

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND CAMINAR, INC.
FOR OVERSIGHT & MANAGEMENT OF CONSUMER-RUN ORGANIZATION**

THIS AGREEMENT, entered into this _____ day of _____,
20_____, by and between the COUNTY OF SAN MATEO, hereinafter called "County,"
and Caminar, Inc., hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, pursuant to Government Code, Section 31000, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof;

WHEREAS, it is necessary and desirable that Contractor be retained for the purpose of the professional services hereinafter described for the Health Department, Mental Health Services Division.

**NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO
AS FOLLOWS:**

1. Exhibits and Attachments

The following exhibits and attachments are included hereto and incorporated by reference herein:

Exhibit A—Services

Exhibit B—Payments and rates

Exhibit C—Contractor's FY 2006-07 Budget

Attachment D—Services Timeline

Attachment H—HIPAA Business Associate requirements

Attachment I—§ 504 Compliance

2. Services to be performed by Contractor

In consideration of the payments set forth herein and in Exhibit "B," Contractor shall perform services for County in accordance with the terms, conditions and specifications set forth herein and in Exhibit "A."

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions and specifications set forth herein and in Exhibit "A," County shall make payment to Contractor based on the rates and in the manner specified in Exhibit "B." The County reserves the right to withhold payment if the County determines that the quantity or quality of the work performed is unacceptable. In no event shall the County's total fiscal obligation under this Agreement exceed THREE HUNDRED FOURTEEN THOUSAND NINE HUNDRED NINETY-FIVE DOLLARS (\$314,995).

4. Term and Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2006 through June 30, 2007.

This Agreement may be terminated by Contractor, the Health Department Director or his/her designee at any time without a requirement of good cause upon thirty (30) days' written notice to the other party.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and materials (hereafter referred to as materials) prepared by Contractor under this Agreement shall become the property of the County and shall be promptly delivered to the County. Upon termination, the Contractor may make and retain a copy of such materials. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that portion of the full payment which is determined by comparing the work/services completed to the work/services required by the Agreement.

5. Availability of Funds

The County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon unavailability of Federal, State, or County funds, by providing written notice to Contractor as soon as is reasonably possible after the county learns of said unavailability of outside funding.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent Contractor and not as an employee of the County and that Contractor acquires none of the rights, privileges, powers, or advantages of County employees.

7. Hold Harmless

Contractor shall indemnify and save harmless County, its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description, brought for, or on account of: (A) injuries to or death of any person, including Contractor, or (B) damage to any property of any kind whatsoever and to whomsoever belonging, (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended, or (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County, its officers, agents, employees, or servants, resulting from the performance of any work required of Contractor or payments made pursuant to this Agreement, provided that this shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion thereof to a third party or subcontract with a third party to provide services required by contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without the County's prior written consent shall give County the right to automatically and immediately terminate this Agreement.

9. Insurance

The Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this paragraph has been obtained and such insurance has been approved by Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. The Contractor shall furnish the Department/Division with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending the Contractor's coverage to include the contractual liability assumed by the Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the Department/Division of any pending change in the limits of liability or of any cancellation or modification of the policy.

- (1) **Worker's Compensation and Employer's Liability Insurance** The Contractor shall have in effect during the entire life of this Agreement Workers' Compensation and Employer's Liability Insurance providing full statutory coverage. In signing this Agreement, the Contractor certifies, as required by Section 1861 of the California Labor Code, that it is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions of the Code, and will comply with such provisions before commencing the performance of the work of this Agreement.
- (2) **Liability Insurance** The Contractor shall take out and maintain during the life of this Agreement such Bodily Injury Liability and Property Damage Liability Insurance as shall protect him/her while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from contractors operations under this Agreement, whether such operations be by himself/herself or by any sub-contractor or by anyone directly or indirectly employed by either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall be not less than the amount specified below.

Such insurance shall include:

- (a) Comprehensive General Liability \$1,000,000

- (b) Motor Vehicle Liability Insurance \$1,000,000
- (c) Professional Liability \$1,000,000

County and its officers, agents, employees and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that the insurance afforded thereby to the County, its officers, agents, employees and servants shall be primary insurance to the full limits of liability of the policy, and that if the County or its officers and employees have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, the County of San Mateo at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work pursuant to this Agreement.

10. Compliance with laws; payment of Permits/Licenses

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances and regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the Federal Regulations promulgated thereunder, as amended, and will comply with the Business Associate requirements set forth in Attachment "H," and the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended and attached hereto and incorporated by reference herein as Attachment "I," which prohibits discrimination on the basis of handicap in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including, but not limited to, appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and State, Federal, County, or municipal law or regulations, the requirements of the applicable law will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

11. Non-Discrimination and Other Requirements

- A. *Section 504 applies only to Contractors who are providing services to members of the public.* Contractor shall comply with § 504 of the Rehabilitation Act of 1973, which provides that no otherwise qualified handicapped individual shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of this Agreement.

- B. *General non-discrimination.* No person shall, on the grounds of race, color, religion, ancestry, gender, age (over 40), national origin, medical condition (cancer), physical or mental disability, sexual orientation, pregnancy, childbirth or related medical condition, marital status, or political affiliation be denied any benefits or subject to discrimination under this Agreement.
- C. *Equal employment opportunity.* Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County of San Mateo upon request.
- D. *Violation of Non-discrimination provisions.* Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to
 - i) termination of this Agreement;
 - ii) disqualification of the Contractor from bidding on or being awarded a County contract for a period of up to 3 years;
 - iii) liquidated damages of \$2,500 per violation;
 - iv) imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this section, the County Manager shall have the authority to examine Contractor's employment records with respect to compliance with this paragraph and/or to set off all or any portion of the amount described in this paragraph against amounts due to Contractor under the Contract or any other Contract between Contractor and County.

Contractor shall report to the County Manager the filing by any person in any court of any complaint of discrimination or the filing by any person of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission or any other entity charged with the investigation of allegations within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include the name of the complainant, a copy of such complaint, and a description of the circumstance. Contractor shall provide County with a copy of their response to the Complaint when filed.

- E. *Compliance with Equal Benefits Ordinance.* With respect to the provision of employee benefits, Contractor shall comply with the County Ordinance which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse.
- F. The Contractor shall comply fully with the non-discrimination requirements required by 41 CFR 60-741.5(a), which is incorporated herein as if fully set forth.

12. Compliance with Contractor Employee Jury Service Ordinance

Contractor shall comply with the County Ordinance with respect to provision of jury duty pay to employees and 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 in San Mateo County. 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.

13. Retention of Records, Right to Monitor and Audit

(a) CONTRACTOR shall maintain all required records for three (3) years after the COUNTY makes final payment and all other pending matters are closed, and shall be subject to the examination and/or audit of the County, a Federal grantor agency, and the State of California.

(b) Reporting and Record Keeping: CONTRACTOR shall comply with all program and fiscal reporting requirements set forth by appropriate Federal, State and local agencies, and as required by the COUNTY.

(c) CONTRACTOR agrees to provide to COUNTY, to any Federal or State department having monitoring or review authority, to COUNTY's authorized representatives, and/or their appropriate audit agencies upon reasonable notice, access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules and regulations, and this Agreement, and to evaluate the quality, appropriateness and timeliness of services performed.

14. Merger Clause

This Agreement, including the Exhibits attached hereto and incorporated herein by reference, constitutes the sole Agreement of the parties hereto and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement or specification set forth in this body of the agreement conflicts with or is inconsistent with any term, condition, provision, requirement or specification in any exhibit and/or attachment to this agreement, the provisions of this body of the agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

15. Controlling Law

The validity of this Agreement and of its terms or provisions, as well as the rights and duties of the parties hereunder, the interpretation, and performance of this Agreement shall be governed by the laws of the State of California.

16. Notices

Any notice, request, demand, or other communication required or permitted hereunder shall be deemed to be properly given when deposited in the United State mail, postage prepaid, or when deposited with a public telegraph company for transmittal, charges prepaid, addressed to:

In the case of County to:
Mental Health Services Division
225 37th Avenue
San Mateo, California 94403

In the case of Contractor, to:
Caminar, Inc.
1720 South Amphlett Boulevard, #123
San Mateo, CA 94401

IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives,
have affixed their hands.

COUNTY OF SAN MATEO

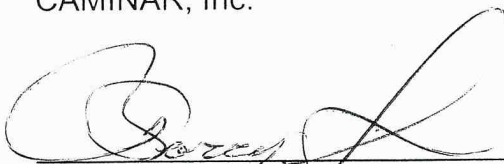
By: _____
Jerry Hill , President
Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

CAMINAR, Inc.



Contractor's Signature

Date: 08/10/06

Long Form Agreement/Business Associate v 6/29/06

Caminar - Oversight & Management of Consumer-Run Organization
FY 2006-07
Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

I. Peer-Support / Self-Help Services

Contractor shall continue to support the development of a 501(c)(3) mental health consumer-run organization ("CRO") to be known as "Heart and Soul" that will be responsible for providing consumer peer support and self-help services. The CRO will be established and developed to operate as an independent organization that will eventually contract directly with the County for these services. At such time that the CRO becomes operational the Contractor will then subcontract with the new organization for the self-help services described in this document, as authorized by the San Mateo County Director of Mental Health. The contractor will provide oversight management, consultation, and training to support the new CRO in continuing their organizational development and meeting their contract goals and objectives.

During the development of the CRO, consumer-run services shall be supervised by the Contractor, as described herein. The management and development of these services shall be guided by the Program Development Plan ("Plan") as approved by the Director of Mental Health Services and developed in collaboration with San Mateo County consumers of mental health services, the contractor and San Mateo County Mental Health Services staff. Additional functions may be added, deleted or revised as agreed to by the County, Contractor, and CRO. Any and all changes to the services described herein or to Attachment D ("Services Timeline") must be approved by the Director of Mental Health Services or her designee. Attachment D is not intended to be a comprehensive list of all activities to be completed by Contractor.

A. Outcomes

1. Establish a successfully functioning independent local 501(c)(3) mental health CRO with a multi-cultural Board of Directors.
2. Create organizational culture, structure and environment that will foster the development and promote the mission of the new CRO to provide quality peer-support programs and services.

B. Development of CRO

1. Contractor shall perform the following functions in the development and establishment of the CRO.
 - a. Contractor shall provide oversight management and training for the CRO Program Director in accordance with the contract objectives. The CRO Program Director shall be responsible for the management and supervision of all the services and employees of the CRO. Training shall be provided in the following areas:
 - 1) Leadership and management techniques
 - 2) Budgeting and fiscal reporting
 - 3) Legal and audit responsibilities
 - 4) Contracting requirements
 - 5) Personnel policies and practices
 - 6) Operational policies and practices
 - 7) Board Development
2. Contractor shall monitor and ensure completion of the final stage in the process of obtaining CRO 501(c)(3) status. Contractor shall provide oversight and monitoring of the fiscal management and program administration of CRO operations until such time that the organization has demonstrated fiscal, administrative and program management capability to the mutual satisfaction of San Mateo County and the Contractor.
3. Contractor shall assist the CRO Director in recruiting, developing and maintaining a Board of Directors for the new organization. The CRO Board and management shall develop a three-year strategic plan.
4. Contractor shall work with the CRO Board to complete the development of their business model. Contractor shall provide oversight to the management and development of administrative, financial and personnel systems for the CRO. These systems shall be reviewed and approved by the Director of Mental Health Services or her designee. The business model shall include a training design for services and for fiscal and administrative systems and procedures.
5. Contractor shall oversee the ongoing recruitment, training, and management of CRO staff.
6. As needed, Contractor shall provide consultation and support for the CRO to ensure the effective operation and administration of direct services.

C. Management of Current County Provided Peer-Support/Consumer-Run Services

Contractor shall provide oversight management of CRO performance objectives and the management of services. The direct management of these services shall be provided by the CRO Program Director with input from mental health consumers, members of the Mental Health Board, the County Office of Consumer Affairs, and other County Mental Health Services staff. Services shall be provided as described below in a manner consistent with the terms and conditions of this Agreement.

1. Contractor shall provide oversight to the CRO Program Director in the supervision of employee and program functions at multiple service sites.
2. Contractor shall work collaboratively with the CRO Program Director and the County Coordinator of Consumer Affairs.
3. Activities shall be provided to San Mateo County consumers without cost at multiple locations throughout San Mateo County. Activities shall include the following:
 - a. Educational and social activities and a movie night.
 - b. A minimum of four (4) skill groups and/or educational groups weekly that include a weekly substance abuse support group.
 - c. A schedule of program activities and an unduplicated count of participants on a monthly basis.

D. Contractor shall provide oversight to the continued development of the CRO. Such development shall be guided by the CRO Board of Directors, Management and participating mental health consumers. Ongoing development shall include the following:

1. Development of an outreach plan for identifying new consumer participants and further develop and maintain a consumer participant mailing list.
2. Development of a new consumer service center to be located in central San Mateo County.
3. Establish new self-help services with San Mateo Coastside Mental Health.

4. Work with the Consumer Affairs coordinator to establish services in East Palo Alto.
5. Continued training and development of the CRO Board of Directors.
6. Review and finalize personnel policies, job standards and compensation, operational procedures and accounting procedures.
7. Establish position and hire for assistant Director.
8. Provide services that are culturally and linguistically appropriate for the diverse cultural communities of the County.
9. Provide services at multiple locations throughout the County, including County facilities, in order to maximize consumer access to services.
10. Develop and distribute monthly calendars of groups and events.
11. Provide services a minimum average of four (4) days per week, including at least one weekend day.
12. Offer at least six (6) activities County-wide, including a minimum of two (2) weekend activities.
13. Activities shall include arts, movie nights, socialization activities, community outings, and support groups. Support groups may include recovery-based skill groups, WRAP groups, and Dual Recovery Anonymous groups.

II. Administrative Requirements

A. Administering Satisfaction Surveys

Contractor agrees to administer/utilize any and all survey instruments as directed by the County Mental Health Services Division, including outcomes and satisfaction measurement instruments.

B. Program Attendance

Contractor shall keep participation records for all programs offered. Contractor shall provide to County the total number of clients participating in all programs monthly, as well as an unduplicated count of clients who participate in programs monthly.

C. Cultural Competency

1. All program staff shall receive at least one (1) in-service training per year on some aspect of providing culturally and linguistically appropriate services. At least once per year and upon request, Contractor shall provide County with a schedule of in-service training(s) and a list of participants at each such training.
2. Contractor shall use good faith efforts to translate health-related materials in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall provide to County copies of Contractor health-related materials in English and as translated.
3. Contractor shall use good faith efforts to hire clinical staff members who can communicate with clients in a culturally and linguistically appropriate manner. At least once per year and upon request, Contractor shall submit to County the cultural composition and linguistic fluencies of Contractor staff.

- D. Contractor may not employ any persons deemed an Ineligible Person by the Office of the Inspector General in the provision of services for the County through this agreement. Any employee(s) of contractor determined to be an Ineligible Person will be removed from responsibility for, or involvement with County clients or operations. An "Ineligible Person" is an individual who (1) is currently excluded, suspended, debarred or otherwise ineligible to participate in Federal health care programs, or (2) has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the Federal health care programs after a period of exclusion, suspension, debarment or ineligibility. Ineligibility may be verified by checking: www.Exclusions.OIG.HHS.Gov.

III. Goals and Objectives

Goal 1: To enhance client satisfaction with the services provided.

Objective 1: At least ninety percent (90%) of customer survey respondents will rate services as good or better by June 30, 2007.

Data collection to be completed by Contractor in conjunction with CRO.

Goal 2: Increase client participation in peer support/recovery activities.

Objective 1: Establish baseline for client participation in peer support/recovery activities.

Data collection to be completed by Contractor in conjunction with CRO.

Objective 2: At least eighty-five (85%) of respondents shall agree that activities and events were offered to encourage the participation of culturally diverse groups.

Data collection to be completed by Contractor in conjunction with CRO.

Caminar - Oversight & Management of Consumer-Run Organization
FY 2006-07
Exhibit B

In consideration of the services provided by Contractor in Exhibit A, County shall pay Contractor based on the following fee schedule:

I. Payments

In full consideration of the services provided by Contractor and subject to the provisions of Paragraph 3. ("Payments") of this Agreement, County shall pay Contractor in the manner described below, except that any and all payments shall be subject to the conditions contained in this Agreement.

- A. County shall be obligated to pay a maximum of THREE HUNDRED FOURTEEN THOUSAND NINE HUNDRED NINETY-FIVE DOLLARS (\$314,995) for services as described in Exhibit A of this Agreement. Unless otherwise authorized by the Director of Health or her authorized representative, the rate of payment by County to Contractor shall be one-twelfth (1/12) of the total obligation per month.
- B. In any event, the maximum amount County shall be obligated to pay for services rendered under this Agreement shall not exceed THREE HUNDRED FOURTEEN THOUSAND NINE HUNDRED NINETY-FIVE DOLLARS (\$314,995).
- C. Contractor's annual 2006-2007 budget is attached and incorporated into this Agreement as Exhibit C.
- D. Budget modifications may be approved by the Director of Health or her designee, subject to the maximum amount set forth in Paragraph 3.
- E. The Director of Health is authorized to execute subsequent amendments and minor modifications not to exceed an aggregate of \$25,000 and to make minor changes in the types of services and activities provided under the agreement.
- F. If County or Contractor finds that performance is inadequate, at the County's discretion, a meeting may be called to discuss the causes for the performance problem, and this Agreement may either be renegotiated, allowed to continue to end of term, or terminated pursuant to Paragraph 4 of this Agreement. Any unspent monies due to performance failure may reduce the following year's agreement, if any.

G. In the event this Agreement is terminated prior to June 30, 2007, the Contractor shall be paid for services already provided pursuant to this Agreement.

H. Contractor shall submit to County a year-end cost report no later than ninety (90) days after the expiration date of this Agreement. This report shall be in accordance with the principles and format outlined in the Cost Reporting/Data Collection (CR/DC) Manual. Contractor shall annually have its books of accounts audited by a Certified Public Accountant and a copy of said audit report shall be submitted along with the Cost Report.

I. Claims Certification and Program Integrity

Anytime Contractor submits a claim to the County for reimbursement for services provided under Exhibit A of this Agreement, Contractor shall certify by signature that the claim is true and accurate by stating the claim is submitted under the penalty of perjury under the laws of the State of California.

The claim must include the following language and signature line at the bottom of the form(s) and/or cover letter used to report the claim:

"Under the penalty of perjury under the laws of the State of California, I hereby certify that this claim for services complies with all terms and conditions referenced in the Agreement with San Mateo County.

Executed at _____ California, on _____, 200__

Signed _____ Title _____

Agency _____"

J. Rollover

Contractor may rollover unspent funding from the County according to the following procedures.

1. Contractor shall submit a summary calculation of any savings 90 days after end of the fiscal year. The summary calculation will be a separate report from the year-end cost report. With the summary calculation Contractor shall return the amount of the savings.

2. At the time of the submission of the summary calculation Contractor may request to rollover some or all of any savings. The request must be made in writing to the Director of Mental Health Services or her designee. The request shall identify specifically how the rollover funds will be spent, including a detailed budget. Savings shall not be spent until Contractor receives a written approval of the request. Approved rollover funds shall be spent only for the succeeding fiscal year and only for the specific purpose(s) requested and approved.
3. Contractor shall submit an accounting report of the rollover savings. This report shall include copies of the detailed expenses. The report is due 90 days after the specific purpose has been completed, or 90 days after the end of the fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.
4. If the specific purpose is not yet complete as of the end of the succeeding fiscal year, contractor may request to rollover the unspent funds to the succeeding second fiscal year by submitting a written request with the accounting report. The unspent rollover funds shall not be spent until the request is approved by the Director of Mental Health Services or her designee.
5. A final accounting of the rollover funds shall be submitted 90 days after the specific purpose has been completed, or 90 days after the end of the second fiscal year, whichever comes first. Any unspent rollover funds shall be returned to the County with the accounting report.

**EXHIBIT C
2006-07 BUDGET**

**HEART AND SOUL
2006/07 OPERATIONAL BUDGET**

REVENUE					Annual Budget	Monthly Budget
3040	County Contract	\$258K X 3% COLA			265,740	22,145
3045	Operations Roll over from 05-06				27,305	2,275
3045	One Time Expense Roll over from 05-06				21,950	1,829
TOTAL REVENUE					314,995	26,250
PERSONNEL						
Salaries						
FTE	EMPLOYEE					
5009	Program Director (04/01/05)	55,125	400		55,525	4,627
	Supervisors (2 EE'S @ 10hrs p/wk)	15,080	400		15,480	1,290
	Existing Peer Support Workers (8 EE's @ 10 hrs p/wk)	47,840	800		48,640	4,053
	New Peer Support Worker (1 EE's @ 10 hrs p/wk)	5,980	200		6,180	515
	Admin Assistant (1 EE @ 28 hrs p/wk)	19,656	100		19,755	1,646
Salaries		143,680	1,900		145,580	12,132
Taxes						
5090	FICA	7.65%	145,580		11,135	928
5145	SUI	2.50%	145,580		3,640	303
Taxes					14,775	1,231
Benefits						
5130	EE Health plans	6240	1		6,240	520
5145	Retirement	6%	55,525		3,330	278
Benefits		0			9,570	798
Worker's Compensation						
5110	Worker's Comp	3.3%	145,580		4,835	403
Worker's Comp					4,835	403
TOTAL SALARY, BENEFITS & TAXES					174,760	14,563
CONTRACT SERVICES						
6085	One time Facility upgrade/equipment				21,950	1,829
6051	Heart and Soul Program Management/Supervision/Oversight				12,000	1,000
6052	Organizational Development/Education/Training				12,000	1,000
TOTAL CONTRACT					45,950	3,829
GENERAL EXPENSES						
7000	Travel	o			2,400	200
7007	Advertising	s/o			300	25
7020	Office Rent	o			29,400	2,450
7040	Telephone Expenses	o			2,400	200
7060	Utilities	o			2,400	200
7090	Insurance Expenses	o			6,000	500
7170	Maintenance Equipment	o			240	20
7180	Office Supplies	o			2,400	200
7190	Conference & Training	s/o			5,000	417
7200	Printing & Publications	s/o			1,200	100
7210	Program Expenses	o			10,600	883
7280	Postage and Freight	o			240	20
7560	Dues and Subscriptions	o			480	40
8080	Miscellaneous Expense	o			100	8
9030	Special Events	o			1,190	99
TOTAL GENERAL EXPENSES					64,350	5,362
9050 INDIRECT					29,935	2,495
TOTAL OPERATING EXPENSES					314,995	26,250
TOTAL SURPLUS/DEFICIT					0	0

Activity	Target Completion Date
• Obtain 501 (c) (3)	12/31/2006
- All requirements met - deadline contingent on IRS processing time	
• Create multi-cultural board of directors	Ongoing
- Board currently multi-cultural	
• Complete development of organizational infrastructure to allow Heart and Soul to operate independently (includes personnel policies, job standards and compensation, operational procedures, and accounting procedures)	3/31/2007 / Ongoing
• Provide training to staff and board	10/31/2006 / Ongoing
• Work collaboratively with Caminar and the Office of Consumer Affairs	Ongoing
• Provide education and social activities and a movie night	Ongoing
• Provide 4 weekly skill groups including a weekly substance abuse group	9/30/2006
• Provide a schedule of program activities and an unduplicated count of participants on monthly basis	9/1/2006
• Continue development of an outreach plan for identifying new consumer participants	Ongoing
• Further develop and maintain consumer participant mailing list	Ongoing
• Develop new site in San Mateo	9/30/2006
• Develop new services with Coast Side Mental Health	Ongoing
• Work with Consumer Affairs Director to Develop site in EPA	Ongoing
• Establish and hire for assistant director position	10/31/2006

Activity	Target Completion Date
<ul style="list-style-type: none">• Provide services at multiple locations in county	Ongoing
<ul style="list-style-type: none"><ul style="list-style-type: none">- Currently serve 4 locations; will serve location by late September	
<ul style="list-style-type: none">• Develop/distribute monthly calendars	Ongoing
<ul style="list-style-type: none">• Provide services a minimum of 4 days	10/31/2006
<ul style="list-style-type: none">• Offer six activities county wide including at least 2 weekend activities	12/31/2006
<ul style="list-style-type: none">• Provide cultural competence training for staff	1/31/2007
<ul style="list-style-type: none">• Administer satisfaction surveys	10/31/2006 / Ongoing
<ul style="list-style-type: none">• Achieve 90% satisfaction rate on satisfaction surveys	6/30/2007

Attachment H
Health Insurance Portability and Accountability Act (HIPAA)
Business Associate Requirements

Definitions

Terms used, but not otherwise defined, in this Schedule shall have the same meaning as those terms are defined in 45 Code of Federal Regulations section 160.103 164.304 and 164.501. (All regulatory references in this Schedule are to Title 45 of the Code of Federal Regulations unless otherwise specified.)

- a. *Designated Record Set*. "Designated Record Set" shall have the same meaning as the term "designated record set" in Section 164.501.
- b. *Electronic Protected Health Information*. "Electronic Protected Health Information" ("EPHI") means individually identifiable health information that is transmitted or maintained in electronic media, limited to the information created, received, maintained or transmitted by Business Associate from or on behalf of Covered Entity.
- c. *Individual*. "Individual" shall have the same meaning as the term "individual" in Section 164.501 and shall include a person who qualifies as a personal representative in accordance with Section 164.502(g).
- d. *Privacy Rule*. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A and E.
- e. *Protected Health Information*. "Protected Health Information" shall have the same meaning as the term "protected health information" in Section 164.501 and is limited to the information created or received by Contractor from or on behalf of County.
- f. *Required By Law*. "Required by law" shall have the same meaning as the term "required by law" in Section 164.501.
- g. *Secretary*. "Secretary" shall mean the Secretary of the United States Department of Health and Human Services or his or her designee.
- h. *Security Incident*. "Security Incident" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with systems operations in an information system, but does not include minor incidents that occur on a daily basis, such as scans, "pings", or unsuccessful random attempts to penetrate computer networks or servers maintained by Business Associate.
- i. *Security Rule*. "Security Rule" shall mean the Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 160 and Part 164, Subparts A and C.

Obligations and Activities of Contractor

- a. Contractor agrees to not use or further disclose Protected Health Information other than as permitted or required by the Agreement or as required by law.
- b. Contractor agrees to use appropriate safeguards to prevent the use or disclosure of the Protected Health Information other than as provided for by this Agreement.
- c. 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.
- d. Contractor agrees to report to County any use or disclosure of the Protected Health Information not provided for by this Agreement.
- e. 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.
- f. If Contractor has protected health information in a designated record set, Contractor agrees to provide access, at the request of County, and in the time and manner designated 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 Section 164.524.
- g. If Contractor has protected health information in a designated record set, Contractor agrees to make any amendment(s) to Protected Health Information in a Designated Record Set that the County directs or agrees to make pursuant to Section 164.526 at the request of County or an Individual, and in the time and manner designed by County.
- h. Contractor agrees to make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Contractor on behalf of, County available to the County, or at the request of the County to the Secretary, in a time and manner designated by the County or the Secretary, for purposes of the Secretary determining County's compliance with the Privacy Rule.
- i. 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 Section 164.528.
- j. Contractor agrees to provide to County or an Individual in the time and manner designated by County, information collected in accordance with Section (i) of this Schedule, to permit County to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with Section 164.528.

- k. Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that Contractor creates, receives, maintains, or transmits on behalf of County.
- l. Contractor shall conform to generally accepted system security principles and the requirements of the final HIPAA rule pertaining to the security of health information.
- m. Contractor shall ensure that any agent to whom it provides EPHI, including a subcontractor, agrees to implement reasonable and appropriate safeguards to protect such EPHI.
- n. Contractor shall report to County any Security Incident within 5 business days of becoming aware of such incident.
- o. Contractor shall make its policies, procedures, and documentation relating to the security and privacy of protected health information, including EPHI, available to the Secretary of the U.S. Department of Health and Human Services and, at County's request, to the County for purposes of the Secretary determining County's compliance with the HIPAA privacy and security regulations.

Permitted Uses and Disclosures by Contractor

Except as otherwise limited in this Schedule, Contractor may use or disclose Protected Health Information to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

Obligations of County

- a. County shall provide Contractor with the notice of privacy practices that County produces in accordance with Section 164.520, as well as any changes to such notice.
- b. County shall provide Contractor with any changes in, or revocation of, permission by Individual to use or disclose Protected Health Information, if such changes affect Contractor's permitted or required uses and disclosures.
- c. County shall notify Contractor of any restriction to the use or disclosure of Protected Health Information that County has agreed to in accordance with Section 164.522.

Permissible Requests by County

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, unless the Contractor will use or disclose Protected Health Information for, and if the Agreement provides for, data aggregation or management and administrative activities of Contractor.

Duties Upon Termination of Agreement

- a. Upon termination of the Agreement, for any reason, Contractor shall return or destroy all Protected Health Information received from County, or created or received by Contractor on behalf of County. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the Protected Health Information.
- b. In the event that Contractor determines that returning or destroying Protected Health Information is infeasible, Contractor shall provide to County notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of Protected Health Information is infeasible, Contractor shall extend the protections of the Agreement to such Protected Health Information and limit further uses and disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such Protected Health Information.

Miscellaneous

- a. *Regulatory References.* A reference in this Schedule to a section in the Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- b. *Amendment.* The Parties agree to take such action as is necessary to amend this Schedule 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, Public Law 104-191.
- c. *Survival.* The respective rights and obligations of Contractor under this Schedule shall survive the termination of the Agreement.
- d. *Interpretation.* Any ambiguity in this Schedule shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.
- e. *Reservation of Right to Monitor Activities.* County reserves the right to monitor the security policies and procedures of Contractor

ATTACHMENT I

Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called the "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

☐ a. Employs fewer than 15 persons.

☒ b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

BARRY SHEA
Name of 504 Person - Type or Print

CAMINAR
Name of Contractor(s) - Type or Print

3 Water Park
Street Address or P.O. Box

San Mateo, CA 94403
City, State, Zip Code

I certify that the above information is complete and correct to the best of my knowledge.

[Signature]
Signature

CEO
Title of Authorized Official

08/10/06
Date

*Exception: DHHS regulations state that:

"If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

COUNTY OF SAN MATEO

Equal Benefits Compliance Declaration Form

I Vendor Identification

Name of Contractor: Caminar
Contact Person: Barry Shea
Address: 1720 South Amphlett Blvd., #123
San Mateo, CA 94401
Phone Number: (650) 578-8691 Fax Number: (650) 578-8697

II Employees

Does the Contractor have any employees? ☒ Yes ☐ No

Does the Contractor provide benefits to spouses of employees? ☒ Yes ☐ No

If the answer to one or both of the above is no, please skip to Section IV.

III Equal Benefits Compliance (Check one)

- ☒ Yes, the Contractor complies by offering equal benefits, as defined by Chapter 2.93, to its employees with spouses and its employees with domestic partners.
☐ Yes, the Contractor complies by offering a cash equivalent payment to eligible employees in lieu of equal benefits.
☐ No, the Contractor does not comply.
☐ The Contractor is under a collective bargaining agreement which began on _____ (date) and expires on _____ (date).

IV Declaration

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 10 day of Aug, 2006 at SAN MATEO, CA.
(City) (State)


Signature

BARRY SHEA
Name (Please Print)

CEO
Title

COUNTY OF SAN MATEO
HEALTH SERVICES ADMINISTRATION

MEMORANDUM

DATE: August 2, 2006

TO: Janine Keller, Risk Management/Insurance Division
FROM: John Klyver, Mental Health Services/PONY #MLH 322

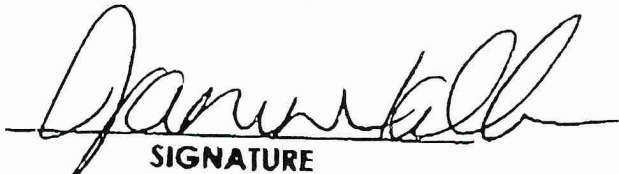
CONTRACTOR: Caminar
DO THEY TRAVEL: Yes
PERCENT OF TRAVEL TIME:
NUMBER OF EMPLOYEES: Yes
DUTIES (SPECIFIC): See attached

COVERAGE:

Comprehensive General Liability:	<u>\$1,000,000</u>
Motor Vehicle Liability:	<u>\$1,000,000</u>
Professional Liability:	<u>\$1,000,000</u>
Worker's Compensation:	<u>\$ yes</u>

APPROVE ✓ WAIVE _____ MODIFY _____

REMARKS/COMMENTS:


SIGNATURE

PRODUCER

Serial # 100314

ERNEST BLOOMFIELD & ASSOCIATES
REHABILITATION & RECOVERY INSURANCE AGENCY, INC.
22 BATTERY STREET, SUITE 503
SAN FRANCISCO, CA. 94111

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.

INSURERS AFFORDING COVERAGE

NAIC#

INSURED

CAMINAR, INC.
1720 AMPHLETT BLVD., SUITE 118
SAN MATEO, CA 94402

INSURER A: AMERICAN STATES INSURANCE CO.

INSURER B: FIRST NATIONAL INSURANCE CO.

INSURER C: GENERAL INSURANCE COMPANY

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 POLICES 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 LTR	ADD'L NSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> SEXUAL MISCONDUCT \$100,000 OCC/AGG GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	01CG72588220	2/15/06	2/15/07	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 200,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000
B		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> COMP \$1000 DED. <input checked="" type="checkbox"/> COLL \$1000 DED.	25CC10085910	2/15/06	2/15/07	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$
C		OTHER	HLP7782269C	2/15/06	2/15/07	\$1,000,000 OCCURRENCE
		PROFESSIONAL LIABILITY				\$3,000,000 AGGREGATE
A		BLANKET CONTENTS	01CG72588220	2/15/06	2/15/07	LIMIT:\$698,700

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

THE CERTIFICATE HOLDER IS TO BE NAMED AS AN ADDITIONAL INSURED, BUT ONLY AS THEIR INTEREST MAY APPEAR AND ONLY WITH RESPECT TO THE OPERATIONS OF THE NAMED INSURED.

TEN DAY NOTICE OF CANCELLATION FOR NON-PAYMENT OF PREMIUM.

CERTIFICATE HOLDER

SAN MATEO COUNTY MENTAL HEALTH SERVICES
225-37TH AVENUE, ROOM 320
SAN MATEO, CA 94403
ATTN: JOHN KLYVER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~NOTIFY BY 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



**STATE
COMPENSATION
INSURANCE
FUND**

P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 05-31-2006

GROUP: 000488
POLICY NUMBER: 0000951-2006
CERTIFICATE ID: 18
CERTIFICATE EXPIRES: 04-01-2007
04-01-2006/04-01-2007
THIS CERTIFICATE SUPERSEDES AND CORRECTS
CERTIFICATE # 9 DATED 04-01-2006

SAN MATEO COUNTY, HUMAN SERVICES
AGENCY
225 37TH AVE
SAN MATEO CA 94403-4324

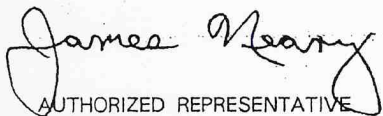
NA

This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days advance written notice to the employer.

We will also give you 10 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.


AUTHORIZED REPRESENTATIVE


PRESIDENT

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #0015 ENTITLED ADDITIONAL INSURED EMPLOYER EFFECTIVE 2006-05-31 IS
ATTACHED TO AND FORMS A PART OF THIS POLICY. NAME OF ADDITIONAL INSURED:
SAN MATEO COUNTY, HUMAN SERVICES

EMPLOYER

CAMINAR AND (A NON PROFIT CORP) DBA: NA
CAMINAR/CLC
1720 S AMPHLETT BLVD
SAN MATEO CA 94402

[VG5,NB]

PRINTED : 05-31-2006