASSIGNMENTS ON THE ATTACHED CASE ASSIGNMENT LIST, NO WORK IS TO BE PERFORMED BY OR INVOICED BY THE CONTRACTOR UNDER THIS WORK ORDER, AND WILL RESULT IN THE RESCISSION OF THIS WORK ORDER.**

ALL TERMS OF THE CONTRACT SHALL REMAIN IN FULL FORCE AND EFFECT. THE TERMS OF THE CONTRACT SHALL GOVERN AND TAKE PRECEDENCE OVER ANY CONFLICTING TERMS AND/OR CONDITIONS IN THIS WORK ORDER. NEITHER THE RATES NOR ANY OTHER SPECIFICATIONS IN THIS WORK ORDER ARE VALID OR BINDING IF THEY DO NOT COMPLY WITH THE TERMS AND CONDITIONS OF THE CONTRACT.

**SECTION II: TO BE COMPLETED BY CONTRACTOR AND RETURNED TO COUNTY**

Contractor’s signature on this Work Order document:

- 1.) Confirms Contractor’s awareness of and agreement with the provisions of sub-paragraph 3.2 of the Contract, which establishes that Contractor shall not be entitled to any compensation whatsoever for any task, deliverable, service, or other work:
  - A. That is not specified in this Work Order, and/or
  - B. That utilizes personnel not specified in this Work Order, and/or
  - C. That goes beyond the expiration date of the Contract, and/or
  - D. That is performed if the Contractor does not have the capacity to accept the case assignment and meet the standards and requirements of the above Contract

**REGARDLESS OF ANY ORAL PROMISE MADE TO CONTRACTOR BY ANY COUNTY PERSONNEL WHATSOEVER.**
- 2.) Certifies and confirms Contractor’s ability to accept all cases on the attached Confidential Case Assignment List, and meet all standards and requirements in above Contract, including but not limited to the timelines and deliverables in the Statement of Work (Exhibit A to Contract).

<b>CONTRACTOR</b>		<b>COUNTY OF LOS ANGELES</b>	
Signature:		Signature:	
Printed Name:		Printed Name:	
Title:		Title:	
Date:		Date:	

**CONFIDENTIAL CASE ASSIGNMENT LIST**

<b>Contract Number:</b>			<b>Contractor :</b>	
<b>Work Order Number:</b>			<b>Work Order Issuance Date:</b>	
	<b>CEIU Case Number</b>	<b>Complaining Party</b>	<b>Subject(s) of Investigation (SOI)</b>	<b>County Department</b>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

**2.203.010 Findings.**

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.020 Definitions.**

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
  - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
  - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
  - 3. A purchase made through a state or federal contract; or
  - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
  - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
  - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
  - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
  - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.

Title 2 ADMINISTRATION  
Chapter 2.203.010 through 2.203.090  
CONTRACTOR EMPLOYEE JURY SERVICE

- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
  2. The contractor has a long-standing practice that defines the lesser number of hours as full time.
- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body. (Ord. 2002-0040 § 1, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **2.203.030 Applicability.**

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable. (Ord. 2002-0040 § 2, 2002: Ord. 2002-0015 § 1 (part), 2002)

### **2.203.040 Contractor Jury Service Policy.**

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.050 Other Provisions.**

- A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.
- B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract. (Ord. 2002-0015 § 1 (part), 2002)

### **2.203.060 Enforcement and Remedies.**

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.070. Exceptions.**

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
  - 1. Has ten or fewer employees during the contract period; and,
  - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
  - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation. (Ord. 2002-0015 § 1 (part), 2002)

**2.203.090. Severability.**

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. (Ord. 2002-0015 § 1 (part), 2002)

## SAFELY SURRENDERED BABY LAW

# *Safely* Surrendered



No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



# Safely Surrendered Baby Law

## What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

## How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

## What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

## Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

## Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

## Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

## What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

## What happens to the parent or surrendering adult?

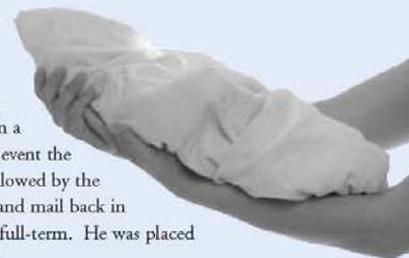
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

## Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

## A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



# *Ley de* Entrega de Bebés *Sin Peligro*



*Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles*

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Ángeles: 1-877-BABY SAFE • 1-877-222-9723

[www.babysafela.org](http://www.babysafela.org)



# Ley de Entrega de Bebés Sin Peligro

## ¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

*Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.*

## ¿Cómo funciona?

El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Ángeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazaletes y el padre/madre o el adulto que lo entregue recibirá un brazaletes igual.

## ¿Qué pasa si el padre/madre desea recuperar a su bebé?

Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Ángeles al 1-800-540-4000.

## ¿Sólo los padres podrán llevar al recién nacido?

No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

## ¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?

No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

## ¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?

No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

## ¿Qué pasará con el bebé?

El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

## ¿Qué pasará con el padre/madre o adulto que entregue al bebé?

Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

## ¿Por qué se está haciendo esto en California? ?

La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y no tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

## Historia de un bebé

A la mañana temprano del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazaletes con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



**INFORMATION SECURITY REQUIREMENTS**

This sets forth information security procedures to be established by Contractor before the effective date of the Contract and maintained throughout the term of the Contract. These procedures are in addition to the requirements of the Contract and the Business Associate Agreement, if any, between the Parties. They present a minimum standard only. However, it is Contractor's sole obligation to: (i) implement appropriate measures to secure its systems and data, including Personally Identifiable Information, Protected Health Information, if any, and County Confidential Information, against internal and external threats and risks; and (ii) continuously review and revise those measures to address ongoing threats and risks. Failure to comply with the minimum standards set forth in this Exhibit K (Information Security Requirements) will constitute a material, non-curable breach of the Contract by Contractor, entitling County, in addition to and cumulative of all other remedies available to it at law, in equity, or under the Contract, to immediately terminate the Contract. Unless specifically defined in this Exhibit, capitalized terms shall have the meanings set forth in the Contract.

1. **Security Policy.** Contractor shall establish and maintain a formal, documented, mandated, company-wide information security program, including security policies, standards and procedures (collectively "**Information Security Policy**"). The Information Security Policy will be communicated to all Contractor personnel in a relevant, accessible, and understandable form and will be regularly reviewed and evaluated to ensure its operational effectiveness, compliance with all applicable laws and regulations, and to address new threats and risks.
2. **Personnel and Contractor Protections.** Contractor shall screen and conduct background checks on all Contractor personnel contacting County Confidential Information, including Personally Identifiable Information and Protected Health Information, if any, for potential security risks and require all employees and contractors to sign an appropriate written confidentiality/non-disclosure agreement. All agreements with third-parties involving access to Contractor's systems and data, including all outsourcing arrangements and maintenance and support agreements (including facilities maintenance), shall specifically address security risks, controls, and procedures for information systems. Contractor shall supply each of its Contractor personnel with appropriate, ongoing training regarding information security procedures, risks, and threats. Contractor shall have an established set of procedures to ensure Contractor personnel promptly report actual and/or suspected breaches of security.
3. **Removable Media.** Except in the context of Contractor's routine back-ups or as otherwise specifically authorized by County in writing, Contractor shall institute strict physical and logical security controls to prevent transfer of Personally Identifiable Information and Protected Health Information, if any, to any form of Removable Media. For purposes of this Exhibit (Information Security Requirements), "**Removable Media**" means portable or removable hard disks, floppy disks, USB memory drives, zip disks, optical disks, CDs, DVDs, digital film, digital cameras, memory cards (e.g., Secure Digital (SD), Memory Sticks (MS), CompactFlash (CF), SmartMedia (SM), MultiMediaCard (MMC), and xD-Picture Card (xD)), magnetic tape, and all other removable data storage media.
4. **Storage, Transmission, and Destruction of Personally Identifiable Information and Protected Health Information.** All Personally Identifiable Information, including any Protected Health Information, shall be rendered unusable, unreadable, or indecipherable to unauthorized individuals in accordance with the applicable law, including HIPAA as amended and

supplemented by the HITECH Act, to the extent applicable. Without limiting the generality of the foregoing, Contractor will encrypt all electronic Personally Identifiable Information, including any Protected Health Information (stored and during transmission) in accordance with the applicable law including HIPAA and the HITECH Act as implemented by the U.S. Department of Health and Human Services. If Personally Identifiable Information, including any Protected Health Information, is no longer required to be retained by Contractor under the Contract and applicable law, Contractor shall destroy such Personally Identifiable Information, including Protected Health Information, if any, by: (a) shredding or otherwise destroying paper, film, or other hard copy media so that the Personally Identifiable Information, including Protected Health Information, if any, cannot be read or otherwise cannot be reconstructed; and (b) clearing, purging, or destroying electronic media containing Personally Identifiable Information, including Protected Health Information, if any, consistent with NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>1</sup> such that the Personally Identifiable Information, including Protected Health Information, if any, cannot be retrieved.

5. **Data Control; Media Disposal and Servicing.** Subject to and without limiting the requirements under Section 4 (Storage, Transmission and Destruction of Personally Identifiable Information and Protected Health Information), Personally Identifiable Information, Protected Health Information, if any, and County Confidential Information: (i) may only be made available and accessible to those parties explicitly authorized under the Contract or otherwise expressly Approved by County in writing; (ii) if transferred across the Internet, any wireless network (e.g., cellular, 802.11x, or similar technology), or other public or shared networks, must be protected using appropriate encryption technology as designated or Approved by County in writing; and (iii) if transferred using Removable Media (as defined above) must be sent via a bonded courier or protected using encryption technology designated or Approved by County in writing. The foregoing requirements shall apply to back-up data stored by Contractor at off-site facilities. In the event any hardware, storage media, or Removable Media must be disposed of or sent off-site for servicing, Contractor shall ensure all County Confidential Information, including Personally Identifiable Information and Protected Health Information, if any, has been cleared, purged, or scrubbed from such hardware and/or media using industry best practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>2</sup>).
6. **Hardware Return.** Upon termination or expiration of the Contract or at any time upon County's request, Contractor will return all hardware, if any, provided by County containing Personally Identifiable Information, Protected Health Information, if any, or County Confidential Information to County. The Personally Identifiable Information, Protected Health Information, if any, and County Confidential Information shall not be removed or altered in any way. The hardware should be physically sealed and returned via a bonded courier or as otherwise directed by County. In the event the hardware containing County Confidential Information, Personally Identifiable Information or Protected Health Information, if any, is owned by Contractor or a third-party, a notarized statement, detailing the destruction method used and the data sets involved, the date of destruction, and the company or individual who performed the destruction will be sent to a designated County security representative within fifteen (15) days of termination or expiration of the Contract or at any time upon County's request. Contractor's destruction or erasure of County Confidential Information, Personal Information

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<sup>1</sup> Available at <http://www.csrc.nist.gov/>

<sup>2</sup> Available at <http://www.csrc.nist.gov/>

and Protected Health Information, if any, pursuant to this Section shall be in compliance with industry Best Practices (e.g., NIST Special Publication 800-88, Guidelines for Media Sanitization<sup>3</sup>).

7. **Physical and Environmental Security.** Contractor facilities that process Personally Identifiable Information, Protected Health Information, if any, or County Confidential Information will be housed in secure areas and protected by perimeter security such as barrier access controls (e.g., the use of guards and entry badges) that provide a physically secure environment from unauthorized access, damage, and interference.
8. **Communications and Operational Management.** Contractor shall: (i) monitor and manage all of its information processing facilities, including, without limitation, implementing operational procedures, change management and incident response procedures; and (ii) deploy adequate anti-viral software and adequate back-up facilities to ensure essential business information can be promptly recovered in the event of a disaster or media failure; and (iii) ensure its operating procedures will be adequately documented and designed to protect information, computer media, and data from theft and unauthorized access.
9. **Access Control.** Contractor shall implement formal procedures to control access to its systems, services, and data, including, but not limited to, user account management procedures and the following controls:
  - a. Network access to both internal and external networked services shall be controlled, including, but not limited to, the use of properly configured firewalls;
  - b. Operating systems will be used to enforce access controls to computer resources including, but not limited to, authentication, authorization, and event logging;
  - c. Applications will include access control to limit user access to information and application system functions; and
  - d. All systems will be monitored to detect deviation from access control policies and identify suspicious activity. Contractor shall record, review and act upon all events in accordance with incident response policies set forth below.
10. **Security Incident.** A "Security Incident" shall have the meaning given to such term in 45 C.F.R. § 164.304.
  - a. Contractor will promptly notify (but in no event more than twenty-four (24) hours after the detection of a Security Incident) the designated County security contact by telephone and subsequently via written letter of any potential or actual security attacks or Security Incidents.
  - b. The notice shall include the approximate date and time of the occurrence and a summary of the relevant facts, including a description of measures being taken to address the occurrence. A Security Incident includes instances in which internal personnel access systems in excess of their user rights or use the systems inappropriately.

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<sup>3</sup> Available at <http://www.csrc.nist.gov/>

c. Contractor will provide a monthly report of all Security Incidents noting the actions taken. This will be provided via a written letter to the County security representative on or before the first (1st) week of each calendar month. County or its third-party designee may, but is not obligated, perform audits and security tests of Contractor's environment that may include, but are not limited to, interviews of relevant personnel, review of documentation, or technical inspection of systems, as they relate to the receipt, maintenance, use, retention, and authorized destruction of Personally Identifiable Information, Protected Health Information, if any, and County Confidential Information.

d. In the event County desires to conduct an unannounced penetration test, County shall provide contemporaneous notice to Contractor's Vice President of Audit, or such equivalent position. Any of County's regulators shall have the same right upon request. Contractor shall provide all information reasonably requested by County in connection with any such audits and shall provide reasonable access and assistance to County or its regulators upon request. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes. County reserves the right to view, upon request, any original security reports that Contractor has undertaken on its behalf to assess Contractor's own network security. If requested, copies of these reports will be sent via bonded courier to the County security contact. Contractor will notify County of any new assessments.

11. **Contractor Self Audit.** Contractor will provide to County a summary of: (1) the results of any security audits, security reviews, or other relevant audits listed below, conducted by Contractor or a third-party; and (2) the corrective actions or modifications, if any, Contractor will implement in response to such audits.

Relevant audits conducted by Contractor as of the Effective Date include:

- a. ISO 27001:2013 (Information Security Management) or FDA's Quality System Regulation, etc. – Contractor-Wide. A full recertification is conducted every three (3) years with surveillance audits annually.
- (i) **External Audit** – Audit conducted by non-Contractor personnel, to assess Contractor's level of compliance to applicable regulations, standards, and contractual requirements.
  - (ii) **Internal Audit** – Audit conducted by qualified Contractor Personnel (or contracted designee) not responsible for the area of review, of Contractor organizations, operations, processes, and procedures, to assess compliance to and effectiveness of Contractor's Quality System ("**CQS**") in support of applicable regulations, standards, and requirements.
  - (iii) **Supplier Audit** – Quality audit conducted by qualified Contractor Personnel (or contracted designee) of product and service suppliers contracted by Contractor for internal or Contractor client use.
  - (iv) **Detailed findings**- are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above and the ISO certificate is published on Public Interest Investigations, Inc.
- b. SSAE-16 (formerly known as SAS -70 II) – As to the Hosting Services only:

- (i) Audit spans a full twelve (12) months of operation and is produced annually.
- (ii) The resulting detailed report is available to County.

Detailed findings are not published externally, but a summary of the report findings, and corrective actions, if any, will be made available to County as provided above.

12. **Security Audits.** In addition to the audits described in Section 11 (Contractor Self Audit), during the term of this Contract, County or its third-party designee may annually, or more frequently as agreed in writing by the Parties, request a security audit of Contractor's data center and systems. The audit will take place at a time mutually agreed to by the Parties, but in no event on a date more than ninety (90) days from the date of the request by County. County's request for security audit will specify the areas (e.g., Administrative, Physical and Technical) that are subject to the audit and may include but not limited to physical controls inspection, process reviews, policy reviews evidence of external and internal vulnerability scans, penetration tests results, evidence of code reviews, and evidence of system configuration and audit log reviews. County shall pay for all third-party costs associated with the audit. It is understood that summary data of the results may filtered to remove the specific information of other Contractor customers such as IP address, server names, etc.. Contractor shall cooperate with County in the development of the scope and methodology for the audit, and the timing and implementation of the audit. Any of the County's regulators shall have the same right upon request, to request an audit as described above. Contractor agrees to comply with all reasonable recommendations that result from such inspections, tests, and audits within reasonable timeframes.

13. **Confidentiality**

a. Contractor agrees that all information supplied by its affiliates and agents to the County including, without limitation, (a) any information relating to County's customers, patients, business partners, or personnel; (b) Personally Identifiable Information (as defined below); and (c) Protected Health Information (as defined under HIPAA and the HITECH Act), if any, will be deemed confidential and proprietary to the County, regardless of whether such information was disclosed intentionally or unintentionally or marked as "confidential" or "proprietary" ("Confidential Information"). To be deemed "Confidential Information", trade secrets and mask works must be plainly and prominently marked with restrictive legends.

b. **County Data.** All of the County Confidential Information, data, records, and information of County to which Contractor has access, or otherwise provided to Contractor under this Purchase Order ("County Data"), shall be and remain the property of County and County shall retain exclusive rights and ownership thereto. The County Data shall not be used by Contractor for any purpose other than as required under this Contract, nor shall such data or any part of such data be disclosed, sold, assigned, leased, or otherwise disposed of to third parties by Contractor or commercially exploited or otherwise used by or on behalf of Contractor, its officers, directors, employees, or agents.

c. **Non-Exclusive Equitable Remedy.** Contractor acknowledges and agrees that due to the unique nature of Confidential Information there can be no adequate remedy at law for any breach of its obligations hereunder, that any such breach or threatened breach may result in irreparable harm to County, and therefore, that upon any such breach or any threat thereof, County will be entitled to appropriate equitable remedies, and may seek injunctive relief from a

court of competent jurisdiction without the necessity of proving actual loss, in addition to whatever remedies either of them might have at law or equity. Any breach of this Section 13 (Confidentiality) shall constitute a material breach of this Contract and be grounds for immediate termination of this Contract in the exclusive discretion of the County.

d. **Personally Identifiable Information.** "Personally Identifiable Information" shall mean any information that identifies a person, including, but not limited to, name, address, email address, passwords, account numbers, social security numbers, credit card information, personal financial or healthcare information, personal preferences, demographic data, marketing data, credit data, or any other identification data. For the avoidance of doubt, Personally Identifiable Information shall include, but not be limited to, all "nonpublic personal information," as defined under the Gramm-Leach-Bliley Act (15 United States Code ("U.S.C.") §6801 et seq.), Protected Health Information, and "Personally Identifiable Information" as that term is defined in EU Data Protection Directive (Directive 95/46/EEC) on the protection of individuals with regard to processing of personal data and the free movement of such data.

i. **Personally Identifiable Information.** In connection with this Contract and performance of the services, Contractor may be provided or obtain, from County or otherwise, Personally Identifiable Information pertaining to County's current and prospective personnel, directors and officers, agents, investors, patients, and customers and may need to process such Personally Identifiable Information and/or transfer it, all subject to the restrictions set forth in this Contract and otherwise in compliance with all applicable foreign and domestic laws and regulations for the sole purpose of performing the services.

ii. **Treatment of Personally Identifiable Information.** Without limiting any other warranty or obligations specified in this Contract, and in particular the confidential provisions of Section 13 (Confidentiality), during the Term of this Contract and thereafter in perpetuity, Contractor will not gather, store, log, archive, use, or otherwise retain any Personally Identifiable Information in any manner and will not disclose, distribute, sell, share, rent, or otherwise retain any Personally Identifiable Information to any third-party, except as expressly required to perform its obligations in this Contract or as Contractor may be expressly directed in advance in writing by County. Contractor represents and warrants that Contractor will use and process Personally Identifiable Information only in compliance with (a) this Contract, (b) County's then current privacy policy, and (c) all applicable local, state, and federal laws and regulations (including, but not limited to, current and future laws and regulations relating to spamming, privacy, confidentiality, data security, and consumer protection).

iii. **Retention of Personally Identifiable Information.** Contractor will not retain any Personally Identifiable Information for any period longer than necessary for Contractor to fulfill its obligations under this Contract. As soon as Contractor no longer needs to retain such Personally Identifiable Information in order to perform its duties under this Contract, Contractor will promptly return or destroy or erase all originals and copies of such Personally Identifiable Information.

e. **Return of Confidential Information.** On County's written request or upon expiration or termination of this Contract for any reason, Contractor will promptly: (a) return or destroy, at

County's option, all originals and copies of all documents and materials it has received containing County's Confidential Information; (b) if return or destruction is not permissible under applicable law, continue to protect such information in accordance with the terms of this Contract; and (c) deliver or destroy, at County's option, all originals and copies of all summaries, records, descriptions, modifications, negatives, drawings, adoptions and other documents or materials, whether in writing or in machine-readable form, prepared by Contractor, prepared under its direction, or at its request, from the documents and materials referred to in Subsection 13(a), and provide a notarized written statement to County certifying that all documents and materials referred to in Subsections 13(a) and (b) have been delivered to County or destroyed, as requested by County. On termination or expiration of this Contract, County shall return or destroy all Contractor Confidential Information (excluding items licensed to County hereunder or that are required for use of the Deliverables and/or the Licensed Software), at Contractor's option.



# COUNTY OF LOS ANGELES

## DEPARTMENT OF HUMAN RESOURCES

HEADQUARTERS  
579 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-2406 FAX (213) 621-0387

BRANCH OFFICE  
3333 WILSHIRE BOULEVARD • LOS ANGELES, CALIFORNIA 90010  
(213) 738-2211 FAX (213) 637-0820

**LISA M. GARRETT**  
DIRECTOR OF PERSONNEL

May 4, 2015

To: Each Supervisor

From: Lisa M. Garrett  
Director of Personnel

Subject: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE SOURCE CONTRACT NEGOTIATIONS WITH PUBLIC INTEREST INVESTIGATIONS, INC.**

This memorandum is to provide advance notification to your Board that the Department of Human Resources (DHR) intends to enter into Sole Source negotiations with Public Interest Investigations, Inc. (PII) for equity investigation services on potential conflict of interest equity investigations handled by the DHR County Equity Investigations Unit (Investigations Unit) for the County of Los Angeles (County) and/or investigations that are part of the Investigations Unit caseload and are open more than 90 days. The intended term of the agreement will be for one-year with an option to extend for two additional one-year periods for a total term not to exceed three years.

Pursuant to County Code 5.09.040.B.3, DHR is responsible for investigating employee complaints of potential violations of the County Policy of Equity (CPOE). Since the inception of the CPOE in 2011, actual experience has demonstrated that temporary and intermittent increases in the number of case filings will be experienced, resulting in the intermittent need for additional case investigators to be available on a temporary basis to supplement the Investigations Unit staff performing equity investigations. This contract will provide the ability for DHR to obtain the temporary services of equity investigators on an as-needed basis.

PII has unique and extensive experience that qualifies it as the sole contractor currently able to perform these services in a timely manner and to perform the services in a manner that meets the known expectations of the County. PII has unique and extensive experience with the CPOE and the County's equity investigation process. PII is well-versed with the relational, interactive and responsibility roles of investigators and the County Equity Oversight Panel (Panel), the processes and procedures to be used in bringing matters to the Panel, and the investigative expectations of the Investigations Unit and the Panel. Additionally, PII has process-specific knowledge of the current equity investigation processes, procedures and standards. Under separate contracts, PII in 2011-12 assisted in training of the Investigations Unit staff, in 2012 provided assistance in refining equity investigation processes and procedures that are still being utilized by the Investigations Unit, and conducted case investigations assigned during a one-

year period commencing December 2012 to address a backlog of high-profile cases involving County executives.

PII has been selected as the Sole Source entity for contracted equity investigation services because of this unique and extensive knowledge and expertise. Cases that are potentially high risk for the County will be given priority in the selection process for referral to PII. Additionally, the County can avoid any actual, or appearance of a, conflict of interest by utilizing an outside firm to provide equity investigation services when appropriate. Determination as to whether cases are suitable for referral to PII for equity investigation services will be made by the Director of Personnel or her designee.

Contractors' knowledge and experience with CPOE and the County are critical to ensure that equity-related investigations are completed in a thorough, complete and timely manner. In order for contractors to meet these requirements, their investigations need to be completed without delays due to learning curves; they must possess knowledge of CPOE, the County process and procedures, and the standards and expectations of the Investigations Unit and the Panel. PII is currently the only contractor so qualified.

During the term of this sole source contract, actions will be taken to provide training and experience to other vendors who will then be able to perform equity-related case investigations if/when temporary or intermittent increases in the Investigations Unit caseload are experienced. A separate, competitive solicitation for as-needed personnel and equity-related investigation services is being developed by DHR. In addition to personnel investigations being referred to the successful contractors under this solicitation, they will also initially be referred small, appropriate numbers of equity-related investigations. The County will provide hands-on training and oversight on CPOE, equity-related investigation processes, procedures and expectations, while also ensuring timely handling of these case equity investigations. This will develop additional contractors with knowledge and experience in the County's CPOE and equity-related investigations processes. At the time additional vendors have acquired the required knowledge and experience to complete equity investigations and related services, this sole source contract will no longer be utilized to refer equity investigations to PII.

Pursuant to Board of Supervisor's Policy 5.100, DHR will engage in Sole Source contract negotiations with PII in two weeks unless otherwise instructed by a Board office. DHR will work with County Counsel and the Chief Executive Office during this process.

Should you have any questions, please contact me at (213) 974-2406 or your staff may contact Epifanio Peinado, Chief Deputy Director, at (213) 974-2451.

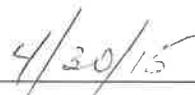
LMG:EP:DJ

c: Board Chief Deputies  
Chief Executive Office  
Executive Office, Board of Supervisors  
County Counsel

**DEPARTMENT OF HUMAN RESOURCES**  
**SOLE SOURCE CHECKLIST**  
 FOR CONTRACT WITH: PUBLIC INTEREST INVESTIGATIONS, INC.

Check (v)	JUSTIFICATION FOR SOLE SOURCE CONTRACTS
	Identify applicable justification and provide documentation for each checked item.
v	<ul style="list-style-type: none"> <li>➤ Only one bona fide source for the service exists; performance and price competition are not available.</li> </ul> <p>Public Interest Investigations (PII) has unique and extensive experience that qualifies them as the sole contractor currently able to perform these services in a timely manner and to perform the services in a manner that meets the known expectations of the County.</p> <p>PII has unique and extensive experience with the County Policy of Equity (CPOE) and the County's equity investigation process. PII is well versed with the relational, interactive and responsibility roles of investigators and the County Equity Oversight Panel (CEOP), the processes and procedures to be used in bringing matters to the CEOP, and the investigative expectations of the CEIU and the CEOP. Additionally, PII has process specific knowledge of the current Department of Human Resources (DHR) County Equity Investigation Unit (CEIU) equity investigation processes, procedures and standards. Under separate contracts, PII in 2011-12 assisted in training of CEIU staff, in 2012 provided assistance in refining equity investigation processes and procedures which are still being utilized by CEIU, and conducted case investigations assigned during a one-year period commencing December 2012 to address a backlog of high-profile cases involving County executives.</p>
	<ul style="list-style-type: none"> <li>➤ Quick action is required (emergency situation).</li> </ul>
	<ul style="list-style-type: none"> <li>➤ Proposals have been solicited but no satisfactory proposals were received.</li> </ul>
	<ul style="list-style-type: none"> <li>➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.</li> </ul>
	<ul style="list-style-type: none"> <li>➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.</li> </ul>
	<ul style="list-style-type: none"> <li>➤ It is most cost-efficient to obtain services by exercising an option under an existing contract.</li> </ul>
v	<ul style="list-style-type: none"> <li>➤ It is in the best interest of the County e.g., administrative cost savings, excessive learning curve for a new service provider, etc.</li> </ul> <p>Contractors' knowledge and experience with CPOE and the County are critical to ensure that equity-related investigations are completed in a thorough, complete and timely manner. In order for contractors to meet these requirements, their investigations need to be completed without delays due to learning curves; they must possess knowledge of CPOE, the County process and procedures, and the standards and expectations of CEIU and the CEOP. PII is currently the only contractor so qualified.</p> <p>During the term of this sole source contract, actions will be taken to provide training and experience to other vendors who will then be able to perform equity-related case investigations if/when temporary or intermittent increases in the CEIU investigation caseload are experienced. A separate, competitive solicitation for as-needed personnel and equity related investigation services is being developed by DHR. In addition to personnel investigations being referred to the successful contractors under this solicitation, they will also initially be referred small, appropriate numbers of equity-related</p>

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SOLE SOURCE CHECKLIST**  
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	<i>(continued from prior page)</i>  investigations. The County will provide hands-on training and oversight on CPOE, equity-related investigation processes, procedures and expectations, while also ensuring timely handling of these case equity investigations. This will develop additional contractors with knowledge and experience in the County's CPOE and equity-related investigations process. At the time additional vendors have acquired the needed knowledge and experience to complete equity-investigations and related services, this sole source contract will no longer be utilized to refer equity investigations to PII.
v	<p>➤ Other reason. Please explain:</p> <p>DHR, having responsibility for conducting all County equity investigations, will execute a sole source contract with PII to provide investigation services for equity complaints. PII will be assigned cases which are potential conflicts of interest for DHR or are part of the CEIU caseload which are open more than 90 days; cases that are potentially high-risk for the County will be given priority in the selection process for referral to PII. Since the inception of the CPOE in 2012, actual experience has demonstrated that temporary and intermittent increases in the number of case filings will be experienced, resulting in the need for temporary additional case investigators to be available during intermittent intervals to ensure the timely completion of equity investigations.</p>
	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">   <hr/> <b>Chief Executive Office</b> </div> <div style="text-align: center;">   <hr/> <b>Date</b> </div> </div>