

AGREEMENT

THIS AGREEMENT, is entered into as of _____, between the COUNTY OF TULARE, referred to as COUNTY, and FAMILIES FIRST a NONPROFIT CORPORATION, referred to as CONTRACTOR, with reference to the following:

A. Tulare COUNTY Wraparound is designed to serve families with multiple, complex needs that may threaten the families' stability and well-being, and ability to keep their child safely at home and;

B. CONTRACTOR has the experience to provide a strength-based, needs-driven, family centered, flexible, and cost effective program that helps children and families build life skills, and strengthen individual and family supports so that family functioning is improved, barriers to meeting basic life needs are overcome, and out-of-home placements are prevented. The subsequent decreases in placement and community costs and increases in families; ability to care for their children result in fiscal and human resource savings that can be reinvested toward future placement prevention services and,

C. CONTRACTOR is willing to enter into this Agreement with COUNTY upon the terms and conditions set forth herein:

ACCORDINGLY, IT IS AGREED:

1. TERM: This Agreement shall become effective January 1, 2008 and shall terminate on June 30, 2008 unless terminated sooner as provided in this Agreement.

2. SERVICES: CONTRACTOR shall provide the services as set forth in Exhibit "A," and be reimbursed pursuant to Exhibit "B."

3. PAYMENT FOR SERVICES: For services rendered, CONTRACTOR shall be paid according to the fee schedule set forth in Exhibit "B," which Exhibit is made part of this Agreement by reference.

4. COMPLIANCE WITH LAW: CONTRACTOR shall provide services in accordance with all applicable Federal, State, and local laws, regulations and directives. With respect to CONTRACTOR'S employees, CONTRACTOR shall comply with all laws and regulations pertaining to wages and hours, state and federal income tax, unemployment insurance, Social Security, disability insurance, workers' compensation insurance, and discrimination in employment. If CONTRACTOR is an individual or sole proprietorship, this Agreement is subject to the Independent Contractor reporting requirements of Unemployment Insurance Code section 1088.8. In such case, CONTRACTOR shall accurately fill out and complete the California Unemployment Development Department's form DE-542 ("Report of Independent Contractor(s)") and submit it to COUNTY at the time this Agreement is executed

TULARE COUNTY AGREEMENT NO: _____

by CONTRACTOR. Failure to provide form DE-542 with complete information by the time specified may, at COUNTY'S option, prevent approval of this Agreement by COUNTY, or may be grounds for its termination by COUNTY, and COUNTY reserves the right to offset the amount of any fines or penalties imposed on COUNTY against any sum due or to become due.

5. INSURANCE: Prior to approval of this Agreement by COUNTY, CONTRACTOR shall file with the Clerk of the Board of Supervisors evidence of the required insurance as set forth in Exhibit "C," which Exhibit is made part of this Agreement by reference.

6. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is entered into by both parties with the understanding that CONTRACTOR will perform all services required under this Agreement as an independent contractor. Nothing in this Agreement shall be construed to constitute CONTRACTOR or any of its agents, employees or officers as an agent, employee or officer of COUNTY, and CONTRACTOR shall advise everyone it assigns or hires to perform any duty under this Agreement that they are not employees of COUNTY. Subject to any performance criteria contained in this Agreement, CONTRACTOR shall be solely responsible for determining the means and methods of performing the specified services and COUNTY shall have no right to control or exercise any supervision over CONTRACTOR as to how the services will be performed. As CONTRACTOR is not COUNTY'S employee, CONTRACTOR is responsible for paying all required state and federal taxes. In particular, COUNTY will not:

1. Withhold FICA (Social Security) from CONTRACTOR'S payments.
2. Make state or federal unemployment insurance contributions on CONTRACTOR'S behalf.
3. Withhold state or federal income tax from payments to CONTRACTOR.
4. Make disability insurance contributions on behalf of CONTRACTOR.
5. Obtain unemployment compensation insurance on behalf of CONTRACTOR.

B. Notwithstanding this independent contractor relationship, COUNTY shall have the right to monitor and evaluate the performance of CONTRACTOR to assure compliance with this Agreement.

7. INDEMNIFICATION: CONTRACTOR shall hold harmless, defend and indemnify COUNTY, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including COUNTY property, arising from, or in connection with, the performance by CONTRACTOR or its agents, officers and employees under this Agreement. This indemnification specifically includes any claims that may be made against COUNTY by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, any claims made against COUNTY alleging civil rights violations by CONTRACTOR under Government Code section 12920 et seq. (California Fair Employment and Housing Act), and any fines or penalties imposed on COUNTY for CONTRACTOR'S failure to provide form DE-542, when applicable. This indemnification obligation shall continue beyond the term or termination of this Agreement as to any acts or omissions occurring under

this Agreement or any extension of this Agreement.

8. TERMINATION:

(a) Without Cause: County will have the right to terminate this Agreement without cause by giving thirty (30) days prior written notice of intention to terminate pursuant to this provision, specifying the date of termination. County will pay to the CONTRACTOR the compensation earned for work performed and not previously paid for to the date of termination. County will not pay lost anticipated profits or other economic loss. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONTRACTOR of any and all plans, specifications and estimates, and other documents prepared by CONTRACTOR in accordance with this Agreement. No sanctions will be imposed.

(b) With Cause: This Agreement may be terminated by either party should the other party:

- (1) be adjudged a bankrupt, or
- (2) become insolvent or have a receiver appointed, or
- (3) make a general assignment for the benefit of creditors, or
- (4) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
- (5) materially breach this Agreement, or
- (6) material misrepresentation, either by CONTRACTOR or anyone acting on CONTRACTOR's behalf, as to any matter related in any way to COUNTY's retention of CONTRACTOR, or
- (7) other misconduct or circumstances which, in the sole discretion of the COUNTY, either impair the ability of CONTRACTOR to competently provide the services under this Agreement, or expose the COUNTY to an unreasonable risk of liability.

County will pay to the CONTRACTOR the compensation earned for work performed and not previously paid for to the date of termination. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CONTRACTOR of any and all plans, specifications and estimates, and other documents prepared by CONTRACTOR by the date of termination in accordance with this Agreement. County will not pay lost anticipated profits or other economic loss, nor will the County pay compensation or make reimbursement to cure a breach arising out of or resulting from such termination. If this Agreement is terminated and the expense of finishing the CONTRACTOR's scope of work exceeds the unpaid balance of the agreement, the CONTRACTOR must pay the difference to the County. Sanctions taken will be possible rejection of future proposals based on specific causes of non-performance.

c. Effects of Termination: Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where CONTRACTOR's services have been terminated by the County, said termination will not affect any rights of the County to recover damages against the

CONTRACTOR.

d. Suspension of Performance: Independent of any right to terminate this Agreement, the authorized representative of COUNTY for which CONTRACTOR's services are to be performed, may immediately suspend performance by CONTRACTOR, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by CONTRACTOR to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

9. ENTIRE AGREEMENT REPRESENTED: This Agreement represents the entire agreement between CONTRACTOR and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both parties.

10. HEADINGS: Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

11. NOTICES:

A. Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

COUNTY:

CONTRACT UNIT

TULARE HEALTH & HUMAN SERVICES AGENCY

5957 S. Mooney Boulevard

Visalia, CA 93277

Fax No.: 559-737-4059

Phone No.: 559-737-4686

CONTRACTOR:

Families First Inc.

2100 5th St.

Davis, Ca 95618

Fax No.: 530-753-3390

Phone No.: 530-753-0220

B. Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change their above address or phone or fax number by giving written notice pursuant to this paragraph.

12. CONSTRUCTION: This Agreement reflects the contributions of both parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any uncertainty.

13. NO THIRD PARTY BENEFICIARIES INTENDED: Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

14. GOVERNING LAW: This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this contract is made in and shall be performed in Tulare County California.

15. WAIVERS: The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

16. EXHIBITS AND RECITALS: The Recitals and the Exhibits to this Agreement are fully incorporated into and integral parts of this Agreement.

17. CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY:

This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement shall continue in full force and effect.

18. FURTHER ASSURANCES: Each party will execute any additional documents and perform any further acts as may be reasonably required to effect the purposes of this agreement.

19. ASSURANCES OF NON-DISCRIMINATION: CONTRACTOR shall not discriminate in employment or in the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

(a) It is recognized that both the CONTRACTOR and the COUNTY have the responsibility to protect COUNTY employees and clients from unlawful activities, including discrimination and sexual harassment in the workplace. Accordingly, Contractor agrees to provide appropriate training to its employees regarding discrimination and sexual harassment issues, and to promptly and appropriately investigate any allegations that any of its employees may have engaged in improper discrimination or harassment activities. The COUNTY, in its sole discretion, has the right to require CONTRACTOR to replace any employee, who provides services of any kind to COUNTY pursuant to this Agreement, with other employees where COUNTY is concerned that its employees or clients may have been or may be the subjects of discrimination or harassment by such employees. The right to require replacement of employees as aforesaid shall not preclude COUNTY from terminating this agreement with or without cause as provided for herein.

20. ASSIGNMENT/SUBCONTRACTING: Unless otherwise provided in this Agreement, COUNTY is relying on the personal skill, expertise, training and experience of CONTRACTOR and CONTRACTOR'S employees and no part of this Agreement may be assigned or subcontracted by CONTRACTOR without the prior written consent of COUNTY.

21. DISPUTE RESOLUTION: If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties; otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, either party may pursue litigation to resolve the dispute.

22. LICENSE: CONTRACTOR represents that they are licensed to provide services and agrees to notify COUNTY immediately should that status cease or should any action be initiated which may affect that status.

23. RECORDS AND AUDIT: CONTRACTOR shall maintain complete and accurate records with respect to the services rendered and the costs incurred under this Agreement. In addition, CONTRACTOR shall maintain complete and accurate records with respect to any payments to employees or sub-contractors. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, CONTRACTOR shall make such records available within Tulare County to the Auditor of Tulare County and to his agents and representatives, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of final payment under this Agreement.

24. CONFLICT OF INTEREST:

A. CONTRACTOR agrees at all times in performance of this Agreement to comply with the law of the State of California regarding conflicts of interest or appearance of conflicts of interests, including, but not limited to Government Code section 1090 et. seq., and the Political Reform Act, Government Code section 81000 et seq., and regulations promulgated pursuant thereto by the California Fair Political Practices Commission. The statutes, regulations and laws previously referenced include, but are not limited to, prohibitions against any public officer or employee, including CONTRACTOR for this purpose, from the making of any decision on behalf of COUNTY in which such officer, employee, consultant or contractor has a direct or indirect financial interest. A violation can occur if the public officer, employee, consultant or contractor participates in or influences any COUNTY decision which has the potential to confer any pecuniary benefit on CONTRACTOR or any business firm in which CONTRACTOR has an interest, with certain narrow exceptions.

B. CONTRACTOR agrees that if any facts come to its attention which raise any questions as to the applicability of conflict of interest laws, it will immediately inform the

COUNTY designated representative and provide all information needed for resolution of this question.

25. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA):

A. CONTRACTOR shall comply with the Health Insurance Portability and Accountability Act (HIPAA) Business Associate exhibit, attached as Exhibit "D," which Exhibit is made a part of this Agreement by reference.

B. At termination of this Agreement, CONTRACTOR shall, if feasible, return or destroy all protected health information received from, or created or received by, CONTRACTOR on behalf of the COUNTY that CONTRACTOR still maintains in any form, and retain no copies of such information; or, if such return or destruction is not feasible, extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information feasible.

C. COUNTY may immediately terminate this Agreement if COUNTY determines that CONTRACTOR has violated a material term of this provision.

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THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

COUNTY OF TULARE

Date _____

By _____
Chairman, Board of Supervisors

ATTEST: Jean Rousseau
County Administrative Officer/Clerk of the Board
Of Supervisors of the County of Tulare

By _____
Deputy Clerk

FAMILIES FIRST INC

By _____

Date 2/5/08

Title PRESIDENT + CEO

By _____

Date 2/5/08

Title CFO

Corporations Code Section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the board, the president or any vice-president and (2) the secretary, any assistant, the chief financial officer, or any assistant treasurer, unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.

Approved as to Form
County Counsel

By Barbara Booth Shumwald
Deputy County Counsel

Date 1-29-08

Baz:/Paralegal/Contracts/2008 contracts/Families First/Agreement.doc

FamiliesFirst, Inc
2100 5th St.
Davis, CA 95618
(530) 753-0220
(530) 753-3390 (fax)

Exhibit A

I. PURPOSE

Tulare COUNTY Wraparound is designed to serve families with multiple, complex needs that may threaten the families' stability and well-being, and ability to keep their child safely at home. CONTRACTOR will provide a strength-based, needs-driven, family-centered, flexible, and cost effective program that helps children and families build life skills, and strengthen individual and family supports so that family functioning is improved, barriers to meeting basic life needs are overcome, and out-of-home placements are prevented. The subsequent decreases in placement and community costs and increases in families' ability to care for their children result in fiscal and human resource savings that can be reinvested toward future placement prevention services.

II. CONTRACTOR Service Responsibilities

As the contracted provider for Wraparound Tulare, CONTRACTOR will:

- A. CONTRACTOR shall be available to provide Wraparound services to clients 24 hours per day, 7 days per week based on need and as defined in each client's individualized plan.
- B. CONTRACTOR shall transport clients for appointments or to access services as needed.
- C. CONTRACTOR shall be responsible for coordinating, selecting and convening the Child and family Teams.
- D. CONTRACTOR shall facilitate the Wraparound Services Planning Process (individualized, family-centered, strength-based, and needs driven).
- E. CONTRACTOR shall provide or coordinate the full array of mental health services including individual, group and family therapy; intensive case management; crisis services; psychiatric services and medication management leading the family to self-sufficiency.
- F. CONTRACTOR shall coordinate the planning and delivery of services with COUNTY Agency staff, community members, and families and schools.

- G. CONTRACTOR shall develop, coordinate, and/or provide formal and informal support and services (home-based and community-based, provided by professionals & non-professionals).
- H. CONTRACTOR shall develop, implement, and monitor individual service plans as approved by the Child and Family Team and the RISC and/or the Wraparound Community Team.
- I. CONTRACTOR shall employ and train an adequate number of staff, as described in Exhibit B-Addendum B1, to achieve the Wraparound objectives.
- J. CONTRACTOR shall assess and monitor child, family, and placement safety.
- K. CONTRACTOR shall provide all of the outcome-based measures consistent with SB 163 requirements as stated in Section IV. CONTRACTOR shall meet with the Wraparound Community Team at least quarterly and provide outcome reports at least twice each calendar year.
- L. CONTRACTOR will remain a Medi-Cal certified agent in order to be able to bill for eligible services provided to Medi-Cal eligible children.
- M. CONTRACTOR agrees to follow Best Practice Principles.
- N. CONTRACTOR agrees to conduct ongoing training to facilitate the COUNTY's philosophical shift to support the Wraparound Program as determined in consultation with the Wraparound Community Team.
- O. CONTRACTOR is required to maintain a spreadsheet noting placement changes and the date each placement change occurs including but not limited to the Wraparound acceptance, discharge and graduation dates for each Wraparound child in a format acceptable to the COUNTY. The COUNTY retains the right to require that the spreadsheet be submitted with the invoice. CONTRACTOR shall also submit all reasonable and customary fiscal and program reports and records as agreed upon by the CONTRACTOR and the COUNTY by the 10th working day of the month following the month of service.
- P. Enrollment – CONTRACTOR agrees to enroll and accept referrals from the COUNTY as follows:
 - 10 children within the first six (6) months of implementation
 - Additional 10 children with the second six (6) months, for a total of 20 children being served within the first year.
 - Thirty (30) additional children to be served by the end of the second (2nd) year.
 - The number of referrals and the foregoing is an estimate only.

- Q. CONTRACTOR shall make every effort to hire bi-lingual Spanish-speaking staff and ensure that translation services are available to meet the culturally relevant needs of the Client.
- R. CONTRACTOR agrees that the criteria for determining continued Wraparound eligibility for children/youth placed in a RCL 10-14 group home shall be as follows:
1. Crisis stabilization shall not exceed thirty (30) days, unless determined to be appropriate by the Wraparound Community Team, who will be made from active members from the Children's Steering Committee.
 2. The Wraparound Community Team shall review cases within twenty-five (25) days of admission to a crisis stabilization or placement facility.
 3. Children who remain in a RCL 12-14 placement for longer than thirty (30) days past their Wraparound referral start date will be reviewed by the Wraparound Community Team to determine continued eligibility for a Wraparound Slot.
 4. CONTRACTOR will continue to provide Wraparound services through eligible Medi-cal funding or RCL funds when a Wraparound participant is placed in a crisis stabilization facility longer than thirty (30) days when assessed and determined to be appropriate by the Wraparound Community Team.
- S. CONTRACTOR shall report all critical/special incidents and submit to the COUNTY

III. Target Population

Children considered eligible for Wraparound will meet all of the following criteria:

- Be a Dependent or Ward of Juvenile Court or eligible for AB 3632 or Adoption Assistance Program services within Tulare COUNTY.
- Be placed in or at-risk of placement in a Rate Classification Level (RCL) 12-14 group home.
- Have an approved or potential place to reside in the community with a parent/guardian, relative caregiver, non-related extended family member, or foster parent who has agreed to participate in Wraparound and have signed a Release of Information form so that the Community Team members may fully disclose information necessary to determine the appropriateness for Wraparound.
- Willing to participate in Wraparound.
- Exhibit one or more of the following, but not limited to:

- | | |
|---|---|
| ✓ Frequent running away | ✓ Substance use disorder |
| ✓ Sexualized behavior | ✓ Fire starter |
| ✓ Posttraumatic stress disorder | Minor criminal behavior |
| ✓ Aggressive/assaultive behavior | ✓ School behavior/truancy problems |
| ✓ Oppositional/defiant behavior | ✓ Beyond control of parents and/or primary care adults |
| ✓ Self-injurious behavior | ✓ Intensified services have been provided |
| ✓ Multiple placements | ✓ Mild Developmental disorder not recognized by a Regional Center |
| ✓ One or more hospitalizations in a Mental Health facility | |
| ✓ Previously certified and approved for RCL 13-14 placement | |

Severely Emotionally Disturbed children may not be excluded due to medical disorder/treatment needs (per WIC 5600) which complicate placement at lowest level of care.

IV. Quality and Program Evaluation, Client Satisfaction & Engagement Outcomes

CONTRACTOR will utilize Child Behavior Checklist (CLEP), completed by both children and parents, Social Skills Questionnaire (SARES), completed by parents, teachers, and children, Youth Self Report (YSR), Youth Service Survey for Family (YSSF), and CSQ 8, a child and caregiver satisfaction survey. In addition, CONTRACTOR will utilize the Child and Adolescent Functioning Assessment Scale (CAFAS) and the North Carolina Family Assessment Scale (NCFAS) to collect outcome data.

Outcomes to be monitored include but are not limited to:

1. Parent/caregiver satisfaction: A satisfaction questionnaire will be sent to families twice per year and at the completion of Wraparound. This tool will also be utilized to help monitor the families' perspective of improved family involvement in service planning. Results will be reported quarterly.
2. Improvement in family involvement: The percentage of "agreed-upon" goals and objectives that are attained by Wraparound children and families will be tracked and monitored.
3. Family functioning: Over the next six months, COUNTY will continue to assess tools to evaluate family functioning.
4. Improved school attendance, academic performance, emotional and behavioral adjustment: These indicators will be monitored and reported in a monthly program report that will report data and rate performance as indicated by the parent, Contracted Lead Agency's, and agency representatives.
5. Prevention of placement into more restrictive environments: Data regarding the number of children who are able to remain in out-of-group home care or

returned to lower level of group home care will be tracked and reported bi-annually.

6. Cost effectiveness: Over the next six months, COUNTY will continue to assess tools to evaluate cost effectiveness.

V. COUNTY Responsibilities

- A. COUNTY has established the Resource Intensive Services Committee (RISC) to screen and refer eligible children for Wraparound enrollment.
- B. Referrals for Wraparound shall be made to Resource Intensive Services Committee (RISC) by Tulare County Probation Department, Child Welfare Services, and Mental Health. Wraparound will serve all youth who are in RCL 10-14, however youth who are currently in RCL 12-14 placement, awaiting placement in a higher level or in Juvenile Hall will be given priority for Wraparound. Prior to referral for Wraparound, youth and family members/potential caretakers must be consulted, informed about the possibility of participating in services, and committed to fully participating in Wraparound should they be selected.
- C. It is anticipated that the COUNTY will be referring 10 children within the first six month of Wraparound implementation, 10 within the second six months and an additional 30 by the end of the second year. The COUNTY makes no guarantee as to the number of referrals and the foregoing is an estimate only.
- D. COUNTY agrees that the criteria for determining continued Wraparound eligibility for children/youth placed in a RCL 10-14 group home shall be as follows:
 1. Crisis stabilization shall not exceed thirty (30) days, unless determined to be appropriate by the Wraparound Community Team, who will be made from active members from the Children's Steering Committee.
 2. The Wraparound Community Team shall review cases within twenty-five (25) days of admission to a crisis stabilization or placement facility.
 3. Children who remain in a RCL 12-14 placement for longer than thirty (30) days past their Wraparound referral start date will be reviewed by the Wraparound Community Team to determine continued eligibility for a Wraparound Slot.
 4. CONTRACTOR will continue to provide Wraparound services through eligible Medi-cal funding, or RCL funds when Wraparound participant is placed in a crisis stabilization facility longer than thirty (30) days when assessed and determined to be appropriate by the Wraparound Community Team.

VI. Funding Formula

The funding amount available to the CONTRACTOR will vary based on the child being federally or non-federally eligible and the child's level of placement. This contract is for a six month period beginning February 2008 through June 30, 2008. Contract may be extended and funds will be available for three years, subject to the continued availability of funds and satisfactory performance by CONTRACTOR.

Primary and ongoing funds for Wraparound that will make up the provider agency budget are based on SB 163 and come from Foster Care funding, Adoption Assistance Payments, AB3632 and Special Education funding, Kin-gap funds, Foster Parent Training funds, Medi-cal funding, and Periodic Screening, Diagnosis and Treatment (EPSDT) funding. Funds from these sources will be determined based on the appropriate RCL, as determined by a screening instrument; such as Child and Adolescent Screening Inventory (CASI) and/or a review/approval of the RISC committee.

For a child federally and non-federally eligible to receive foster care funding the following formula will apply:

	Total RCL Payment	Federal Deduction from TOTAL RCL Payment*	Contract Agency Receives	State's Portion of Payment	COUNTY's Portion of Payment
RCL 10.5					
Federally Eligible	\$5,046	\$2,523	\$2,523	\$1,514	\$1,009
Non-Federally Eligible	\$5,046	\$0	\$5,046	\$2,018	\$3,028
RCL 13					
Federally Eligible	\$5,994	\$2,996	\$2,996	\$1,798	\$1,198
Non-Federally Eligible	\$5,994	\$0	\$5,994	\$3,595	\$2,397

* SB 163 is a State project that the Federal government is not participating in. Federal funds cannot be used for Wraparound services, therefore only the State and COUNTY portions of those payments will be available to the contract agency. The ratio of federally eligible versus non-federally eligible children referred for services shall be negotiated between the COUNTY and CONTRACTOR.

So that SB 163 funds can be maximized, Wraparound services should fully utilize the continuum of services within the existing service delivery system. These services are widely available and supported by funding streams that include, but are not limited to the following: Adoptions Assistance Program, Medi-Cal, Early and Periodic Screening, Diagnosis and Treatment (EPSDT), Kinship Support Services, Tobacco Settlement funds, Child Abuse Prevention, and Promoting Safe and Stable Families (PSSF) funding.

VII. Fiscal Provisions

- A. For children participating in the Wraparound Program identified at the rate classification level 12-14, the COUNTY will reimburse the CONTRACTOR the RCL 13 payment, minus the cost, if any, of concurrent out-of-home placement for those children. For children participating in the Wraparound Program identified at the rate classification level 10 or 11, the COUNTY will pay the CONTRACTOR the average of the RCL 10 and 11 payment, minus the cost, if any, of concurrent out-of-home placement for those children. RCL payments shall be based on the State's most recent published rates. The federal deduction will be applied to federally eligible children.
- B. Amounts paid to the CONTRACTOR and amounts deducted for concurrent out-of-home placement will be prorated to correspond with a child's entrance or exit from the Wraparound Program and entrance and exit from concurrent out-of-home placements.
- C. CONTRACTOR is to provide COUNTY with information for all expenditures paid for with the CONTRACTOR's State Foster Care payments each month by the 10th working day of the following month in a spreadsheet format acceptable to the COUNTY.
- D. The COUNTY retains the right to withhold State Foster Care dollars from the CONTRACTOR's payment if required program and fiscal reports are not received by the COUNTY on a timely basis.
- E. Payment covers one month of service. Payments will be made to the CONTRACTOR within 60 days after the invoice is received. The invoice (Exhibit E) along with back-up documentation will be in a format specified by the COUNTY. Invoices are to be completed after services are rendered and sent to the following address within 30 days after month end. CONTRACTOR will deliver one invoice monthly to:

Tulare County Child Welfare Services
Attention: Wraparound Project Analyst
5957 S. Mooney Blvd
Visalia, Ca 93277

*If the child/family is eligible for EPSDT/Medi-cal funding please send monthly SAL's (Service Activity Logs) to:

Tulare County Mental Health Department
Attention: Wraparound Project Analyst
5957 S. Mooney Blvd
Visalia, Ca 93277

- F. CONTRACTOR may make changes in any individual line item in the budgets attached to Exhibit A. All line item shifts, however, must be accompanied by a justification, and a statement of any changes of program participants or clients to be served as a result of the line item shift. All line item adjustments must be approved in writing by Tulare COUNTY Health and Human Services prior to implementation.

EXHIBIT B

PROPOSED BUDGET SUMMARY FORM

Agency: **FamiliesFirst, Inc**

Budget for: **January 1, 2008 - June 30, 2008**

REVENUE

SB 163	\$179,800
EPSDT	\$284,908
TOTAL	<u>\$464,708</u>

SALARIES & BENEFITS

A. Direct Personnel Costs (Program & Service Pers)

Salary	\$212,508
Benefits	\$25,181
Taxes	\$25,820

A. Indirect Personnel Costs (Admin, Clerical)

Salary	\$28,249
Benefits	\$3,347
Taxes	\$3,432

TOTAL PERSONNEL COSTS

\$298,537

SERVICE AND SUPPLIES

Staff Training & Travel	\$19,905
Telephone	\$3,427
Advertising	\$1,713
Office Space and Maintenance	\$9,724
Insurance	\$4,219
Utilities	\$608
Program Consultants	\$4,000
Clinical Supervision	\$3,200
Speech & Language	\$2,000
Equipment Lease & Maintenance	\$5,058
Vehicle Operation	\$1,200
Depreciation	\$2,553
Required Staff Fees	\$540
Program Supplies	\$514
Office Supplies & Expendable Equipment	\$2,055
Emergency Fund (Flex)	\$20,000
Administrative Overhead	\$57,773
<u>TOTAL SERVICE & SUPPLIES</u>	<u>\$138,488</u>

GRAND TOTAL

\$437,024

ADDITION TO TRUST FUND

\$27,684

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Note: For narrative purposes, Year 1 is defined as January 1, 2008 – June 30, 2008; arithmetically this is defined as 6 months.

REVENUE

SB 163 Revenue

Total SB 163 revenue for year 1 is projected to be \$179,800. For budgetary purposes it was assumed that all clients were level 13-14. It was further assumed that 50% were federally eligible at a rate of \$2,996 per month and 50% non-federally eligible at a rate of \$5,994. Given that intakes occur as projected in the Staff/Client Matrix, (2 per month starting 2/1/08 and 3 per month thereafter) 40 months of service will be provided in year 1. Please refer to the Staff/Client Matrix page (immediately following the budget). (20 months x \$2,996 = \$59,920; 20 months x \$5,994 = \$119,880; \$59,920 + \$119,880 = \$179,800)

EPSDT Revenue

EPSDT revenue for year 1 is projected to be \$284,908. This assumes the delivery of 119,849 minutes of service at present SMA. Base annual minutes per billing staff FTE for a twelve month period were considered to be 105,120. This allows 11 days for holidays, 10 days for vacation, 10 days for conferences, meetings and training, and 10 sick days. These minutes were adjusted for a 6 month period for available minutes of 65,700 per billing staff position. A 90% Medi-Cal eligibility rate for clients was assumed and that 40% of the available time would be devoted to providing Medi-Cal eligible services. It was further assumed that 40.1% of those minutes would be for case management, 59.6% for mental health and .3% for crisis intervention. This blend of service functions was derived from the operation of FamiliesFirst's Fresno Wrap program. Family/Child Therapists, Children and Family Team Facilitators and Skills Coaches are billable positions.

Projected Additions to Trust Fund

The projected addition to the Trust Fund at June 30, 2008 is \$27,685. For budgetary purposes, this assumes post cost settlement Medi-Cal costs are at 2006 – 2007 SMA.

PERSONNEL

Taxes and benefits were calculated at 24% of salaries. The breakdown is as follows:

Payroll Taxes (Calculated at 12.15%):

OASDI withholdings were calculated at 6.2% of salaries.

Medicare withholdings were calculated at 1.45% of salaries.

Unemployment Insurance was calculated at .96% of salaries.

Workers' Compensation was calculated at 3.54% of salaries.

Employee Benefits (Calculated at 11.85%):

Retirement benefits were calculated at .64% of salaries.

Health Insurance benefits were calculated at 10.98% of salaries.

Life Insurance benefits were calculated at .23% of salaries.

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Direct Care Salaries

Program Coordinator

The total cost for 1.00 FTE (40 hours per week) Program Coordinator is \$35,960. The hire date will be 1/1/08 (6 months in Year 1). The salary for year one is \$29,000. Taxes/benefits at 24% equal \$6,960. $\$29,000 + \$6,960 = \$35,960$. The base annual salary is \$58,000 per year.

Team Supervisor III

The total cost for 1.00 FTE (40 hours per week) Team Supervisor III is \$34,100. The hire date will be 1/1/08 (6 months in Year 1). The salary for the first year is \$27,500. Taxes/benefits at 24% equal \$6,600. $\$27,500 + \$6,600 = \$34,100$. The base annual salary is \$55,000 per year.

Team Supervisor II

The Team Supervisor II is not expected to be needed until 3/15/08, by which time there will be a sufficient number of Skills Coaches on staff to require separate supervision. Once hired, this will be a full time position (40 hours per week). However, it is budgeted at .292 FTE's to prorate for the 3 1/2 month period. The total cost for the first year will be \$11,429. The salary is \$9,217. Taxes/benefits at 24% are \$2,212. $\$9,217 + \$2,212 = \$11,429$. The base annual salary is \$31,600 per year.

Family/Child Therapist (Mental Health Clinician)

The total cost for 1.00 FTE (40 hours per week) Family/Child Therapist \$26,784. The hire date will be 1/1/08 (6 months in Year 1). The salary for the first year is \$21,600. Taxes/benefits at 24% equal \$5,184. $\$21,600 + \$5,184 = \$26,784$. The base annual salary is 43,200 per year.

Family/Child Team Facilitator (Mental Health Rehabilitation Specialist)

The total cost for 3.00 FTE (120 hours per week) Family/Child Team Facilitators for the first year is \$50,778. The hire dates will be 1/1/08, 2/1/08 and 4/1/08 respectively. The salaries are \$40,950. Taxes/benefits at 24% are \$9,828. $\$40,950 + \$9,828 = \$50,778$. The base annual salary is \$35,100 per year.

Skills Coach (Family Skills Trainer)

The total cost for 6.00 FTE (240 hours per week) Skills Coaches is \$66,728. The salaries for year one equal \$53,813. Taxes/benefits at 24% are \$12,915. $\$53,813 + \$12,915 = \$66,728$. Skills coaches are expected to be hired at a rate of one per month. One will be on staff as of 1/1/07. Additional Skills Coaches will be added each month for a total of 6 by June of 2008 and an average of 1.75 for the 6 month period. The base annual salary is \$30,750 per year.

Parent Partner

The total cost for 1.00 FTE (40 hours per week) Parent Partner is \$17,952. The salary is \$14,478. Taxes/benefits at 24% equal \$3,475. $\$14,478 + \$3,474 = \$17,952$. The hire date is 1/1/08. The base annual salary is \$28,955 per year.

Community Resource Specialist

The total cost for 1.00 FTE (40 hours per week) Community Resource Specialist is \$19,778. The salary is \$15,950. Taxes/benefits at 24% are \$3,828. $\$15,950 + 3,828 = \$19,778$. The hire date is 1/1/08. The base annual salary is \$31,900 per year.

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Total Direct Personnel Costs

The total cost for personnel delivering services is \$263,508. Salaries are \$212,508 (\$29,000 + \$27,500 + \$9,217 + \$21,600 + \$40,950 + \$53,813 + \$14,478 + \$15,950). Taxes and benefits are \$51,001 (\$6,960 + \$6,600 + \$2,212 + \$5,184 + \$9,828 + \$12,915 + \$3,474 + \$3,828).

Indirect Care Salaries

Regional Program Director

The total cost for 0.15 FTE (6 hours per week) Regional Director is \$8,835. The salary is \$7,125. Taxes/benefits at 24% are \$1,710. $\$7,125 + \$1,710 = \$8,835$. The base annual salary is \$95,000 per year and the start date is 1/1/08.

Executive Director of Community Based Services

The total cost for 0.03 FTE (1.2 hours per week) Executive Director is \$2,455. The salary is \$1,980. Taxes/benefits at 24% equal \$475. $\$1,980 + \$475 = \$2,455$. The base annual salary is \$132,000 per year and the start date is 1/1/08.

Quality Assurance/Outcomes Staff

The total cost for 0.15 FTE (6 hours per week) Quality Assurance/Outcomes Staff is \$5,448. Salary is \$4,394 with taxes/benefits at 24% or \$1,054. $\$4,394 + \$1,054 = \$5,448$. The base annual salary is \$58,581 per year and the start date is 1/1/08.

Administrative Support Staff

The total cost for 1.0 FTE (40 hours per week) Administrative Support Staff Person is \$18,290. The salary is \$14,750 with taxes/benefits at 24% or \$3,540. $\$14,750 + \$3,540 = \$18,290$. The base annual salary is \$29,500 per year and the start date is 1/1/08.

Total Indirect Personnel Costs

The total for indirect personnel costs is \$35,028. Salaries total \$28,249 (\$7,125 + \$1,980 + \$4,394 + \$14,750). Taxes and benefits total \$6,779 (\$1,710 + \$475 + \$1,054 + \$3,540).

OPERATING EXPENSES

Note: Many expense calculations are FTE based. For budgetary purposes, the average FTE's are used.

Staff Training and Travel

Mileage

It is anticipated that direct care staff will work 110 days during the first year (after vacations, holidays, sick time and trainings) and average 60 miles per day in reimbursable mileage. The budgeted cost is \$16,765. It is expected that services will be required in some of the more rural areas of Tulare County, so allowance has been made for adequate mileage to deliver services to these communities. The reimbursement rate is presently \$0.445 per mile.

Training and Conferences

It is anticipated Training and Conferences will cost \$550 per year for each direct care FTE for a total of \$3,140. ($5.71 \text{ average FTE} \times \$550 = \$3,140$) This amount is based on the operation of similar community based programs and includes attendance at the annual statewide Wraparound conference.

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Telephone/Telecommunication

It is anticipated Telephone/Telecommunication costs will average \$100 per month per direct care FTE for a total of \$3,427 for year one. ($5.71 \text{ average FTE} \times \$100 \times 6 \text{ months} = \$3,427$). This includes land lines (\$10 per FTE), cell phones (\$37 per FTE) and wireless cards for laptop computers (\$53 per FTE). Cell phones and wireless laptop computers allow FamiliesFirst to maintain a fully functional mobile work force able to deliver in-home services.

Advertising (Staff Recruitment)

It is anticipated that advertising for staff recruitment costs will average \$300 per direct care FTE for a total of \$1,713 in year one ($5.71 \text{ average FTE} \times \$300 = \$1,713$).

Office Space and Maintenance

Office Lease was calculated at \$1.45 per square foot with a 120 square foot allocation for each direct care FTE for a period of 3 ½ months. Total costs of lease for year one is \$8,812 ($14.47 \text{ average FTE} \times 120 \text{ sq. ft.} \times \$1.45 \times 3 \frac{1}{2} \text{ months} = \$8,812$). Maintenance was calculated at \$0.15 per square foot with a 120 square foot allocation for each direct care FTE for a period of 3 ½ months. ($14.47 \text{ average FTE} \times 120 \text{ sq. ft.} \times \$0.15 \times 3 \frac{1}{2} \text{ months} = \912). ($\$8,812 + \$912 = \$9,724$) FamiliesFirst presently maintains an office in Visalia and anticipates using that office as the base of operations for the first 2 ½ months of the contract period. As staffing and clients served increase, however, the existing office space will require expansion.

Insurance

Commercial Insurance

This expense category includes all insurance coverage except professional liability insurance and was calculated at \$0.08 per square foot per month with a 120 square foot allocation for each direct care FTE. Total cost for year one is projected at \$486 ($14.47 \text{ average FTE} \times 120 \times \$0.08 \times 3 \frac{1}{2} \text{ months} = \486). Cost estimates are based on historical data derived from the operation of similar sized FamiliesFirst facilities.

Professional Liability Insurance

It is anticipated Professional Liability Insurance costs will average \$43 per month per direct care FTE for a total of \$3,733 for year one ($14.47 \text{ average FTE} \times \$43 \times 6 \text{ months} = \$3,733$). ($\$486 + \$3,733 = \$4,219$)

Utilities

Utilities were calculated at \$0.10 per square foot per month with a 120 square foot allocation for each direct care FTE. Total cost for year one is \$608 ($14.47 \text{ average FTE} \times 120 \times \$0.10 \times 3 \frac{1}{2} \text{ months} = \608). Cost estimates are based on historical data derived from the operation of similar sized FamiliesFirst facilities.

Program Consultants

It is estimated the cost of Consultants will be \$4,000 in year one. This expense item includes staff training and consultancy by Wraparound experts and the implementation of Wraparound fidelity evaluation tools.

Clinical Supervision

It is anticipated that clinical supervision services will be contracted through June 30, 2008 at a cost of \$3,200. Provision has been made for 40 hours of contracted service at an estimated hourly rate of \$80. ($40 \text{ hrs} \times \$80 = \$3,200$)

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Speech and Language

It is expected that not all individuals needing service in Tulare County will be fluent in English. It is further expected that FamiliesFirst may not be able to hire staff fluent in all languages spoken in Tulare County. Provision has therefore been made for 40 hours of interpreter services at an estimated hourly rate of \$50. (40 hrs x \$50 = \$2,000)

Equipment Lease and Maintenance

Equipment Leases include the cost of a copier/printer (\$850 per month x 3 ½ months = \$2,975), the telephone system (\$500 per month x 3 ½ months = \$1,750) and a fax machine (\$95 per month x 3 ½ months = \$333). Total cost for year one is \$5,058 (\$2,975+ \$1,750 + \$333 = \$5,058).

Vehicle Operation

In the early stages of this contract, it is expected that Tulare County Wraparound staff will be mentored and supported by existing FamiliesFirst Wraparound staff currently operating a successful Wraparound program in Fresno County. It is anticipated that the Fresno staff will make use of FamiliesFirst vehicles to travel to Tulare County. A provision of \$200 per month for gas and maintenance on these vehicles has been provided for a total of \$1,500. (6 mo. x \$200 = \$1,200)

Depreciation

Building and product depreciation includes office furniture & fixtures and necessary office leasehold improvements including, but not limited to, telecommunication wiring and cabling. Based on historical averages from other similar sized FamiliesFirst facilities, depreciation is estimated at \$425 per month for 6 months = \$2,553. With some exceptions, furniture & fixtures are typically amortized over seven (7) years and leasehold improvements are amortized over the life of the lease. This expense category also includes the amortization of wireless laptop computers (for mobile work force) and desktop computer systems. These are amortized over a 3 year period.

Required Staff Fees

Required staff fees include costs associated with pre-employment screenings of potential employees, including Department of Justice clearance and drug screenings. Expected cost for these is \$45 per FTE (12 estimated new hires x \$45 = \$540).

Program Supplies (Therapeutic Supplies and Services)

It is anticipated Therapeutic Supplies and Services will cost an average of \$15 per month per direct care FTE for a total of \$514 for year one. This includes those supplies utilized in the direct delivery of therapeutic services to clients. (5.71 average FTE x \$15 x 6 months = \$514)

Office Supplies and Expendable Equipment

Office Supplies and Expendable Equipment includes, but is not limited to, postage, printing, publications, testing supplies, desk organizers, pens, paper, computer cartridges, etc. It is anticipated Office Supplies and Expendable Equipment will cost \$60 per month per direct care FTE for year one. (5.71 average FTE x \$60 x 6 months = \$2,055).

EXHIBIT B ADDENDUM – B1
Budget Narrative
Tulare County Wraparound Program

Emergency Funds (Flex)

Based on the operation of FamiliesFirst's Fresno WRAP program, it is estimated Emergency Funds expenditures will average \$3,200 per year per client family. Given intake estimates, 40 months of client service are expected to be delivered in year one. Please see 'Months of Client Service' on the Budget Staff/Client Matrix page (immediately following the budget). The average number of families served in the 6 month period is expected to be 6.25. It is therefore estimated that Emergency fund expenditure will amount to approximately \$20,000 ($\$3,200 \times 6.25 = 20,000$).

ADMINISTRATIVE COSTS

It is estimated administrative costs will be 15.23% of total program costs. (\$57,773 administrative cost/\$379,250 total program cost = 15.23%) Indirect costs are allocated on the basis of a program's total payroll costs prior to the addition of taxes and benefits and may fluctuate slightly from month to month. FamiliesFirst has a strong administrative infrastructure that provides agency-wide support and resources for all programs and services. These include: accounting/fiscal, administrative services, facilities, executive office, human resources and information technology. All allocations are in accordance with OMB A-122 and generally accepted accounting principles.

CAPACITY FOR FINANCIAL MANAGEMENT

The accounting procedures used by FamiliesFirst conform to generally accepted accounting principles. FamiliesFirst utilizes the accrual method of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Annual program budgets are developed and actual results of operations are compared with budget, including variances, on a monthly basis. All staff prepares a semimonthly time sheet containing hours and program codes. Time sheets serve as the basis for payment of the payroll and for charging expenses to programs. All time sheets are reviewed and signed by a supervisor. All staff is paid semimonthly, based on submitted timesheets. A separate cost center is maintained for each program or contract. Direct costs are coded in payroll or accounts payable, and are charged directly to the program. Indirect or shared costs are allocated to programs based on staffing ratios or occupancy ratios, depending on the type of expense. Allocations of common costs are computed in accordance with governmental accounting standards and recorded in the general ledger. All accounting functions are performed in a multi-use MAS 200 accounting information system. MAS 200 allows for subsidiary ledgers for payroll, accounts receivable, accounts payable, and petty cash. Receivables and payables are processed daily. Financial statement preparation is done monthly. An external audit is performed annually by an independent accounting firm in accordance with *Government Auditing Standards* and satisfying all state and federal requirements. Internal audit is ongoing. The FamiliesFirst fiscal system is administered by the Chief Financial Officer (CFO), John Kniep. The staff includes supervisors of Accounts Payable, Accounts Receivable, General Ledger, a Financial Analyst, and a manager of Contract Accounting and Administration. All finance staff have Bachelors degree level of education and/or equivalent experience in accounting procedures and oversight. The Chief Financial Officer, Finance Director and Financial Analyst are Certified Public Accountants.

EXHIBIT ADDENDUM - B2
Cost Report, Reconciliation, and Settlement
Fiscal Year 2007-2008

FAMILIESFIRST, INC.

A. ANNUAL COST REPORT

CONTRACTOR shall submit an annual Mental Health Cost Report on or before the last day of the fourth month following the close of each COUNTY fiscal year, or on or before the last day of the fourth month following the termination of this Agreement. Extensions of time to file the cost report at any later date must be approved in writing by the Assistant Agency Director- Mental Health Services, the Deputy Director- Clinical Services, or the Assistant Director of Administration. Such cost report shall be prepared in accordance with the requirements set forth in the California Department of Mental Health's Cost Reporting/Date Collection Manual and must be submitted on appropriate California Department of Mental Health fiscal year forms.

B. RECONCILIATION/INTERIM RATE ADJUSTEMENT

COUNTY will reconcile the Annual Cost Report and settlement will be based on the lower of cost or Standard Maximum Allowance (SMA) rate, and shall be considered payment in full. SMA rates are updated annually in November. Within ninety (90) days thereafter, COUNTY will make payment, or receive reimbursement from CONTRACTOR, as appropriate. If the Annual Cost Report is submitted late, the CONTRACTOR understands and agrees that COUNTY may not make further payments to CONTRACTOR until Annual Cost Report is submitted.

C. REPAYMENT OR REIMBURSEMENT TO STATE OR OTHERS

CONTRACTOR agrees that any repayment or reimbursement that must be made by COUNTY to the State of California or others as a result of an audit or conduct by CONTRACTOR, its agents, officers or employees of the programs or services provided under this Agreement shall be paid by CONTRACTOR, out of its own funds, within thirty (30) days after the parties are notified that repayment or reimbursement is due. For purposes of this provision, it is agreed that offsets made by the state are included within the phrase "repayment or reimbursement".

D. EXCEPTIONS RE: REPAYMENT OR REIMBURSEMENT

The reimbursement provisions set forth above will not be applicable if any action or direction by COUNTY with regard to the program is the principal reason for repayment or reimbursement being required. The reimbursement provisions shall also not be applicable if COUNTY fails to give timely notice of any appeal, which results in the termination or barring of any appeal and thereby causes prejudice to CONTRACTOR. COUNTY shall have no obligation to appeal or financially undertake the cost of any appeal, but it shall be able to participate in

EXHIBIT ADDENDUM B2
Cost Report, Reconciliation, and Settlement
Fiscal Year 2007-2008

FAMILIESFIRST, INC.

every stage of any appeal if it desires to do so. Any action or failure to act by CONTRACTOR or its officers, employees and subcontractors, past or present, including a failure to make a diligent effort to resolve an audit exception with the state, which has resulted in a required repayment or reimbursement to the state or to others shall be paid by CONTRACTOR in accordance with this Exhibit.

Exhibit "C"
INSURANCE REQUIREMENTS

CONTRACTOR shall provide and maintain insurance for the duration of this Agreement against claims for injuries to persons and damage to property, which may arise from, or in connection with, performance under the Agreement by the CONTRACTOR, his agents, representatives, employees or subcontractors, if applicable.

A. Minimum Scope & Limits of Insurance

1. Coverage at least as broad as Commercial General Liability Insurance of \$1,000,000 combined single limit per occurrence. If the annual aggregate applies it must be no less than \$2,000,000.
2. Comprehensive Automobile Liability Insurance (if applicable) of \$1,000,000 per occurrence.
3. Workers' Compensation and Employer's Liability Insurance as required by law.
4. Professional Errors and Omissions Insurance of \$1,000,000.

B. Specific Provisions of the Certificate

1. The Certificate of Insurance for General Liability, Comprehensive Automobile Liability Insurance and Professional Errors and Omissions Insurance have to meet the following requirements:
 - a. *Name the COUNTY, Its officers, agents, employees and volunteers, individually and collectively, as additional insureds.*
 - b. *State that such Insurance for additional insureds shall apply as primary insurance and any other insurance maintained by COUNTY shall be excess.*
 - c. *Provide that coverage shall not be suspended, voided, canceled, reduced in coverage, or otherwise materially changed except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the County.*
2. The Certificate of Insurance for Workers Compensation, should include the following:
 - a. *Waiver of Subrogation. Contractor waives all rights against the County and its agents, officers, and employees for recovery of damages to the extent these damages are covered by the workers compensation and employers liability.*

C. Deductibles and Self-Insured Retentions

The COUNTY Risk Manager must approve any deductible or self-insured retention that exceeds \$100,000.

D. Acceptability of Insurance

Insurance must be placed with insurers with a current rating given by A.M. Best and Company of no less than A (-) from a company admitted to do business in California, any waiver of these standards are subject to approval by the County Risk Manager or County Risk Manager's designee.

E. Verification of Coverage

Prior to approval of this Agreement by the COUNTY, the CONTRACTOR shall file with the submitting department, certificates of insurance with original endorsements effecting coverage in a form acceptable to the COUNTY. The COUNTY reserves the right to require certified copies of all required insurance policies at any time.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/14/2007

PRODUCER (916) 231-1741
 Wells Fargo of California Insurance Services, Inc.
 CA DOI LIC #0352275
 11017 Cobblerock Drive, Suite 100
 Rancho Cordova, CA 95670

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Families First, Inc.
 2100 Fifth Street
 Davis, CA 95616

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: Nonprofits Insurance Alliance of CA

INSURER B: Amercian Home Assurance Company

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	200704674NPO	8/15/2007	8/15/2008	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Profess Liab Agg/Occ \$2M/\$1M
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	200704674NPO	8/15/2007	8/15/2008	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY, AGG \$
A	<input type="checkbox"/> EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	200704574UMBPO	8/15/2007	8/15/2008	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	WC9844524	7/1/2007	7/1/2008	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate Holder is Named Additional Insured per attached CG2026 (0704).
 Subject to 10 days of cancellation for non payment of premium.

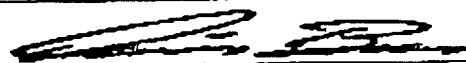
CERTIFICATE HOLDER

Tulare County
 221 S. Mooney Blvd., Rm 3
 Visalia, CA 93291-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



POLICY NUMBER: 2007046774NPO

COMMERCIAL GENERAL LIABILITY
CG 20 26 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASES READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)

Any person or organization that you are required to add as an additional insured on this policy, under a written contract or agreement currently in effect, or becoming effective during the term of this policy, and for which a certificate of insurance naming such person or organization as additional insured has been issued, but only with respect to their liability arising out of their requirements for certain performance placed upon you, as a nonprofit organization, in consideration for funding or financial contributions you receive from them. The additional insured status will not be afforded with respect to liability arising out of or related to your activities as a real estate manager for that person or organization.

Tulare County, its Officials, Employees, Agents, and Volunteers
221 S. Mooney Blvd.-Rm 3
Visalia CA 93291

RE: RFP# 06-099

Information required to complete this Schedule, if not shown above, with be shown in the Declarations.
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Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented by you.

Exhibit "D"
HIPAA REQUIREMENT

The Health insurance Portability and Accountability Act of 1996 (HIPAA)

A. Definitions: Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule.

1. *Business Associate.* "Business Associate" shall mean CONTRACTOR.
2. *Covered Entity.* "Covered Entity" shall mean COUNTY.
3. *Individual.* "Individual" shall have the same meaning as the term "individual" in 45 CFR 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).
4. *Privacy Rule.* "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR part 160 and part 164, subparts A and E.
5. *Protected Health Information.* "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
6. *Required By Law.* "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.501.
7. *Secretary.* "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.

B. Obligations and Activities of CONTRACTOR

1. CONTRACTOR agrees to not use or disclose Protected Health Information other than as permitted or required by the Agreement or as Required By Law.
2. CONTRACTOR agrees to use appropriate safeguards to prevent use or disclosure of the Protected Health Information other than as provided for by this Agreement.
3. CONTRACTOR agrees to mitigate, to the extent practicable, any harmful effect that is known to CONTRACTOR of a use or disclosure of Protected Health Information by CONTRACTOR in violation of the requirements of this Agreement.
4. CONTRACTOR agrees to report to COUNTY any use or disclosure of the Protected Health Information not provided for by this Agreement of which it becomes aware.
5. CONTRACTOR agrees to ensure that any agent, including a subcontractor, to whom it provides Protected Health Information received from, or created or received by CONTRACTOR on behalf of COUNTY agrees to the same restrictions and conditions that apply through this Agreement to CONTRACTOR with respect to such information. CONTRACTOR agrees to provide access, at the request of COUNTY, and in the time and manner requested by COUNTY, to Protected Health Information in a Designated Record Set, to COUNTY or, as directed by COUNTY, to an Individual in order to meet the requirements under 45 CFR 164.524

6. CONTRATOR agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the COUNTY directs or agrees to pursuant to 45 CFR 164.526 at the request of COUNTY or an Individual, and in the time and manner requested by COUNTY
7. CONTRACTOR agrees to make internal practices, books, and records, including policies and procedures and Protected Health Information, relating to the use and disclosure of Protected Health Information received from, or created or received by CONTRACTOR on behalf of, COUNTY to the COUNTY, in a time and manner requested by COUNTY for purposes of determining CONTRACTOR'S and/or COUNTY'S compliance with the Privacy Rule.
8. CONTRACTOR agrees to document such disclosures of Protected Health Information and information related to such disclosures as would be required for COUNTY to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528
9. CONTRACTOR shall provide to COUNTY or an individual, in time and manner designated by COUNTY, information collected in accordance with Title 45, CFR, Section 164.528, to permit the Department to respond to a request by the individual for an accounting of disclosures of PHI in accordance with Title 45, CFR, Section 164.528

C. **General Use and Disclosure Provisions:** Except as otherwise limited in this Agreement, Business Associate may use or disclose Protected Health Information on behalf of, or to provide services to, COUNTY, if such use or disclosure of Protected Health Information would not violate the Privacy Rule if done by COUNTY or the minimum necessary policies and procedures of the COUNTY.

D. **Specific Use and Disclosure**

1. Except as otherwise limited in this Agreement, CONTRACTOR may use Protected Health Information for the proper management and administration of the CONTRACTOR or to carry out the legal responsibilities of the CONTRACTOR.
2. Except as otherwise limited in this Agreement, CONTRACTOR may disclose Protected Health Information for the proper management and administration of the CONTRACTOR, provided that disclosures are Required By Law, or CONTRACTOR obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the CONTRACTOR of any instances of which it is aware in which the confidentiality of the information has been breached.
3. Except as otherwise limited in this Agreement, CONTRACTOR may use Protected Health Information to provide Data Aggregation services to COUNTY as permitted by 42 CFR 164.504(e)(2)(i)(B)

4. CONTRACTOR may use Protected Health Information to report violations of law to appropriate Federal and State authorities consistent with § 164.502(j)(1)

E. Obligations of COUNTY

1. COUNTY shall notify CONTRACTOR of any limitation(s) in its notice of privacy practices of COUNTY in accordance with 45 CFR 164.520, to the extent that such limitation may affect CONTRACTOR'S use or disclosure of Protected Health Information.
2. COUNTY shall notify CONTRACTOR of any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, to the extent that such changes may affect CONTRACTOR'S use or disclosure of Protected Health Information
3. COUNTY shall notify CONTRACTOR of any restrictions to the use or disclosure of Protected Health Information that COUNTY has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect CONTRACTOR'S use or disclosure of Protected Health Information.

- F. Permissible Requests by COUNTY:** Except as otherwise provided herein, COUNTY shall not request CONTRACTOR to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by COUNTY

G. Miscellaneous

1. *Regulatory References.* A reference in this Agreement to a section in the Privacy Rule means the section as in effect or as amended.
2. *Amendment.* The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for COUNTY to comply with the requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub L. No. 104-191.
3. *Survival.* The respective rights and obligations of CONTRACTOR under this Exhibit shall survive the termination of this Agreement.
4. *Interpretation.* Any ambiguity in this Agreement shall be resolved to permit COUNTY to comply with the Privacy Rule.

INVOICE

EXHIBIT E

INVOICE DATE:

FAMILIESFIRST

2100 FIFTH STREET

DAVIS, CA 95618

TO: **Tulare County**

29 day mo. 30 day mo. 31 day mo.

Federal Rate \$2,996/mo \$ 103.31 \$ 99.87 \$ 96.65

Non Federal Rate: \$5994/mo \$ 206.69 \$ 199.80 \$ 193.35

Last Name	First Name	Funding	Entry Date	Exit Date	# of Days	Rate/Day	AMOUNT DUE
Doe	John	F	1/1/2008	1/8/2008	7	\$ 96.65	\$ 676.52
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -

SUB TOTAL: \$ 676.52

TAX:

FREIGHT:

PAY THIS AMOUNT: \$ 676.52

Questions concerning this invoice?

Call: Sharon Meisch-Suh

Accounts Receivable

530-747-3151

MAKE ALL CHECKS PAYABLE TO:

FAMILIESFIRST, INC.

P.O. BOX 45649

SAN FRANCISCO, CA 94145-0649