



Board of Directors Meeting Agenda
Tuesday, August 22, 2023
6:00 – 7:30 p.m.

Kern Regional Center, 3200 N. Sillect Ave., Bakersfield CA 93308
Malibu Room

General Business			
1. Call to Order and Introductions		Kevin Gosselin, President	6:00 – 6:05 p.m.
2. Approval of Agenda	Action	Kevin Gosselin, President	6:05 – 6:07 p.m.
3. Approval of May 23 and June 13, 2023 Board Minutes (Attachments 1 and 2)	Action	Kevin Gosselin, President	6:07 – 6:10 p.m.
4. Linguistic and Cultural Competency Activities and Outcomes (Attachment 3)	Info.	Tomas Cubias, Assistant Director of Service Access & Equity Enrique Roman, Director Community Services	6:10 – 6:40 p.m.
5. ARCA Report (Attachment 4)	Info.	Tracey Mensch, Vice President and ARCA Chair	6:20 – 6:45 p.m.
6. Contract Approval greater than \$250,000, - HCBS Grant Funds for Year Two to Bakersfield ARC (Attachment 5) - R&D Transportation Broker (Attachment 6)	Action	Enrique Roman, Director Community Services	6:45 – 6:55 p.m.
7. Public Input	Info.		6:55 – 7:00 p.m.
Reports			
8. Board President Report	Info.	Kevin Gosselin, President	7:00 – 7:05 p.m.
9. Executive Director Report	Info.	Dr. Michi Gates, Executive Director	7:05 – 7:20 p.m.
10. Financial Report a. POS Report for June 2023 (Attachment 7) b. Operations Report for June 2023 (Attachment 8)	Info.	Tom Wolfgram, CFO	7:20 – 7:25 p.m.
11. Vendor Advisory Committee Report	Info.	Tamerla Prince, VAC Representative	7:25 – 7:30 p.m.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85227854954?pwd=MUJ0N3FpOVlsNlNYdkNUMzFVL2lCZz09>

Webinar ID: 852 2785 4954 Passcode: 804229
Dial-In Number: (213) 338-8477

Next Board Meeting is September 26, 2023, 6:00 – 7:30 PM
Kern Regional Center, 3200 N. Sillect Ave., Bakersfield CA 93308
Malibu Room



**Kern Regional Center
Board of Directors Meeting
August 22, 2023**

This meeting was conducted as a hybrid meeting at Kern Regional Center, 3300 N. Sillect Ave., Bakersfield, California in the Malibu Room by the use of remote teleconferencing technology provided by Zoom.

CALL TO ORDER & ROLL CALL: President Gosselin called the meeting to order at 6:08 p.m.

Board of Directors:

President Kevin Gosselin, Ana Alonso, Carlos Isidoro, Ryan Jones, Tracey Mensch, Tamerla Prince, Donald Tobias, Mark Tolentino and Martin Vasquez were present. A quorum was established.

Absent:

Oscar Axume, Simon Verdugo, Ruth Watterson

Kern Regional Center Staff:

Lulu Calvillo, Assistant Director, Early Childhood; Tomas Cubias, Assistant Director of Service Access & Equity; Celia Pinal, Director of Client Services; Karina Proffer, Program Manager; Leslie Mosqueda, Program Evaluator; Darlene Pankey, Executive Assistant; Isis Rasmussen, Executive Assistant; Enrique Roman, Director of Community Services; Jose Santana, IT Department

Attendees:

Maria Cruz, Jill Green, Edwin Pineda from DDS, Jeffrey Popkin from Bakersfield ARC, Maria Robles, Norma Tuiasosopo and Mitzi Villalon

Interpreters: Sophia Aguirre, ASL; Nidya Madrigal-Navia, Spanish; Robbie Smith, ASL

AGENDA APPROVAL:

President Gosselin explained the need to adjust the agenda due to the absence of Dr. Michi Gates, Executive Director and Tom Wolfram, CFO.

Moved by Mensch and seconded by Alonso to:

Delete item 9, Executive Director's Report and item 10, Financial Report from today's meeting

PASSED: 9

APPROVAL OF MINUTES:

- a. May 23, 2023, Kern Regional Center Board of Directors Meeting
- b. June 13, 2023, Kern Regional Center Board of Directors Meeting

Moved by Mensch and seconded by Prince to:

Approve the Kern Regional Center Board of Directors Meeting Minutes for May 23, 2023, and June 13, 2023 as written.

PASSED: 9

LINGUISTIC AND CULTURAL COMPETENCY ACTIVITIES AND OUTCOMES

An educational lecture, *Service Access & Equity Unit*, was presented to the Board of Directors by Tomas Cubias, Assistant Director of Service Access & Equity and Enrique Roman, Director of Community Services. A copy of the PowerPoint presentation will be filed with the minutes of this meeting.

ARCA REPORT

A report was given by Tracey Mensch, Vice President of KRC Board of Directors and ARCA Chairperson, covering topics at the last ARCA Board of Directors meeting held in June. A copy of the PowerPoint presentation will be filed with the minutes of this meeting.

HCBS GRANT FUNDS TO BAKERSFIELD ARC

Enrique Roman presented and discussed with board members the Home and Community-Based Services (HCBS) contractor agreement between Kern Regional Center and Bakersfield ARC. The complete contract was sent to the board of directors for review before the meeting.

Moved by Alonso and seconded by Mensch to:

Approve the Concept Proposal/Project Agreement for Centers for Medicare & CMS Home and Community-Based Services (HCBS) Final Rule between KRC and Bakersfield ARC for the next year.

PASSED: 8

ABSTENTION: 1 (Prince)

A copy of the complete agreement will be filed with the minutes of this meeting.

R & D TRANSPORTATION BROKER CONTRACT

Enrique Roman presented and discussed the Agreement for Transportation Broker Services between Kern Regional Center and R & D Transportation Services, Inc. The complete contract was sent to the board of directors for review before the meeting.

Moved by Mensch and seconded by Alonso to:

Approve the Agreement for Transportation Broker Services between Kern Regional Center and R & D Transportation Services, Inc.

PASSED: 8

ABSTENTION: 1 (Prince)

A copy of the complete agreement will be filed with the minutes of this meeting.

PUBLIC INPUT

- No public input from the community.
- An announcement was made to guests present about the Padres Unidos meeting held at the KRC Malibu Room the first Tuesday of every month at 10:00 AM. All are invited. English interpretation available.
- An announcement was made to guests that the summary of the performance contract for 2022 will be presented at the next KRC Board of Directors meeting on September 26, 2023, at 6:00 p.m. The

community is encouraged to attend and provide questions and feedback. Announcements have already been posted on the KRC website and sent to our community via KRC's social media platforms.

BOARD PRESIDENT REPORT

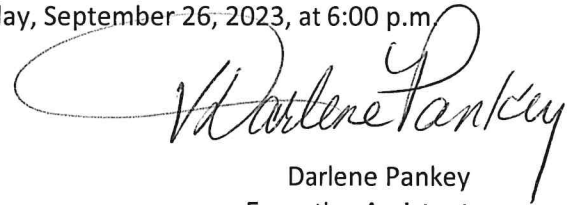
- The Educational Retreat in June was productive and a great success. It was good to be together again in person.
- Congratulations to KRC staff for closing the Fiscal Year finances in the black. Great job!
- A reminder that two board members will be stepping down in January. We continually encourage recommendations of individuals who would like to serve on the KRC board. Those with a desire to serve are appreciated; those with a financial or legal background would be a special asset.
- Thank you to all board members for the special work you do.

VENDOR ADVISORY COMMITTEE

- Discussion took place regarding the VAC Meeting held on July 25, 2023. The agenda of the VAC meeting will be filed with these minutes.
- The VAC Luncheon will take place on November 3 at the Doubletree Hotel.

Kevin Gosselin, President adjourned the meeting at 7:33 p.m.

The next meeting of the KRC Board of Directors is scheduled for Tuesday, September 26, 2023, at 6:00 p.m.



Darlene Pankey
Executive Assistant

Attachment 1

**Kern Regional Center
Board of Directors Meeting
May 23, 2023, 6:00 – 7:30 p.m.**

3200 N. Sillect Avenue ∞ Bakersfield, CA 93308 ∞ 661-327-8531

MINUTES

KRC BOARD MEMBERS PRESENT:

Kevin Gosselin, President
Ryan Jones, Board Member
Tracey Mensch, Vice President/ARCA Delegate
Tamerla Prince, VAC Representative
Donald Tobias, Board Member
Mark Tolentino, Board Member
Martin Vasquez, Secretary
Simon Verdugo, Board Member

FACILITATORS:

John Noriega, Advocate for Simon Verdugo

KRC STAFF PRESENT:

Michi Gates, PhD, Executive Director
Kristine Khuu, Asst. Director of Client Services
Yessenia Mackie, Asst. Director of Client Services
Celia Pinal, Director of Client Services
Enrique Roman, Director of Community Services
Jose Santana, IT
Tom Wolfgram, Chief Financial Officer

KRC BOARD MEMBERS ABSENT:

Oscar Axume
Carlos Isidoro
Ruth Watterson

GUESTS:

Ana Alonso
Edwin Pineda, DDS
Samantha Pinto
Jonathan Torres
Norma Tuíasosopo
Yessenia Velasquez

INTERPRETERS:

Kimberly Cantwell, ASL
Mark Robinson, ASL
Nidya Madrigal-Navia, Spanish

CALL TO ORDER

President Kevin Gosselin called the meeting of the KRC Board of Directors to order at 6:10 p.m. Introductions of board members, KRC staff, and guests were made.

APPROVAL OF AGENDA

The Board of Directors had previously received the agenda for review.

No additions or edits were requested. President Gosselin asked for a motion to approve the agenda of May 23, 2023.

M/S/C: (Prince, Mensch)

Ayes: 8

Motion Carried

REVIEW OF MINUTES

The Board of Directors had previously received the minutes of the Board Meeting held on April 25, 2023, for review.

No edits were requested. President Gosselin asked for a motion to approve the minutes of April 25, 2023.

M/S/C: (Mensch, Prince)

Ayes: 8

Motion Carried

REGIONAL CENTER PERFORMANCE MEASURES

Dr. Michi Gates, KRC Executive Director

Dr. Gates presented the Regional Center (RC) Performance Measures developed by the Department of Developmental Services (DDS) and DDS Regional Center Performance Measure Stakeholder Work Group. This report outlines the performance measures required from regional centers. Dr. Gates presented the different measures by focus areas, measures, and desired outcomes.

Focus Area	Measure	Desired Outcome
Early Start	Child Find and Identification	Children who are eligible for Early Start are identified and enrolled in a timely manner.
	Timely Access to Early Start Services	Children and families have timely access to Early Start services to minimize the impact of developmental delays.
Employment	Participation in Competitive Integrated Employment (CIE)	People who want a job, have a job, and employment services help people get and keep jobs that maximize their skills and interests.
	Data Points and Reporting for Competitive Integrated Employment (CIE)	People who want a job, have a job, and employment services help people get and keep jobs that maximize their skills and interests.
Equity and Cultural Competency	Linguistic Diversity	Regional Center staff communicate with individuals they support in the individual's preferred spoken language.
	Language Access	Regional Center staff communicate with individuals they support in the individual's preferred spoken language.
	Service Coordinator Competency in Cultural and Ethnic Diversity	All individuals and families supported by Regional Centers experience service coordination that respects their culture.
Individual & Family Experience and Satisfaction	Consumer/Family Satisfaction with Regional Center Services	Individuals served by Regional Centers, including families, are listened to by the RC and are satisfied with services delivered by RC staff.
Person-Centered Services Planning	Service Plans Demonstrate Person-Centered Criteria	People served by Regional Centers have person-centered service plans.
	Service Coordinator Facilitation Skills	Regional Center Service Coordinators demonstrate person-centered planning skills.
Service Coordination and Regional Center Operations	Choice of Services within Regional Center	People served by the Regional Center have choice of service vendors to meet their needs and preferences.
	Timely Service Authorizations	Individuals and families served by Regional Centers receive service authorization in a timely manner.
	Service Coordinator Competency	Service Coordinators demonstrate the knowledge and skills necessary to successfully meet the needs of individuals and families served by RC.
	Intake Process	Individuals and families who apply to the Regional Center for services are treated with respect and Regional Center Intake procedures are equitable.

REGIONAL CENTER PERFORMANCE MEASURES (Continued)

Dr. Michi Gates, KRC Executive Director

These measures are to be implemented in four phases that are detailed along with measure descriptions, data sources, target population, incentive types, and performance target and incentive methodologies, on the DDS PowerPoint attached to these minutes.

PUBLIC INPUT

No public input at this meeting from members of the public attending.

Vice President Mensch announced that she had given an Emergency Preparedness presentation at the Bakersfield City Council meeting today, representing persons with disabilities. She encouraged the public to be aware of the needs of persons with disabilities during an emergency and to take steps to be prepared.

BOARD PRESIDENT'S REPORT

Kevin Gosselin, President

1. President Gosselin thanked everyone who participated in the Vendor Fair at KRC on May 19. It was great!
2. Our Board of Directors Education is scheduled for June 27 at 6:00 p.m. This will be a dinner session and the location, along with all the details, will be announced soon. He is really looking forward to the board members all getting together in person for this event.
3. We are still looking for new board members. A potential board member was interviewed by him and Vice President Mensch this week and he anticipates moving forward with this nominee soon. He asked if board members would be willing to call a special public meeting in June to meet the candidate and hold a vote. He will follow up with board members to see if this is possible.

EXECUTIVE DIRECTOR REPORT

Dr. Michi Gates, Executive Director

Dr. Gates expressed her thanks to Tamerla Prince for the outstanding job she did in the coordination of the Vendor Fair at KRC. Service Coordinators really appreciated it and look forward to the next one.

Dr. Gates also expressed her thanks to Vice President Mensch for her advocacy efforts on behalf of KRC with our legislators. She and Tracey recently visited the office of Senator Shannon Grove and spoke with her about KRC and the clients we serve.

We will be having our Self Determination Program (SDP) local advisory group meeting, in hybrid format, here in the KRC Malibu Room on Monday, June 5, 5:00 – 7:00 p.m. Spanish interpretation will be provided. Dr. Gates encouraged everyone to spread the word to the public. DDS will be presenting at this meeting and will be available for public questions and comments.

As happens each year, Dr. Gates is collaborating with her peers to address the May Revise. The May Revise is the resubmitted budget proposal after taxes were received in April. Regional Centers are having to regroup due to the State of California having a large deficit of funds. The May Revise brings major impacts to our system such as:

1. Provisional eligibility (a lower bar to allow eligibility for ages 3-4). DDS was instructed to seek Federal Funds for this, which they did, however CMS will only fund if ages 0-3 are also included in provisional eligibility. It is pretty certain that this will go through as it is imperative to receive federal funding, but, in

turn, presents concerns on how this is going to affect the regional centers Early Start program. The concern is that our Early Start service coordinators (who can currently focus on Early Start regulations and how to best serve the age 0-3 population) will then be required to also understand the Lanterman regulations under provisional eligibility. KRC will be strategically planning how to best deal with these requirements to avoid unintended reduction of the quality of services and supports in the case coordination that we provide to 0–3-year-old individuals.

2. Core Staffing Model – a lot of effort has gone into getting the Core Staffing Model updated so that regional centers receive allocations from DDS that match what we pay our service coordinators. Unfortunately, this will probably have to be reduced because the State of California is looking at a projected \$32 billion deficit. Although disappointing, any progress made is positive.
3. Generic Resources - DDS has proposed statute or trailer bill language that would require regional centers to fund medical and dental services if, after 60 days, generic resources have not met that need or are not providing that service. This will, of course, have workload implications and may present a challenge for regional centers to be able to find personnel to provide services to our individuals at the rates that we are allowed to pay.

Additional funding to correct DDS's error last year of not giving regional center enough funds to reduce ages 0-5 caseloads to a ratio of 1:40 will be corrected. We should be granted the additional funding on July 1 and KRC is planning to hire the additional staff needed to make this happen. Kern is positioning itself to have an Early Childhood Department, moving Intake to a standalone department instead of being combined with Early Start. This will restructure Early Start and ages 3-5 years to fall under the Early Childhood Department.

Assembly Bill 1147 is continuing to move forward. It is currently being supported in the Assembly and will next go to the Senate. AB1147 has some features that would impact regional center boards, i.e., a reduction in the amount of years allowed to serve from seven to six; after completing a 6-year term, it would require a 5 year absence before a member can return to serve on the board.

Dr. Gates has been working with ARCA to collaborate more with our advocacy groups. It is of utmost importance to get feedback from them on regional center performance. In June she will be meeting with ARCA, the leaders of Disability Voices United, the Integrated Community Collaborative and a small group of directors. The goal of this meeting is to get their input on major changes that are coming to our system and the regional center performance measures. We hope to make these meetings regular and consistent. Dr. Gates is also working on a DDS Complex Needs Work Group. Individuals with complex needs are those individuals who are served by our RCs and have the most challenging needs. Their needs are not always being met, or able to be met, through our system.

FINANCIAL REPORT

Tom Wolfgram, CFO

Purchase of Services Report as of March 31, 2023

Total spent for month ending March 31, 2023: \$18,681,571

YTD: \$171,099,557

There was \$22,650,000 more spent for services this year than at this time last year. This spending comes from an increase of overall services to clients and hiring new service coordinators. Vice-President Mensch asked if there was a report that showed which areas of service have the increased spending. Mr. Wolfgram will bring this report to the next meeting in August.

Operations Report as of March 31, 2023

Total expenses for month ending March 31, 2023: \$2,991,430

YTD: \$20,293,247

Mr. Wolfgram estimates that we will have approximately \$800,000 left over from salary and wages due to positions that we have not been able to fill. We have overspent approximately \$66,000 in the equipment category due to recent hiring and staff working at home--estimated expenses will be adjusted to allow for this. Considering all expenses, he expects approximately \$900,000 left over at the end of the fiscal year.

The Purchase of Services Report and the Operations Report ending February 28, 2023, are filed with these minutes.

VENDOR ADVISORY COMMITTEE REPORT

Tamerla Prince, VAC Representative

Vendor Advisory Committee meeting took place today and the following topics were discussed:

1. Vendor Fair – a lot of positive feedback! Ms. Prince received many e-mails thanking her and expressing how good it was to meet new people and see familiar faces again.
2. HCBS Update – The project was discussed and as well as some challenges, lack of participation being a central focus. The goal of the HCBS project is to increase voices to be heard from all involved. Challenges are being addressed, but overall, there is improvement. Monthly meetings, community of practice, and community education will continue. Training opportunities are coming up. Community of Quality and Leadership which would educate 50 providers in the first and another 50 in the second year. Starting July 31 – August 3 Dr. Tom Pomeranz, an amazing motivational speaker in the field of services for people with disabilities, will be doing small workshops for the HCBS project.
3. Law Enforcement Committee – Ms. Prince and Mr. Noriega attended a stakeholders meeting downtown held on May 10. The topic was Crisis Intervention Services and how law enforcement is working to improve processes. Break out groups were conducted, one being for disabled and special needs individuals. They provided good training and there was good interaction with the network of law enforcement and community members.
4. Ms. Prince is excited that, after a long pandemic, plans are underway to hold a Vendor Advisory Committee luncheon in November. More to come!

ADJOURNMENT

With nothing further to discuss, President Gosselin adjourned the meeting at 7:20 p.m.

Board Member Education Retreat will take place on June 27. Venue to be announced.

No public board meeting in June. The Board will be on recess in July.

The next public meeting will take place on Tuesday, August 22, 2023, at 6:00 p.m.

Respectfully Submitted,

*Darlene Pankey
Executive Assistant*

Attachment 2

**Kern Regional Center
Board of Directors Virtual (Zoom) Meeting
June 13, 2023, 12:00 p.m.**

MINUTES

KRC BOARD MEMBERS PRESENT:

Oscar Axume, Treasurer
Kevin Gosselin, President
Carlos Isidoro, Board Member
Donald Tobias, Board Member
Mark Tolentino, Board Member
Simon Verdugo, Board Member
Ruth Watterson, Board Member

KRC STAFF PRESENT:

Michi Gates, PhD, Executive Director

FACILITATORS:

John Noriega for Simon Verdugo

KRC BOARD MEMBERS ABSENT:

Ryan Jones, Board Member
Tracey Mensch, Vice President
Tamerla Prince, VAC Representative
Martin Vasquez, Board Member

GUESTS:

Ana Alonso (Machuca)
Jacqueline Gaytan, DDS

INTERPRETERS:

Marisol Resendiz, Spanish

CALL TO ORDER

President Kevin Gosselin called the meeting of the KRC Board of Directors to order at 12:12 p.m.

PRESENTATION and NOMINATION of KRC BOARD APPLICANT, ANA ALONSO, BY KRC BOARD NOMINATING COMMITTEE

The purpose of the meeting today is to present Ms. Ana Alonso and to take a vote on her board membership. Ms. Alonso's letter of interest to be a KRC board member was sent to the board members ahead of this meeting for review.

President Gosselin and Vice President Tracey Mensch have interviewed Ms. Alonso. They were able to learn some of Ms. Alonso's background and talents along with her experiences in being a part of the special needs community. Both President Gosselin and Vice President Mensch endorse Ana Alonso in becoming a board member.

Ana then spoke to the board members about her family life, experience with immigration families, special needs children, and her membership in Padres Unidos.

BOARD DISCUSSION, QUESTIONS and ANSWERS

Mr. Gosselin opened the floor to members for questions.

Question from board member, Mark Tolentino: Mr. Tolentino asked Ana to share, as a parent of a KRC client, areas of strength and opportunities that she hopes to address as a KRC board member.

- Ana is appreciative of her working relationship with her service coordinator and her program manager. They work towards goals for her children and she appreciates how they view the family as a whole. They work through disagreements well. Opportunities for improvement that she would like to address as a board member are communication with parents – particularly language and cultural considerations – and quicker response time.

Question from board member, Oscar Axume: Mr. Axume asked the ages of Ana's children.

- Ana answered that her children are ages 12 and 14.

PUBLIC INPUT

There was no public input or questions.

VOTE ON APPOINTMENT OF NOMINEE, ANA ALONSO, TO KRC BOARD OF DIRECTORS

With no further questions, President Gosselin asked for a motion to appoint Ana Alonso as a member of the KRC. Board of Directors.

M/S/C: (Watterson, Tolentino)

Ayes: 6

Motion Carried

President Kevin Gosselin officially welcomed Ana Alonso to the KRC Board of Directors. Ms. Alonso expressed her thanks and said that she would work hard as a new KRC board member.

ENDING COMMENTS and ADJOURNMENT

After reminding those present of the KRC Board of Directors Educational Retreat on June 27, President Gosselin adjourned the meeting at 12:22 p.m.

The next public meeting will take place on Tuesday, August 22, 2023, at 6:00 p.m.

Respectfully Submitted,

*Darlene Pankey
Executive Assistant*

Attachment 3

Service Access & Equity Unit

By: Assistant Director of Service Access & Equity
Tomas Cubias

What do we
do?

The Service Access & Equity Unit's function is to:

- Conduct general outreach to the community members in Kern, Inyo, Mono counties.
- Manage DDS grants as it relates to Service Access & Equity, including Language Accessibility.
- Two current DDS grants: Language Access and Cultural Competency, Services Access & Equity for Tribal Communities (LACC, SAE).
- Provide consultation regarding the Self-Determination Program to KRC
- Assist with the Child Find Initiative.





Staffing

- Assistant Director of Service Access & Equity
- Program Manager
- Community Services Specialist (1 in Kern County, 1 in Bishop)
- 2 Participant Choice Specialists (Kern Office)
- 1 Bilingual Outreach Specialist
- 1 Bilingual Language and Accessibility Specialist
- 1 Bilingual Equity and Participant Choice Assistant

Language Access and Cultural Competency

- Grant timeline: 06/1/2022-06/30/2023; 2023-2024 Fiscal Year Dates TBD by DDS.
- As of 2022, KRC served 11,431 individuals with a variety of language needs, Spanish being one of the most needed/utilized languages in Kern County. KRC has met the Latinx language and cultural needs by hiring 80% of staff who are Bilingual in English/Spanish-speaking. (This includes service coordinators, support staff, and management).
- KRC holds Listening Sessions (2 per month), in different languages such as: English, Spanish, ASL, Arabic, Vietnamese, Filipino (Tagalog, Ilocano), and Punjabi to obtain feedback on their access and experiences with KRC.
- Information will be utilized to determine community needs and present data as it relates to our Performance Measures as a Regional Center.
- KRC will develop videos in various languages regarding service standards, inform the community about the regional center, services provided, who we are, and how to contact and follow up with the Kern Regional Center.

Language Access and Cultural Competency

- Informational Sessions requested by stakeholders will cover topics such as Intake and Eligibility, Self-Determination Program, Generic Resources, Purchase of Services, and Employment and Day Services.
- To meet the language and cultural needs of our clients, KRC is working with the following organizations:
- Unidad Popular Benito Juarez-6 indigenous language translators to assist in not only translating but disseminating information for youth with special needs in languages they can understand.
- Bakersfield American Health Project-KRC will train 2 Community Health Workers, identifying Native American families that might need to utilize KRC services (new, existing).
- Exceptional Families and an Independent Facilitator will train 15 bi-lingual individuals in Kern to provide services to our community.

Service Access & Equity Grant

- Purpose: to address the disparity in the utilization of Regional Center services within our communities within catchment area. This includes Purchase of Service approval and utilization..
- Background: Purchase of Service Data indicated disparities based on race, ethnicity, and language.
- Per Purchase of Service data, clients from underserved communities seem to not receive as many Regional Center purchased services as their Anglo-American counterparts.
- POS data does not reflect the whole picture, income, generic resource use, and other services received outside the Regional Center system.

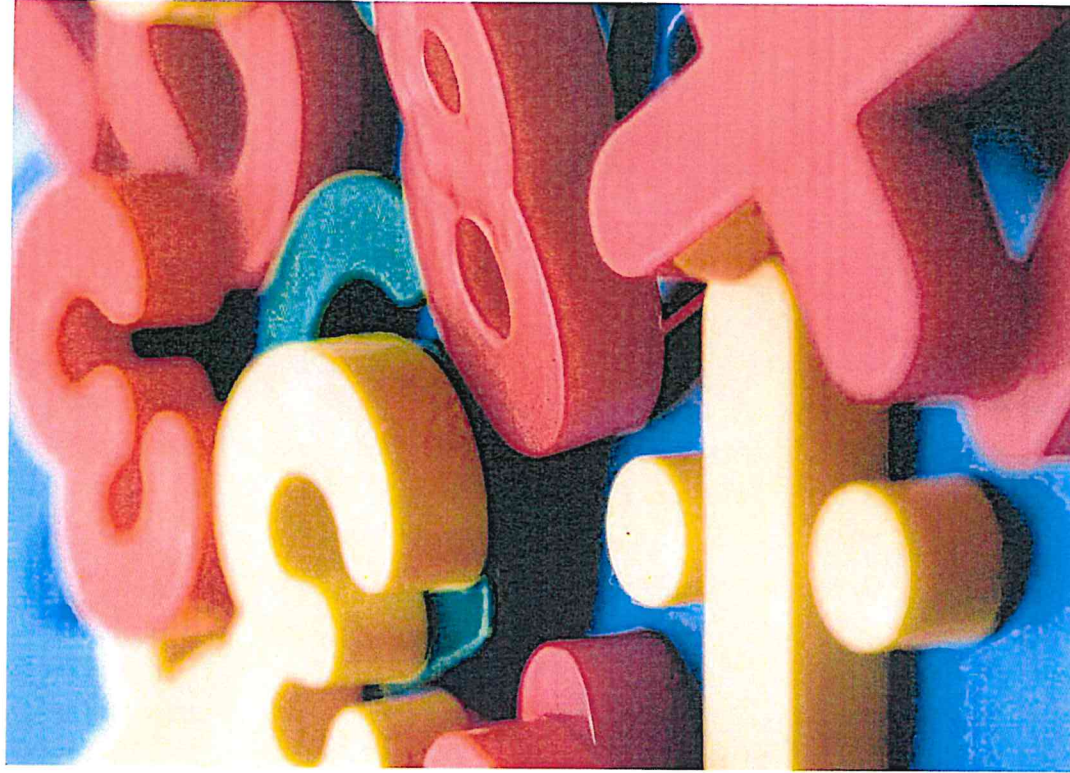
Service Access & Equity Continued

- Our current Service Access & Equity grant aims to increase outreach and services with leaders of tribal communities to improve education for Native American families to increase access and utilization of Early Start and ongoing Services and teach them about the Regional Center System, resources and how to obtain a referral/services if needed.
- This will be done through specialized training and committee meetings in Kern, Inyo/Mono Counties with tribal leaders/communities/organizations such as Owens Valley and the Bakersfield American Health Project.
- Listening sessions, strategic outreach, and specialized training in KRC services and processes will also be utilized to assist in the understanding and breaking down of barriers to service Native Americans.

Data Utilization

Data compiled within the work that the SAE unit does will be utilized to determine needs and reduce disparities among our community and clients.

A Community Needs Assessment will be done in Kern, Inyo/Mono counties to determine through Survey Monkey. This data will be summarized and tracked for reporting purposes.



Child Find

- The Services Access & Equity Unit assists with the Early Start program, which is in accordance with California Code of Regulations Title 17 § 52040- "Infants and toddlers who are suspected to have a developmental delay or at risk for a developmental disability will be referred for an evaluation at Kern Regional Center by their parents, medical providers or other community agencies. "
- Outreach, presentations, provide various materials in different languages to different medical providers or other community agencies to help identify children under the age of 3.
- Organizations include Pediatric offices, schools, NICUs, the Open Door Network, and other entities that can identify children under the age of 3 needing our services, including homeless, migrant, and fostered children.

Self Determination Program

- Purpose of SDP: SDP provides individuals and their families with more freedom, control, and responsibility in choosing services and supports to help them meet objectives in their Individual Program Plan.
- Our 2 Participant Choice Specialists (Kern Office) assist Service Coordinators, and Program Managers make informed decisions on how to help transition a client and their family into SDP. This includes providing guidance on how to create a budget, what service codes to use, how to enter a Purchase of Service in the SANDIS platform.
- Specialists help train staff and management in the SDP process and conduct regular reports to DDS and local committees on statistics/demographics of clients served through this program at KRC



Questions?

Point of Contact

Assistant Director of Service Access & Equity:
Tomas Cubias

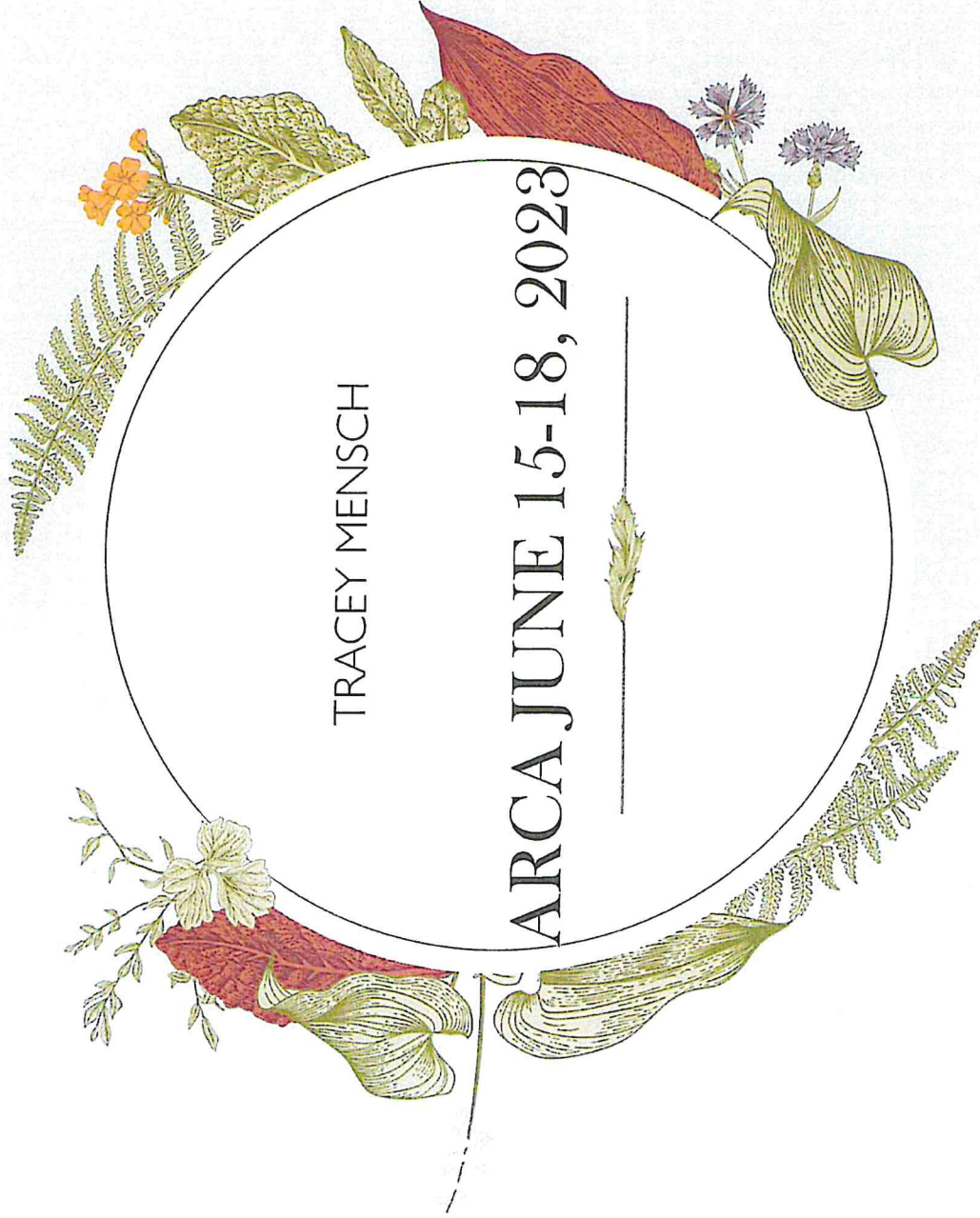
Email: tomas.cubias@kernrc.org

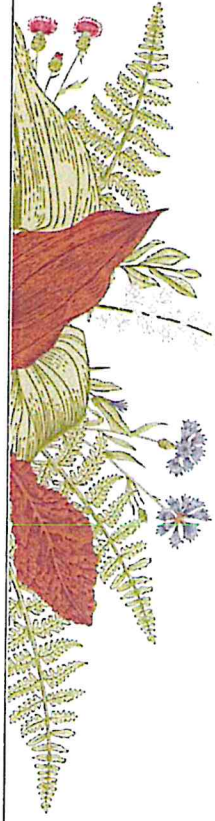
Phone: (661) 840-5348

Attachment 4

TRACEY MENSCH

ARCA JUNE 15-18, 2023





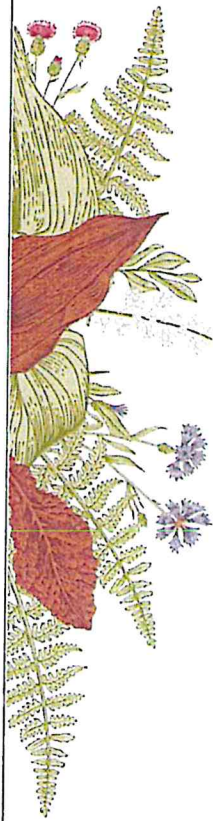
ARCA Board of Director Meeting:

FY 2023-24 Budget Update:

Due to the state's budget deficit of approximately \$40 Billion, the legislature is opposed to increasing funding and is debating whether they will adjust provider rates due to changes in the statewide minimum wage and whether family fees will be permanently eliminated or if they will be suspended just through the end of the calendar or fiscal year. Also, discussed was the challenge of providing clinical services due to non-competitive rates of providers.

Strategic Plan: The Committee focused on preserving and improving the Lanterman Act and focusing on the needs and views of regional center clients.

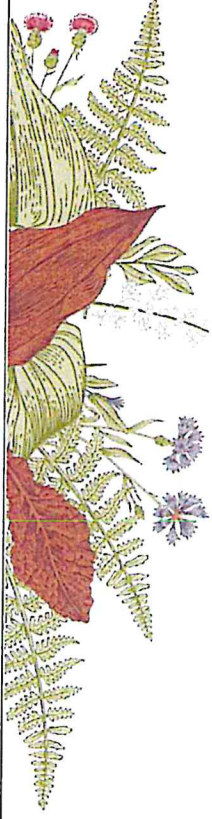




A.B. 1147

A number of conversations have been had to better inform the Regional Centers' Boards and Executive Directors about the recommended positions of ARCA. Based on these conversations, it is recommended that ARCA take a position of "Oppose Unless Amended". The areas to be focused on are supporting Boards by trainings (instead of having shorter-term limits), preventing regional centers from being subject to the Public Records Act by making regional center policies more readily accessible.





BOARD OF DELEGATES

The delegates met and discussed how they communicate ARCA information to their Boards, and what are the major concerns of their Boards. They, also, discussed the question of homelessness and how regional center clients who are homeless are served. Delegates have been requested to ask their Boards about this topic.

The group also discussed AB 1147, and its effect on the Board members.





Thank you, see you at the next
meeting September 26, 2023.



For more information you can
reach out to

KERN REGIONAL CENTER –
www.kernrc.org – (661) 327-8531

Attachment 5

MEMORANDUM

TO: BOARD OF DIRECTORS, KERN REGIONAL CENTER

FROM: ENRIQUE ROMAN, DIRECTOR OF COMMUNITY SERVICES

SUBJECT: \$250,000 (PLUS) CONTRACT APPROVAL

DATE: AUGUST 14, 2023

Board of Directors,

I present to you today a request for a contract approval concerning Funding to Support Compliance with the Home & Community Based Waiver Services (HCBS) Final Rule.

In March of 2023, regional center service providers submitted written plans to demonstrate compliance with HCBS final rule requirements. To assist service providers and regional centers meet these mandates, the Department of Developmental Disabilities (DDS), has allocated monies to support broader work in each community to promote HCBS compliance.

Kern Regional Center, in collaboration with our Vendor Advisory Committee, would like to request approval from the Kern Regional Center Board of Directors to grant \$375,200.00 to Bakersfield ARC to coordinate our efforts to assist our vendor community with achieving HCBS compliance.

Bakersfield ARC has served the Bakersfield community for over 73 years and it's a trusted institution in Kern County. Over the last 5 years Bakersfield ARC has transformed its organization to provide more inclusive, person-centered programming to our clients. Bakersfield ARC has an excellent understanding of the HCBS compliance mandates and is well qualified to assist our vendor community meet these mandates.

Bakersfield ARC was awarded the contract to initiate this project last year. Bakersfield ARC's services proved invaluable to Kern Regional Center and our vendor community in helping our service providers submit their written transitions plans. Through this new contract, Bakersfield ARC will assist our service providers with implementing their plans.

KRC requests your approval of this contract to move forward with this much needed assistance to our service providers.

Included with this memorandum is Bakersfield ARC's proposal for your review.

Respectfully,

Enrique Roman

Director of Community Services

CONCEPT PROPOSAL/PROJECT AGREEMENT
For
**Centers for Medicare & Medicaid Services (CMS) Home and Community-
Based Services (HCBS) Final Rule**

BETWEEN

KERN REGIONAL CENTER
3200 No. Sillect Avenue
Bakersfield, CA 93308
661-327-8531

AND

Bakersfield ARC
4500 California Avenue
Bakersfield, CA 93309
(661) 834-2272

Vendor Number: PK5126 Service Code: 055 SubCode: HC16
GL Account Program Code: 65020

FISCAL YEAR: 2022/2023

EFFECTIVE DATE OF AGREEMENT: July 1, 2023 – March 1, 2025

CONCEPT PROPOSAL/PROJECT AGREEMENT
For
**Centers for Medicare & Medicaid Services (CMS) Home and Community-
Based Services (HCBS) Final Rule**

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CONCEPT PROPOSAL/PROJECT AGREEMENT
For
**Centers for Medicare & Medicaid Services (CMS) Home and Community-
Based Services (HCBS) Final Rule**

This CONCEPT PROPOSAL AGREEMENT For Centers for Medicare & Medicaid Services (CMS) Home and Community-Based Services (HCBS) Final Rule ("**Agreement**"), dated as of [07/30/2023-3/01/2025], is entered into by and between KERN REGIONAL CENTER, INC., a California not-for-profit corporation ("**KRC**") and **Bakersfield ARC**, a *California non-profit corporation* ("**Contractor**"). The parties enter into this Agreement with reference to the following facts:

RECITALS

A. KRC provides services to individuals with developmental disabilities ("**Consumers**"). KRC operates under a contract with the State of California Department of Developmental Services ("**DDS**").

Effective March 17, 2014, the federal Centers for Medicare & Medicaid Services ("CMS") adopted new HCBS rules and regulations (collectively, the "**Final Rule**") for long-term services and supports provided by service providers to clients in home and community-based settings, as recognized under the federal Medicaid Program. The Final Rule defines home and community-based settings, and require homes and programs where HCBS are delivered to meet such new criteria and is outlined in the 10 federal requirements to qualify for federal funding through the Medicaid Waiver Program. DDS has allocated funds to KRC under the 2022 Budget Act, which contained \$15 million for service providers to make changes in order to align services with the Final Rule requirements. DDS has approved award funds based on the letter dated February 1, 2023, Subject: Funding To Support Compliance with The Home And Community-Based Services (HCBS) Final Rule. [ATTACHMENT A].

B. Generally, HCBS settings must (i) be integrated in and facilitate a client's full access to the greater community; (ii) optimize client autonomy and independence in making life choices; (iii) be chosen by the client from among residential and day options, including non-disability specific settings; (iv) ensure the right to the client's privacy, dignity, respect and freedom from coercion and restraint; (v) provide each client an option to choose a private unit in a residential setting; and (vi) facilitate a client's choice of services and who provides them.

C. Contractor has submitted a proposal to KRC to develop specified compliance training procedures, programs and/or activities, and/or to make other changes in its operations and programs, to meet the requirements of the **Final Rule** (collectively, the "**Project**"). Based on funding approval KRC has received from DDS, KRC desires to engage Contractor to implement the Project.

D. KRC has determined that the Contractor Concept Proposals requested funding for one or more of the following:

- Establishment or continuation of teams to work with service providers who have not yet submitted documentation evidencing compliance for all applicable federal requirements, and/or to work together on plans to remediate areas not yet compliant, including addressing provider-specific transition needs;
- Establishment or continuation of peer-led teams to engage with individuals served and their families to receive feedback on service provider implementation of the HCBS rules, focusing on providers not yet compliant and who are at risk for not being able to provide services beyond March 2023;
- Development of training and informational tools for planning teams to use in service planning and in creation or amendment of the individual program plan to ensure appropriate documentation is included;
- Development of local communities of practice to increase knowledge and implementation of best practices and encouraging collaborative groups to foster shared learning and solution-focused discussion;
- Engaging families and individuals served, including education and training for families/support persons and providers on best practices for aligning services with the HCBS Final Rule; and,

NOW THEREFORE, on the basis of the foregoing Recitals and in consideration of the following mutual covenants, the parties agree as follows:

1. HCBS CONCEPT PROPOSAL/PROJECT

1.0 During the term of this Agreement, Contractor shall perform those services described in this Agreement, and in Contractor's HCBS Concept Proposal/Project Scope of Work (**ATTACHMENT B**) and Project Milestones (**ATTACHMENT C**), which is attached hereto and incorporated herein by this reference (Collectively, the "**HCBS Concept Proposal/Project**").

1.1 Scope of Work and Budget. Contractor's detailed scope of work for the performance of the Project is attached hereto as **ATTACHMENT B** (the "Scope of Work"). The Scope of Work contains and describes the following: The specific procedures, programs and/or activities, and/or other changes in its operations and programs, Contractor intends to implement to complete the Project; The methodology Contractor will use to expend the funds it receives under this Agreement to implement the Project and to otherwise increase its compliance with the Final Rule; and the methodology Contractor will use to obtain and incorporate client input in the development and implementation of the Project. Contractor's budget for the Project. The Budget must be detailed, and the amount of the Budget shall not exceed the Compensation (defined in Section 4 "COMPENSATION AND FISCAL PROVISIONS" below and as noted in the Payment Agreement (**ATTACHMENT D**)). Contractor shall use its best efforts to ensure its actual cost to perform each aspect of the Scope of Work, as noted on the Project Milestones, does not exceed such line item in the Budget.

KRC's approval of the Budget does not guarantee payment of the Compensation. Any changes to the approved Budget that are requested by Contractor require prior approval from KRC. KRC may request or require changes to the Budget at any time during this Agreement. For projects involving the purchase of items or services, the Budget must include justification (e.g., multiple quotes) of the cost-effectiveness of the items/services.

1.1.0 The Project Milestones. Contractor shall perform the various components of the "Scope of Work" **ATTACHMENT B** by the applicable deadlines noted on **ATTACHMENT C** attached hereto (the "Project Milestones"). The Project Milestones and timeline are objective indicators to measure Contractor's progress toward compliance with the Final Rule. The Project Milestones must therefore identify key timelines for milestones related to specific measurable outcomes. KRC's payment of the Compensation (defined in Section 4 "COMPENSATION AND FISCAL PROVISIONS" and as noted in the Payment Agreement **ATTACHMENT D**) is conditioned on Contractor's progress toward the Scope of Work by the deadlines in the Project Milestones, as well as Contractor's compliance with the other provisions in this Agreement;

1.2 Pursuant to DDS directive, Contractor represents that the HCBS Concept Proposal/Project shall accurately describe details of the project including specifics implementation of the project and how the funding will be used to increase compliance with the federal requirements applicable to the services, including but not limited to the following:

1.2.0 The HCBS Final Rule Federal Requirements #1-5 apply to all services, including residential and non-residential settings. Federal requirements #6-10 are additional requirements that apply only to provider-owned or controlled residential settings.

1.2.1 Contractor shall obtain consumer input to be used in the development and implementation of the project.

1.2.2 Contractor shall provide a detailed budget for the project.

1.2.3 Contractor shall show justification (e.g., multiple quotes / bids) of cost-effectiveness of the purchases of items or services.

1.2.4 Contractor shall provide a timeline that identifies key milestones that related to specific measurable progress and outcomes.

1.2.5 Contractor shall provide specific and measurable objective indicators to show progress toward compliance with federal requirements; Objective indicators shall address how the funds will move the delivery of services toward compliance and address how changes in compliance will be measured. Progress toward compliance shall be evaluated by the outcome the allocated funds produce.

1.2.6 Contractor shall report no less than quarterly or as requested by KRC, on each step of the project implementation, including progress related to key

milestones, and progress towards compliance with the federal requirements.

Progress Reports. During the term of this Agreement, Contractor shall submit quarterly written progress reports to KRC's Program Evaluator commencing on the 60th day after this Agreement is signed, using the Project Milestones template provided. Each report shall contain the following information: (i) projected time lines for the completion of the Project, including progress related to the Project Milestones and measurable progress toward compliance with the federal requirements; (ii) progress status for each component of the Scope of Work; (iii) any difficulties encountered during the reporting period; (iv) remedial action taken; (v) requests for any additional time which will be needed to accomplish a task as a result of unforeseen events; and (vi) a statement of activity anticipated during the subsequent reporting period.

1.2.7 Contractor shall provide a plan for the sustainability of the progress made toward compliance after contract completion

1.3 Changes in Services and HCBS Concept Proposal/Project. During the term of this Agreement, KRC may request changes in the scope of Contractor's HCBS Concept Proposal/Project. Such changes, including any increase in the amount of compensation, shall be in writing and shall not be valid unless signed by both parties. Contractor shall not be entitled to any additional compensation for services performed hereunder, except pursuant to a written agreement with KRC which describes such services and the compensation for such services, and which complies with the requirements of all applicable statutes and regulations.

2. ADMINISTRATOR/OWNER.

Contractor shall notify KRC of a change in the Administrator/Owner. Contractor shall be responsible to meet all regulatory changes in the Lanterman Act, Title 17, Title 22, and other applicable laws and regulations that govern the operation of the Project.

2.0 Permits and Licenses. At all times during the term of this Agreement, Contractor and any agents or employees engaged in this provision of this Agreement shall maintain all current permits and license, in good standing, and required by law for the operation of its business and services and operate only as permitted under said permits/licenses.

2.1 Good Operating Condition. Contractor shall operate and maintain the HCBS Concept Proposal/Project in good operating condition and/or repair, throughout the term of this Agreement.

2.2 Background Checks. Contractor agrees to submit to a background check for itself and its employees and representatives; the background check shall include, but not be limited to, updated driver reports issued by the Department of Motor Vehicles (Pull Notice Program) and a review of criminal, and occupational information. If KRC is dissatisfied with the results of the background check, it may rescind or terminate this Agreement by so notifying Contractor in writing.

3. **TERM**

This Agreement shall commence on **07/1/2023 through 03/01/2025**. Contractor must complete all components of the Project, and submit requests for reimbursement of such costs, by not later than **March 01, 2025**. Notwithstanding any other provision of this Agreement, either party may terminate this Agreement upon 60 days written notice to the other party for any reason or no reason whatsoever. If this Agreement is terminated early for any reason other than Contractor's breach thereof, the notice of termination shall state that KRC shall not compensate Contractor for any other milestones or services on the project, and the Contractor will immediately return all payments received.

4. **COMPENSATION AND FISCAL PROVISIONS**

4.0 In consideration for the provision of the HCBS Concept Proposal/Project by Contractor under this Agreement, KRC shall compensate Contractor pursuant to the terms of the Payment Agreement, which is attached hereto as **ATTACHMENT D** and incorporated herein by this reference (the "**Payment Agreement**"). Contractor shall submit its invoices in the manner approved by KRC.

4.1 Payment shall be made authorized by KRC, and for meeting the agreed **Project Milestones [ATTACHMENT C]** that are in compliance with the HCBS Concept Proposal/Project. Contractor shall not change the HCBS Concept Proposal/Project, implement any new or modified concept, or receive any compensation for such new or modified concept, without first obtaining KRC's written consent to do so, as evidenced by an amendment to this Agreement signed by both parties prior to Contractor's implementation of such changes.

4.2 All payments shall be calculated and payable by KRC monthly in arrears, contingent upon KRC's receipt of Contractor's properly documented invoice and/or supporting documents.

4.3 For each properly documented invoice and/or supporting documents received by KRC by the fifth (5th) of the month following Contractor's progress related to key milestones, and progress toward compliance with federal requirements, KRC shall issue payment by the tenth (10th) working day of the month in accordance with the rate(s) identified in the Payment Agreement.

4.4 Contractor understands and agrees that its presentation of an invoice to KRC for payment is a representation that the Project Milestones have been rendered and/or completed by Contractor pursuant to this Agreement. KRC reserves the right to institute any appropriate action to recoup funds found to be billed that Project Milestones were not

rendered and/or completed. If KRC is entitled to recoup overpaid funds from Contractor, KRC may, as a non-exclusive remedy, offset such overpaid funds from future payments owed by KRC to Contractor.

4.5 Contractor shall maintain detailed budget records to support all billings/invoicing as specified in the HCBS Concept Proposal/Project. Contractor shall submit to KRC, along with each of Contractor's billings/invoices, such budget records for the applicable billing period.

4.6 In accordance with WIC, Section 4625.5 the KRC Board of Directors shall review and approve any contract for \$250,000 or more prior to KRC entering into the contract. Contracts for the purposes of this section shall be defined as those agreements in which a fixed amount is guaranteed as payment to a vendor in exchange for specific deliverables (i.e., startup). It must be noted that this requirement does not apply to vendor approval letters issued by regional centers pursuant to Section 54322 of Title 17 of the California Code of Regulations nor those agreements with service providers developed as part of the typical vendorization process by the regional center that are structured with an hourly/daily/monthly rate and payment is for authorized services provided based on agreements in the Individual Program Plans or Individualized Family Service Plans.

4.7 In accordance with WIC, Section 4652.5 an entity receiving payments from one or more regional centers shall contract with an independent accounting firm for an audit or review of its financial statements subject to all of the following:

4.7.1 When the amount received from the regional center or regional centers during the entity's fiscal year is more than or equal to five hundred thousand dollars (\$500,000) but less than two million dollars (\$2,000,000), the entity shall obtain an independent review report of its financial statements for the period. Consistent with Subchapter 21 (commencing with Section 58800) of Title 17 of the California Code of Regulations, this subdivision shall also apply to work activity program providers receiving less than five hundred thousand dollars (\$500,000).

4.7.2 When the amount received from the regional center or regional centers during the entity's fiscal year is equal to or more than two million dollars (\$2,000,000), the entity shall obtain an independent audit of its financial statements for the period.

4.7.3 Any entity requiring a review or audit (pursuant to W&I Code 4652.5), shall provide copies with accompanying management letters, to the vendoring regional center within nine (9) months of the end of the fiscal year for the entity.

5. MONITORING BY KRC

5.0 Quality Assurance. Contractor shall at all times fully comply with KRC's quality assurance. Upon notice from KRC, Contractor shall promptly correct any noncompliance with all such quality assurance requirements.

5.1 Monitoring and Inspections. KRC reserves the right to monitor Contractor's performance under this Agreement. As part of such monitoring, KRC may at any time (1) perform both announced and unannounced inspections at the Facility to monitor Contractor's compliance with this Agreement and the HCBS Concept Proposal, (2) determine whether Contractor's performance complies with State and Federal law and applicable regulations and (3) determine whether KRC's expenditure of funds pursuant to this Agreement is within its concept proposal/project priorities, allowable expenditures and appropriate allocations.

6. BOOKS AND RECORDS

6.0 Contractor shall comply with all applicable law and regulations, including but not limited to Title 17 Sections 50600 through 50612 (Service Provider Accountability), with regard to the maintenance of accurate books, service records, invoices, receipts, accounting records and other financial documents pertaining to Contractor's performance of this Agreement, including the implementation of its HCBS Concept Proposal (collectively, the "**Books and Records**"), to the extent and in such detail as will properly reflect all of Contractor's income and expenses for which Contractor requests funds from KRC under this Agreement. Thus, such Books and Records shall include, but not be limited to, (1) Contractor's direct and indirect net costs of labor, materials, equipment, supplies and services and (2) all other documents required by applicable laws and regulations (including but not limited to the individual Consumer files and Facility files required by Title 17, Section 56059 and WIC 4629.7).

6.1 Contractor agrees to retain all Books and Records, including source documentation, for a minimum of five years from the date of final payment for the State fiscal year in which services were rendered, in accordance with Title 17, Section 50605. Additionally, if an audit is in progress or an appeal is pending at the end of the time specified above, Contractor shall retain all of its Books and Records until all audit exceptions have been resolved to KRC's satisfaction. However, Contractor's Books and Records that relate to litigation or the settlement of claims arising out of the performance of this Agreement shall be retained by Contractor until the later of (1) the dates set forth above or (2) the final disposition of such appeal, litigation, claim or exception.

6.2 Contractor agrees to hold KRC harmless from any administrative or legal actions occurring because of the failure of Contractor to maintain any Books and Records and practices in accordance with the provisions of this Agreement and state or federal laws.

7. AUDIT

7.0 Contractor's Books and Records shall be open for audit by DDS, KRC and any other authorized agency representative for five years from the date of KRC's final

payment for the State's fiscal year. As part of any audit, or upon request, Contractor shall permit KRC, DDS and any other authorized agency representative to examine and make excerpts, reproductions and transcripts from the Books and Records with respect to all matters covered by this Agreement. Contractor shall maintain its Books and Records in an accessible location and condition for such purpose.

7.1 Contractor agrees to utilize and be bound by the procedures in Title 17, Section 50700, et seq. should Contractor elect to appeal any audit findings and/or recommendations.

7.2 Contractor shall accept financial liability for any audit findings and/or recommendations disclosed by audit and promptly repay amounts owed, unless appealed and liquidation is stayed pursuant to Title 17, Section 50705.

Subject to the audit and inspection rights as described herein, Contractor shall maintain the confidentiality of Consumer records in accordance with the provisions of Welfare and Institutions Code §§ 4514, 5328, and 14100.2. Contractor and all of its employees shall respect the confidentiality of all Consumer information they receive.

8. NO ASSIGNMENTS; NO SUBCONTRACTING OF SERVICES

This Agreement and rights and duties hereunder shall not be assigned by Contractor. If Contractor is an entity, a change in control of members holding a majority ownership or voting interest in such entity shall constitute an assignment in violation of this Agreement. In addition, Contractor shall not subcontract any of the services to be performed under this Agreement unless otherwise noted as part of the HCBS Concept Proposal/Project.

9. INDEPENDENT CONTRACTOR STATUS

9.0 Contractor is an independent contractor. Thus, Contractor and its agents and employees, in the performance of this Agreement, shall act in an independent capacity, and not as officers, employees or agents of the State of California or KRC. Contractor shall be wholly responsible for the manner in which Contractor and its employees perform the services required of Contractor by the terms of this Agreement.

9.1 Contractor shall not accrue employee fringe benefits from KRC, nor shall KRC be responsible for withholding or paying any amount of workers compensation, disability insurance or any federal or state, local income or payroll tax of any kind to Contractor or for its benefit. Contractor agrees to be solely responsible for all matters relating to payment of its employees, including compliance with Social Security withholdings and all other regulations governing such matters.

9.2 Contractor is free to take employment from others as an independent contractor, or in any other status, whether or not competitive with the business of KRC.

9.3 Contractor shall have no authority to enter into or execute any agreement on behalf of KRC, to incur any liability or indebtedness or any kind or nature in the name

of or on behalf of KRC or to otherwise bind KRC in any manner. Contractor shall not be, or in any manner represent, imply or hold itself out to be an agent, partner or representative of KRC.

9.4 Contractor shall provide all equipment, technology and materials necessary or desirable to perform the services identified under this Agreement.

9.5 Contractor shall be responsible for all of his own business expenses including, but not limited to, automobile repair and maintenance, gasoline, insurance, workers' compensation insurance, self-employment taxes and any incidental expenses related to its performance under this Agreement.

10. INDEMNITY AND HOLD HARMLESS AGREEMENT

10.0 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless KRC, DDS the State of California and their respective officers, directors, agents and employees (collectively, the "**Indemnitees**") from every claim, demand, loss, liability and expense (including but not limited to attorneys' fees) made or incurred by reason of:

10.0.0 Any personal injury or property damage sustained by Contractor or any person or entity rendering any services under this Agreement on behalf of Contractor, either directly or indirectly, however caused; and

10.0.1 Any personal injury or property damage sustained by any person, or entity, caused by or resulting from any act, neglect, default, or omissions of Contractor or of any person, or entity performing any services in connection with this Agreement on behalf of Contractor; and

10.0.2 Claims under workers' compensation laws or other employee benefit laws by Contractor's agents or employees; and

10.0.3 Contractor's failure to fulfill its obligations under this Agreement in strict accordance with its terms, including Contractor's breach of any representations or covenants given in this Agreement; and

10.0.4 A violation of any local, state, or federal law, regulation or code by Contractor or by any of Contractor's employees, agents, consultants or authorized subcontractors in connection with the conduct of their activities performed in connection with this Agreement.

10.1 Contractor at his own expense and risk, shall defend any action, legal proceeding, or arbitration or other mediation proceeding, that may be brought against the Indemnitees or any of them on any such claim or demand as set forth above. Contractor shall defend such matter by counsel reasonably satisfactory to KRC. The Indemnities need not have first paid any such claim in order to be so indemnified. Contractor shall also pay and satisfy any settlement, or any judgment which may be rendered against the Indemnitees or any of them arising from any injuries described in this Section 11, including but not limited to those claims and demands resulting from the negligence of the Indemnitees or any of them; provided, however, Contractor shall have no duty to indemnify any particular Indemnitee for those injuries caused to Contractor or a third party by the gross negligence

of such Indemnitee.

10.2 The indemnity set forth in this Section 11 shall apply during the term of this Agreement and shall also survive the expiration, rescission or termination of this Agreement, until such time as action against the Indemnitees on account of any matter covered by such indemnity is barred by the applicable statute of limitations.

11. NONDISCRIMINATION

Contractor shall not deny the Agreement benefits herein to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall Contractor discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (over 40) or sex.

12. INSURANCE

12.0 Contractor agrees to procure and maintain in full force and effect during the term of this Agreement an insurance policy or policies protecting KRC and Contractor against any loss, liability or expense (i) arising out of Contractor's professional negligence, (ii) arising out of Contractor's fiduciary abuse or theft of consumers' money or property, and (iii) due to personal injury, death or property damage, arising out of or in any way connected with the services to be performed by Contractor or its personnel for the benefit of the KRC. Contractor shall also obtain Professional Liability coverage and Sexual Abuse coverage with limits of liability for \$1,000,000.00 per claim. Contractor shall also obtain Automobile Liability Coverage including Non-Owned Auto Liability (if applicable), which shall include a minimum combined single limit of not less than one million dollars (\$1,000,000.00). Coverage includes transporting Consumers in accordance to applicable laws and regulations [Lanterman Act Section 4648.3, Vehicle Code Section 12523.6 and Title 17 Section 58523(a)(b)]. Not later than the first day of the term of this Agreement, Contractor shall submit to the KRC a certificate of insurance naming KRC as additional insured. The minimum liability under each such policy shall be \$1,000,000 per occurrence and \$3,000,000 aggregate. Each insurer shall be rated VIII and A or better in the most recent edition of Bests Insurance Guide. Upon the request of KRC, Contractor shall furnish adequate evidence of insurance coverage to KRC.

12.1 Upon the commencement of this Agreement, Contractor shall supply KRC the following: certificates of insurance evidencing coverage in amounts and for the perils listed above (and also showing KRC as an additional insured on the liability and automobile policies) that lists the policy number, the effective date and the expiration date of each policy. Contractor acknowledges that until KRC receives the certificate of insurance, no payment for any of Contractor's services under this Agreement shall occur.

12.2 All insurance policies shall be endorsed to provide 30 days advance written notice to KRC of any cancellation, non-renewable or reduction in coverage, mailed to KRC at its address for notice set forth in this Agreement.

12.3 All of Contractor's insurance policies shall contain a waiver of subrogation clause for the benefit of KRC.

12.4 If at any time during the term of this Agreement the insurance required pursuant to this Section 13 is canceled, reduced or modified, or is otherwise not in force, (1) Contractor shall not be entitled to payment for any services rendered during any such time period and (2) KRC shall have the option (but not the obligation) to pay any premium necessary to reinstate such insurance to the amounts and coverage required under this Agreement, in which event KRC shall deduct such costs from the next sums owed to Contractor.

13. TERMINATION UPON BREACH

13.0 Breach by Contractor: Termination by KRC. Contractor shall be in default under this Agreement if Contractor fails to comply with (1) the provisions of this Agreement, (2) the terms of KRC's purchase of service authorization, (3) applicable Federal or State regulations, (4) statutes governing Contractor's service program and/or (5) statutes governing Contractor's provision of services to persons with developmental disabilities (including but not limited to Contractor's loss of its License or any other accreditations or certifications required for the lawful operation of the Facility). DDS, KRC or any authorized representative of either shall have the right to determine whether conditions exist to constitute possible grounds for termination of this Agreement as a result of Contractor's default. If DDS or KRC desires to terminate this Agreement as a result of Contractor's default, DDS or KRC shall first notify Contractor in writing of the default (the "**Notice of Default**") and provide Contractor with a 30-day period to cure the default; provided, however, if the default is non-curable, the Notice of Default will notify Contractor that this Agreement will terminate in 30 days. The Notice of Default shall (1) describe the default, (2) note the cure period or note that the default is noncurable, as applicable and (3) notify Contractor that KRC shall pay Contractor for all services rendered through the termination date of this Agreement, less any offsets to which KRC is entitled as a result of Contractor's default. If the default is non-curable, or if the default is curable and Contractor fails to cure such default to KRC's or DDS's reasonable satisfaction within such 30-day period, Contractor shall be considered in breach of this Agreement at the end of such 30-day period and KRC or DDS shall then have the right to terminate this Agreement as a result of such breach.

13.1 Contractor's Automatic Breach. Any misconduct by Contractor or its agents, employees or consultants that results in an imminent threat to the health and/or safety of KRC's Consumers shall, at KRC's option, be deemed an automatic and material breach of this Agreement. Elements which may constitute imminent threat to Consumer health and safety consist in part, but are not limited to: physical, emotional, or mental abuse, sexual misconduct, Consumer abandonment or neglect, theft of Consumers' money or property, violation of Consumer's rights under the law, placing Consumers in physical danger, or any other circumstance that may bring physical or emotional harm to the Consumer. In such situation, (1) the procedures in Paragraph 14.1 shall be inapplicable, (2) Contractor's default shall be noncurable, (3) KRC shall not have any obligation to provide

a 30-day cure notice (or any cure notice) and (4) Contractor shall be deemed in breach of this Agreement upon such default.

13.2 Termination of Vendorization. Contractor must comply with all of KRC's vendorization requirements and preserve its vendor status at all times during the term of this Agreement. Contractor's breach of a vendorization requirement constitutes a breach of this Agreement. Thus, if Contractor fails to comply with any of the vendorization requirements described in Title 17, Sections 54370(b) or (c) ("Termination of Vendor for Noncompliance"), KRC shall have the right and option, in addition to or in lieu of its remedy described in Paragraphs 14.1 and 14.2 above, to follow the procedures for termination of Contractor's vendorization. Upon Contractor's termination of vendorization and the expiration of applicable cure and/or appeal rights, this Agreement shall automatically terminate (if it has not already done so under its other provisions). As provided in Title 17, Sections 54370(g) and (h), any action taken by Contractor to correct any violation or file an appeal shall not preclude KRC from withdrawing purchase of service authorizations if necessary to protect the health, safety and welfare of its Consumers, and KRC may place a moratorium on new Consumer referrals during the appeal process or until such violations have been corrected.

13.3 Breach by KRC: Termination by Contractor. KRC shall be in default under this Agreement if KRC fails to timely perform any of its obligations under this Agreement. If Contractor desires to terminate this Agreement as a result of KRC's default, Contractor shall first notify KRC in writing of the default and provide KRC with a 30-day period to cure the default. If KRC fails to cure such default within such 30-day period, KRC shall be considered in breach of this Agreement; provided, however, if the nature of the default requires more than 30 days to cure, KRC shall not be in breach of this Agreement as long as KRC initiates a cure within such 30-day period and diligently pursues such cure to completion. If KRC fails to cure the default to Contractor's reasonable satisfaction within the applicable time period, KRC shall be in breach of this Agreement and Contractor shall then have the right to terminate this Agreement as a result of such breach. If this Agreement terminates as a result of KRC's breach, KRC shall pay Contractor for all services rendered through the termination date of this Agreement. Contractor hereby waives all right to seek or obtain consequential damages, indirect damages, lost profits and punitive damages from KRC.

13.4 Compliance with Statutory Requirements. Neither KRC nor Contractor shall terminate this Agreement unless such party complies with all applicable statutes and regulations, including but not limited to Welfare and Institutions Code Sections 4502, 4646, 4646.5, 4648, 4710 and 4741, as they may be amended from time to time.

14. FUNDING CONTINGENCY

14.0 Notwithstanding anything in this Agreement to the contrary, the validity of this Agreement (including KRC's obligation to remit payments to Contractor) is conditioned on KRC's receipt of adequate funds from DDS to pay for the services described in this Agreement (the "**Funding Contingency**"). The Funding Contingency is a part of this Agreement because KRC's annual funding agreement with DDS provides that

such funding agreement is subject to the appropriation of funds by the Legislature, and that if such funds are not appropriated for any fiscal year into which such funding agreement extends, the funding agreement is of no force and effect. KRC shall therefore have the right and option to terminate this Agreement without liability, and such termination shall be deemed a failure of the Funding Contingency, if (1) DDS for any reason fails to deliver funds to KRC for any period covered by this Agreement or (2) KRC receives funds from DDS for a period covered by this Agreement but KRC determines that such funds are inadequate to pay for all of the vendor services and other expenses which KRC expects to incur in such fiscal year, and therefore elects to fund other services rather than the services identified in this Agreement or (3) KRC receives funds from DDS for a period covered by this Agreement and initially allocates a portion of such funds for the services in this Agreement, but thereafter elects to reallocate some or all of such DDS funds to fund services other than the services in this Agreement. When insufficient funds exist for KRC to pay for all potential services to its Consumers, KRC shall have the right (under clauses (2) and (3) above) in its sole and arbitrary discretion to fund services other than the services identified in this Agreement, based on which services KRC believes are in the best interests of its Consumers. If there is a failure of the Funding Contingency, then (1) KRC shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and (2) neither party shall be obligated to further perform any provisions of this Agreement.

14.1 In addition to the above, if there are insufficient funds available from DDS to pay for all of the vendor services and other expenses which KRC expects to incur in any fiscal year, as determined by KRC in its sole and arbitrary discretion, KRC shall have the option at any time, on 30 days notice to Contractor, to reduce the amount of services being provided under this Agreement. In such event, the parties will in good faith negotiate to attempt to agree on Contractor's new amount of compensation under the modified Agreement. If the parties are unable to agree on Contractor's new compensation for its reduced services within such 30 day period, KRC shall then either (1) terminate this Agreement, because of the failure of a Funding Contingency or (2) rescind its reduction of Contractor's services, in which event this Agreement shall continue in full force and effect without such reduction in services or compensation.

Any notices by KRC to Contractor under this Section shall be given in compliance with the procedures in California Welfare and Institutions Code §4710.

15. COMPLIANCE WITH LAWS

15.0 Compliance with Applicable Laws. Contractor shall at all times comply with all applicable Federal and State statutes and regulations in connection with its performance of services under this Agreement, including but not limited to any and all applicable provisions in the Code of Federal Regulations. Contractor represents and warrants that it has reviewed and is familiar with all applicable Federal and State statutes and regulations, including but not limited to all applicable provisions in (1) Welfare and Institutions Code §§4500 et seq. (the Lanterman Developmental Disabilities Services Act) and (2) the regulations promulgated thereunder (e.g., Division 2 of Title 17). Contractor further represents that it is in possession of a copy of such statutes and regulations. The

terms of this Agreement shall not be construed to excuse Contractor's compliance with all applicable existing statutes and regulations.

15.1 Amendments by Law. Any provision of this Agreement in conflict with statutes or regulations is hereby amended to conform to the provisions of these statutes and regulations. Such amendment of the Agreement shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties. KRC shall endeavor in good faith to notify Contractor upon gaining notice of any amendment or new law which would affect this Agreement.

16. BUSINESS ASSOCIATE AGREEMENT

Both parties shall at all times comply with the mandatory provisions of the HIPAA Privacy Rule (Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A & E). Contractor has also executed a Business Associate Agreement with KRC, Contractor shall also comply with all HIPAA language in such agreement [ATTACHMENT E].

17. DRUG-FREE WORKPLACE POLICY

Contractor shall comply with KRC's Drug Free Workplace Policy during the term of this Agreement; such policy is attached hereto as ATTACHMENT F and is incorporated herein by this reference.

18. ZERO TOLERANCE POLICY FOR CONSUMER ABUSE OR NEGLECT

Contractor shall comply with KRC's Zero Tolerance Policy for Consumer Abuse or Neglect [ATTACHMENT G].

19. WHISTLE BLOWER POLICY

Contractor shall comply with KRC's Whistle Blower Policy [ATTACHMENT H]

20. COOPERATION

Contractor shall at all times fully cooperate with KRC to effect the purposes of this Agreement. Thus, for example, Contractor shall return as soon as possible all documents requested by KRC which may be required by state or federal laws or regulations.

Contractor shall comply with all documented court orders, if applicable.

Contractor shall provide a minimum if applicable of the following information to KRC Service Coordinators during face-to-face Consumer contact visits any:

- Consumers name, UCI, DOB, consumer weight, report completed by, date of report
- Special Incident Reports – date(s) & short description
- Placement status (list dates and reasons for any absences from facility)
- General Health within reporting period – report illnesses within reporting period.

- Document seizure activities including date, type, length of seizure
- List specific objectives being worked on at the facility – include whether Consumer has met, progressed, or showed no progress on the specific objectives during the reporting period. Identify barriers to progress if any or that there are no barriers to progress.
- Any other Consumer specific information that is pertinent to health & safety needs or concerns or other requests from the Consumer service coordinator.

21. NOTICES

All notices, requests, consents, demands and other communications required or permitted to be given hereunder shall be in writing and deemed to have been sufficiently given or served for all purposes if delivered (1) personally, (2) by a nationally recognized overnight carrier (e.g., FedEx) or (3) deposited in the U.S. mail by certified or registered mail, return receipt requested (provided, however, all notices under Welfare and Institutions Code section 4710 must be sent by certified mail), to the following addresses:

If to Contractor:

Bakersfield ARC
David S Kennemer President/CEO
4500 California Avenue
Bakersfield, CA 93309

If to KRC:

Kern Regional Center
C/O Enrique Roman, Dir. Comm. Serv.
3200 No. Sillect Avenue
Bakersfield, CA 93308

22. WAIVER

No waiver of a breach of any provision of this Agreement by KRC shall constitute a waiver of any other breach of such provision. Failure of KRC to enforce at any time, or from time to time, any provisions of this Agreement shall not be construed as a waiver thereof. No custom or practice which may develop between the parties in the course of administering this Agreement will be construed to waive any party's right to insist upon the performance by the other party of any obligation in this Agreement. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

23. ATTORNEYS' FEES ON BREACH; VENUE

In any dispute arising from this Agreement, the prevailing party therein shall be entitled to reasonable attorneys' fees to be awarded as part of its costs from the non-prevailing party. In the event of litigation arising from this Agreement, the venue for resolution of such litigation shall be Kern County.

24. JOINT AND SEVERAL LIABILITY

If Contractor consists of multiple individuals and/or entities, each such individual and entity shall be jointly and severally liable for all of Contractor's obligations under the Agreement.

25. INTEGRATED AGREEMENT; NO TERMS NOT INCLUDED; CONFLICTING PROVISIONS

This Agreement and its attachments contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties hereto. This Agreement supersedes all prior agreements, representations, and understandings of the parties, either oral or written regarding the subject matter hereof. This Agreement shall not be amended or modified, except in a writing signed by the parties that complies with the requirements of all statutes and regulations applicable to this Agreement. If any conflicts or inconsistencies exist between the provisions in this Agreement and the provisions in the HCBS Concept Proposal, the provisions which are, in KRC's reasonable judgment, most protective of the Consumers shall prevail.

26. ATTACHMENTS

Attachment A – DDS Funding Letter 2/1/23

Attachment B – Project Scope of Work and Budget

Attachment C– Project Milestones

Attachment D - Payment Agreement

Attachment E – Business Associate Agreement

Attachment F – Drug Free Workplace Policy

Attachment G – Zero Tolerance Policy for Consumer Abuse or Neglect

Attachment H – Whistle Blower Policy

27. AUTHORIZED REPRESENTATIVES; COUNTERPARTS; DELIVERY

Each party represents that the party signing below is an authorized representative of such party and has the authority to bind such party to this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall be considered a single instrument. Signed copies of this Agreement delivered and received by facsimile or as a PDF attachment to an email shall be deemed the same as originals.

Executed in Bakersfield, California as of the date first written above.

Contractor:

Bakersfield ARC,
A California nonprofit corporation

KRC:

Kern Regional Center,
A California not-for-profit corporation

By: _____
David S Kennemer President/CEO

By: _____
Enrique Roman, Director CS

ATTACHMENT A

DDS Funding Letter 2/1/23

Executed in Bakersfield, California as of the date first written above.

Contractor:

**Bakersfield ARC,
A California nonprofit corporation**

KRC:

**Kern Regional Center,
A California not-for-profit corporation**

**By: _____
David S Kennemer President/CEO**

**By: _____
Enrique Roman, Director CS**

DEPARTMENT OF DEVELOPMENTAL SERVICES

1215 O Street, MS 7-40
Sacramento, CA 95814
TTY: 711
(833) 421-0061



February 1, 2023

TO: REGIONAL CENTER EXECUTIVE DIRECTORS

SUBJECT: FUNDING TO SUPPORT COMPLIANCE WITH THE HOME AND
COMMUNITY-BASED SERVICES FINAL RULE

The purpose of this letter is to notify regional centers of the process for use of available funding to assist in compliance with the federal Home and Community-Based Services (HCBS) Final Rule requirements, and to outline next steps for regional centers in reporting their plan for use of this funding to the Department of Developmental Services (Department).

The Fiscal Year (FY) 2022-23 enacted budget includes \$15 million to assist providers in complying with the HCBS Final Rule, and to support broader work in each community that promotes and sustains ongoing compliance. Regional centers should work collaboratively with people who receive services, their families, and their service provider community to prioritize the use of available funds to meet the needs of individuals served in their local area. The Department has identified priorities for use of the funds, which include:

- Establishment or continuation of teams to work with service providers who have not yet submitted documentation evidencing compliance for all applicable federal requirements, and/or to work together on plans to remediate areas not yet compliant, including addressing provider-specific transition needs;
- Establishment or continuation of peer-led teams to engage with individuals served and their families to receive feedback on service provider implementation of the HCBS rules, focusing on providers not yet compliant and who are at risk for not being able to provide services beyond March 2023;
- Development of training and informational tools for planning teams to use in service planning and in creation or amendment of the individual program plan to ensure appropriate documentation is included;
- Development of local communities of practice to increase knowledge and implementation of best practices and encouraging collaborative groups to foster shared learning and solution-focused discussion;
- Engaging families and individuals served, including education and training for families/support persons and providers on best practices for aligning services with the HCBS Final Rule; and,

“Building Partnerships, Supporting Choices”

Regional Center Executive Directors
February 1, 2023
Page two

- Creating and implementing innovative pathways and provider practices that support community integration, individual rights, and individual choice, highlighting a whole-person approach to service delivery.

Regional centers must submit their plan for use of these funds to the Department for review and approval, utilizing Enclosure A, by March 1, 2023. The funds were included in the D-1 allocation sent to regional centers on September 9, 2022. The amount available for each regional center is displayed in Enclosure B.

If you have any questions regarding this correspondence, please contact hcbsregs@dds.ca.gov.

Sincerely,

Original Signed by:

VICKI SMITH, Ph.D.
Deputy Director
Policy and Program Development Division

Enclosures

cc: Regional Center Administrators
Regional Center Directors of Consumer Services
Regional Center Community Services Directors
Association of Regional Center Agencies
State Council on Developmental Disabilities
Nancy Bargmann, Department of Developmental Services
Brian Winfield, Department of Developmental Services
Carla Castañeda, Department of Developmental Services
Jim Knight, Department of Developmental Services
Ernie Cruz, Department of Developmental Services

Home and Community Based-Services Funding, FY 2022-23

Regional Center	Funds to Support Compliance
Alta California Regional Center	\$989,888
Central Valley Regional Center	\$858,169
Eastern Los Angeles Regional Center	\$367,217
Frank D. Lanterman Regional Center	\$373,204
Far Northern Regional Center	\$455,029
Golden Gate Regional Center	\$674,561
Harbor Regional Center	\$622,672
Inland Regional Center	\$1,592,601
Kern Regional Center	\$375,200
North Bay Regional Center	\$570,782
North Los Angeles County Regional Center	\$694,518
Regional Center of the East Bay	\$1,061,735
Regional Center of Orange County	\$936,003
Redwood Coast Regional Center	\$149,681
San Andreas Regional Center	\$852,182
South Central Los Angeles Regional Center	\$832,225
San Diego Regional Center	\$1,223,390
San Gabriel/Pomona Regional Center	\$638,638
Tri-Counties Regional Center	\$666,578
Valley Mountain Regional Center	\$612,693
Westside Regional Center	\$453,034
Total	\$15,000,000

ATTACHMENT B

Project Scope of Work and Budget

Executed in Bakersfield, California as of the date first written above.

Contractor:

**Bakersfield ARC,
A California nonprofit corporation**

KRC:

**Kern Regional Center,
A California not-for-profit corporation**

By: _____
David S Kennemer President/CEO

By: _____
Enrique Roman, Director CS

Revised 5/18/23.

Funding to Support Compliance with the Home and Community-Based Services Final Rule

Bakersfield ARC has contracted with Kern Regional Center (KRC) to provide Home and Community Based Services (HCBS) Compliance and Community of Practice Services since Oct 2022. We have focused on four areas in our current project. The current project is funded through September 30, 2023.

- Community of Practice Vendor
 - a. Focus groups for residential, day and vocational providers.
 - b. Emphasis placed on involving currently "non-participating vendors."
- Engaging families and individuals
 - a. Consumer Advisory Committee involvement
 - b. Consumer Forums led by the Consumer member of HCBS Grant Team
 - c. Family Forums with a focus on outreach to diverse communities
- Creating and implementing innovative pathways to Services and Supports
 - a. Small Group subject specific participatory forums
 - b. Sharing of Program and Consumer positive experiences and developments across forums and in the E-mail newsletter
- Remediation for Providers who have not met the HCBS Waiver Standards

Continuation of the Bakersfield ARC's HCBS program would build on strengths and shift directions on the limitations of the approaches used in the first grant. Bakersfield ARC is requesting funding from **October 1, 2023, until Sept 30, 2025**. The advantage to the Kern Regional Center community would be having a provider that has credibility and who has a record of accomplishment of deliverables. The new grant would continue to address grant areas and focus toward going beyond compliance toward outcome based best practice. The grant will deliver a comprehensive outcome-based tool to fifty (50) providers, (each year of the grant) 100 total, Communities of Practice and Life Course Nexus tools / basic training through the CtLC Ambassador Badge Academy (6 ambassadors). In addition, a once monthly Newsletter and Seminar will be provided.

Fifty vendors a year will be encouraged to develop agency specific HCBS centered individual and agency goals and objective toward greater community-based day, employment, and residential options for the clientele served using The Council on Quality and Leadership, Personal Outcomes Measure (POM). All providers will be encouraged to participate in the Community of Practice to develop and refine their standards of practice. Also, all providers will have the opportunity to work with the materials provided by the grant funded training of Ambassadors of the Charting the Life program.

6 Seminars (video conference and potential face to face),

- a. System Matter Experts
- b. Licensed Clinical Social Worker/Advanced-Certified Social Work Case Manager
- c. KRC Vendors
- d. Community Members
- e. Consumers
- Small Groups discussions through the COP monthly for Residential and Day/Vocational Services
 - a. KRC Vendors

- b. Community Members
- Monthly E-mail update
 - a. Project schedule and updates
 - b. Program updates including positive developments in the community
 - c. Consumer perspective and stories of community
- Trainings/technical assistance mentoring including program reviews and technical assistance with both Bakersfield ARC Project Manager and Client Coordinator for 50 Vendors using the POM.

CQL's Personal Outcome Measures® (POM) is a powerful tool helping you deliver quality services that are defined by the people you support. They look at whether supports and services are having the desired results, or outcomes, that matter to the person.
- Vendor Board Trainings if requested.
- Dissemination of tools and best practice materials including the Charting the Life Course.

All Charting the LifeCourseAmbassador series are designed to include training, professional development, and implementation coaching to:

 - o Provide foundational understanding of the key principles of the framework
 - o Introduce the application of the principles for a specific focus area and/or practice
- Meetings with KRC to update and revise the grant objectives as mutually agreed upon. Budget and/or program changes must be approved by all parties prior to any changes occurring.

Bakersfield ARC's Response to Proposal to the Regional Center Questions

1. Identify and address true barrier(s) to HCBS compliance.

Barriers to full implementation include:

- a. Providers who are striving toward only compliance with the rules and are not focusing on best practice in assuring independence, choice, privacy, and community.
- b. Historical lack of participation by Individuals, Families and Service Providers in KRC activities, committees, public meetings, and training.
- c. The current employment crisis limits participation.
- d. Limited encouragement and facilitation of the development of Individual, Family and Provider group empowerment.
- e. Limited dissemination of information to individuals, families, and providers especially on person-centered planning, alternative service models and choice.
- f. High caseloads and turnover of KRC Service Coordination staff which limits understanding of both the HCBS rules and individuals' needs and wants.

2. Provide detailed information on your proposal request and which areas of the Department noted priorities will be the focus of the proposal.
 1. E-mail newsletters providing information once monthly.
 2. Developing and locating existing training tools pertinent to the HCBS Final Rules
 3. Providing specific technical assistance to 50 providers using the POM tool.
 4. One Webinar a month
 5. The six Ambassadors of Charting the Life Course will be available to providers to assist in organizing ideas, visions/goals and problem solving.
- Establish and continue peer-led teams to engage with individuals served and their families to receive feedback on service provider implementation of the HCBS rules.

Bakersfield ARC established a peer position for our current grant who is working with families and individuals served. Nickole Renee Mensch has an extensive background in both self-advocacy and community-based advocacy. This is an area Bakersfield ARC has developed, but we are having challenges due to the limited community resources for contacting individuals. Bakersfield ARC has contact with 3 parent advocacy groups and most of the adult day programs regarding training in this area. Greater focus both in the current grant and the new grant will be put forward to grow networks of families and individuals to disseminate information on the importance of the HCBS rules. Community media and social media will be utilized to disseminate information on HCBS. In addition, KRC will be requested to disseminate information on its website and informational e-mails.

- Development of training and informational tools for planning teams to use in service planning and in creation or amendment of the person-centered individual program plan to ensure they are capturing needs and wants as well as creating appropriate documentation.

Bakersfield ARC has developed a Boot Camp providing tools and training on their usage in person-centered planning, positive planning, discovery and community-based services and support. (ServiceOs 1 — Bakersfield ARC) If on-going funding is provided, additional resources will be provided to augment existing Individual Program Planning (IPP). Bakersfield ARC will have 6 staff become ambassadors for Charting the Life Course which is an evidence-based, person-centered planning tool. These ambassadors will share this tool with KRC Service Coordinators, Vendors, Individuals and Community. In addition 50 providers each year will be trained in the POM.

- Continued development of local communities of practice to increase knowledge and implementation of best practices and encouraging collaborative groups to foster shared learning and solution-focused discussion.

Bakersfield ARC is currently utilizing a public relationships campaign to get the word out to families and individuals. Since we do not have a direct list of persons serviced by KRC, we are utilizing social media and traditional media. With additional funding we can utilize a greater amount of PR consultation and development of public resources campaigns. Bakersfield ARC will work cooperatively with KRC to utilize existing resources to get the word out.

- Creating and implementing innovative pathways and provider practices that support community integration, individual rights, and individual choice, highlighting a whole-person approach to service delivery.

Bakersfield ARC is utilizing several directions to create and implement innovative pathways for providers to operationalize. These include newsletter announcements, webinars, the Boot Camp, personal contacts, and the development of the COP. The continuation of the grant would enhance the ability to develop long-term gains as a systematic approach will be in place for provider to readily access. This will include the two contracted training tools ,(POM and CtLC) peer to peer and client-to-client dissemination of HCBS compliance and outcome measures.

3. How many individuals this will impact

The greater the number of Service Providers participating and providing time at their program/home for presentations will determine the number of individuals impacted. Under the current grant a large amount of the emphasis is on Service Providers, which subsequently filters down to Direct Support Professionals and to Individual Served. With the new grant added, a greater emphasis will be on utilizing specific tools/techniques taught to Administrators and Owners to share with direct services staff, clients and families in residential and day/employment. At least 100 individuals will be directly taught the POM. It is estimated that 750 stakeholders, direct support professional, family members and individuals will be served. Attendance will be taken at presentations/events. The trickle down from staff and families to individuals is difficult to enumerate so these number are an estimation.

4. If requesting an item(s), describe how the requested item assist with compliance

One laptop computer is requested for the Project Coordinator to complete materials and document progress.

Printing of materials to be distributed to Individuals, Families and Service Providers are also included.

Chart the Life Ambassador Training will allow Bakersfield ARC to develop 6 trainers for a specific model of person-centered planning that focuses on the wholistic developmental model of the person at all stages of the life cycle.

5. Staff Training.

Under the current grant, group training is provided monthly. In the past attendance varied from 2 to 88 providers. Training has been related to topics concerning HCBS Final rules. (Person-Centered Planning, IPPs, Community Based Day/Employment, the 10 HCBS Rules, Choice and Privacy) Once COP are further developed into an integral part of the community imperative, Bakersfield ARC will poll providers as to topics that they want addressed based on their needs. In addition, training for families and individuals served will also be based on the established community needs and requested topics. KRC will also be consulted on training topics that they would like addressed with service providers and the Intellectual and Developmental Disabilities community.

Bakersfield ARC has also provided individual training specific to HCBS compliance. This has included Zoom meetings, e-mail correspondence and the development of a packet with guidance on the 10 rules and how to develop a plan and implement them. Currently all of KRC's providers are compliant, and

remediation is not a component of this continuing project. The focus will be placed on utilizing the 50 POM participants each year, the Chart the Life program, the COP and client to client interactions to develop best practice and to create a safe place for sharing concerns.

6. If the proposal includes more than one component, identify cost estimate for each item separately.

Bakersfield ARC will be addressing 3 priorities of the Department of Developmental Services memo of February 1, 2023. The grant funding will be distributed across these areas with Innovation, COP and Provider Education receiving the largest share of the funding. The Program Director will maintain records of the time and resources devoted to all areas and will include this information in the quarterly report. An estimate of costs will vary over the course of the grant subject to change with consultation and prior approval by KRC. The needs of the community, stakeholders and individuals may require adjustments to the percentages noted below. Polling of the populations served will be the guiding factor in the final percentages.

Service Area	%	Total
Tool Development	25%	93,780
COP	25%	93,780
Innovation	50%	187,560
	100%	\$ 375,120

7. Identify all related costs and include those in the request (salary/wages and benefits- Operating Expenses-Administrative expenses/indirect costs)

Position	FTE	Y1	Y2
Project Coordinator	1.00	\$ 66,300	\$ 66,641
Admin Assistant	0.50	25,900	26,075
Client Coordinator	0.33	10,000	10,250
Sub-total		102,200	102,966
Operating		Y1	Y2
Chart the Life Ambassador Training		1,300	-
Printing/Office		2,500	2,500
Computer		1,000	-
Travel		4,000	4,000
Phone		600	600
CQL POM		35,000	35,000
Consultants		17,300	17,225

Sub-total		61,700	59,325
Admin Overhead 15%		24,585	24,344
Total Per Year		\$ 188,485	\$ 186,635
Total Grant			\$ 375,120

8. If you are selected, do you have the capacity to complete the reporting requirements for the Regional Center and DDS?

Bakersfield ARC has been providing HCBS Compliance services since Oct 2022 for the Kern Regional Center catchment area. In addition, we are participating in a Department of Developmental Services Employment Grant. Previously, we were involved in 4 cycles of the HCBS Waiver conversion grants. We utilized these grants to convert our adult day and employment programs to be fully HCBS compliant community-based services and we discontinue sub-minimum wages (14c).

9. Proposal must not exceed term of funding (two years): if proposal would involve a long-term cost, program must be prepared to fund the proposal on an ongoing basis.

Bakersfield ARC is requesting continuation funding for our current grant which is funded until Sept 30, 2023. We will use this grant extension from October 1, 2023, until September 30, 2025. It is anticipated that during the period of the current grant and the extended grant that the Individuals served, their families, and service providers will have a greater understanding and will be implementing HCBS rules. The Communities of Practices will have been developed and will be able to continue on their own without the need for additional funding. Bakersfield ARC as an advocacy organization will continue to provide training and other opportunities for advancement in our community.

1. Identify all related costs and include those in the request (salary/wages and benefits- Operating Expenses-Administrative expenses/indirect costs)

Position	FTE	Y1	Y2
Project Coordinator	1.00	\$ 66,300	\$ 66,641
Admin Assistant	0.50	25,900	26,075
Client Coordinator	0.33	10,000	10,250
Sub-total		102,200	102,966
Operating		Y1	Y2
Chart the Life Ambassador Training		1,300	-
Printing/Office		2,500	2,500
Travel		4,000	4,000
Phone		600	600
CQL POM		35,000	35,000
Consultants		18,300	18,225
Sub-total		61,700	59,325
Admin Overhead 15%		24,585	24,344
Total Per Year		\$ 188,485	\$ 186,635
Total Grant			\$ 375,120

ATTACHMENT C

PROJECT MILESTONES

**Milestones to be determined based on language written in the Department of
Developmental Services 2/1/23 Letter and Provider Compliance Funding Guidelines**

Executed in Bakersfield, California as of the date first written above.

Contractor:

**Bakersfield ARC,
A California nonprofit corporation**

KRC:

**Kern Regional Center,
A California not-for-profit corporation**

**By: _____
David S Kennemer President/CEO**

**By: _____
Enrique Roman, Director CS**

**Project Milestones to Support Compliance with HCBS Waiver Final Rule
Grant**

(October 1, 2023 -September 30, 2025)

Bakersfield ARC 4500 California Ave, Bakersfield CA 93309

No.	Description of Milestone	Projected Cost	Deadline for Completion
1.	<p>Bakersfield ARC will develop a Salaried Project Coordinator (PC) to implement the Compliance with HCBS Waiver Grant</p> <ul style="list-style-type: none">The PC will oversee the completion of the milestones related to 1) communities of practice 2) engaging families and individuals served 3) creating and implementing innovative pathways/practices 4) assisting with remediation.PC will coordinate implementation and develop of trainings, mentoring, focus groups and materials specific to HCBS final rules, Lanterman Developmental Disabilities Services Act (CA Welfare and Institutions Act, Section 4500 et seq.) and California Code of Regulation, Title 17 regulations. Responsibility will focus on educate of vendors, Clients/Families, and the development of innovated whole person approaches that promote access, equity and inclusion. <p>Documentation of completion of PC(s) milestones will be provided to Kern Regional Center (KRC) quarterly</p>	<p>Salary</p> <p>\$66,300</p> <p>\$66,641</p> <p>Total</p> <p><u>\$132,941</u></p>	<p>Oct 2023 to Sept 2024</p> <p>Oct 2024 to Sept 2025</p>

Bakersfield ARC Funding to Support Compliance with the Home & Community Based Waiver Services (HCBS) Final Rule

2.	<p>Bakersfield ARC will implement a part-time Administrative Assistance (AA) to coordinate</p> <ul style="list-style-type: none"> • Documentation, • Develop and Maintain e-mail directory • Development and maintenance of website, • Complete minutes of meeting, • Production of bi-weekly newsletter • Track attendance, • Develop reports for Vendor Advisory Committee, KRC and DDS • Coordinate Stipends • Coordination of evaluation forms and data collection for reporting, <p>Documentation of completion of AA(s) milestones will be provided to Kern Regional Center (KRC) Quarterly.</p>	<p>Salary \$25,900</p> <p>\$26,075</p> <p>Total <u>\$51,975</u></p>	<p>Oct 2023 to Sept 2024</p> <p>Oct 2024 to Sept 2025</p>
3.	<p>Bakersfield ARC will utilize a part-time Consumer Coordinator (CC) position to assist Clients/Families in understanding the transitioning to more community-based activities</p> <ul style="list-style-type: none"> • The CC will attend Consumer Advisory Meeting and will update and solicit input • The Peer Monitor will share experience in Community living with Client and Parent Groups • Peer Mentor will listen to and help to address concerns Individuals have as they adjust to new ways of receiving services • Peer Mentor will provide training opportunities to clients to help them with the transition to community-based services, access to community resources, and ways to advocate for themselves and others. <p>Documentation of completion of CC(s) milestones will be provided to Kern Regional Center (KRC).</p>	<p>\$10,000</p> <p>\$10,250</p> <p>Total \$20,250</p>	<p>Oct 2023 to Sept 2024</p> <p>Oct 2024 to Sept 2025</p>

Bakersfield ARC Funding to Support Compliance with the Home & Community Based Waiver Services (HCBS) Final Rule

4	<p>Management expenses will be allocated directly to the department incurring a particular cost. General administrative costs covering utilities, maintenance, insurance, landline phones, fax, internet service, and server maintenance and security, are allocated by square footage of the main office building utilized by each department. Other indirect costs such as management support, finance and payroll, and human resources, are allocated based on head count of the department and/or program.</p> <p>Printing</p> <p>Travel</p> <p>Phone</p>	\$24,585	Oct 2023 to Sept 2024
		\$24,344	Oct 2024 to Sept 2025
		Total	
		\$48,929	
		\$2,500	Sept 2023 to Oct 2024
		\$2,500	Sept 2024 to Oct 2024
		\$4,000	Oct 2023 to Sept 2024
		\$4,000	Oct 2024 to Sept 2025
		\$600	Oct 2023 to Sept 2024
		\$600	Oct 2024 to Sept 2025
		Total \$14,200	
5.	<p>PC and Consultants will provide trainings, and tools for professional development and mentoring of vendors to cultivate a stronger commitment to HCBS Waiver compliance and Person-Centered Planning for both vendors and Clients/Families.</p> <ul style="list-style-type: none"> Vendors will receive on-going in-services trainings, to support development and movement towards person centered community-based services and supports specific to HCBS standards. 1 training monthly and 1 Newsletter monthly. 	Consultants \$18,300	Oct 2023 to Sept 2024
		\$17,225	Oct 2024 to Sept 2025
		Total	
		\$35,525	

	<p>PC and AA will document, track, and organize all supporting evidence of training milestone completions to KRC.</p>		
6.	<p>Bakersfield ARC will survey Vendors Clients Advisory Committee, and other Stakeholders to ensure the presented materials and mentoring is relevant and to HCBS concerns. We will also determine areas of additional need and improvement. Bakersfield ARC will utilize this information for quality assurance, monitoring and improvement of services and supports to fit Stakeholders needs and choices.</p> <ol style="list-style-type: none"> 1. Bakersfield ARC will survey Vendors, and other stakeholders at the beginning, midway and end of the project regarding relevance on materials and additional requests. 2. Bakersfield ARC will complete an on-going analysis of the survey information to incorporate Client and Stakeholder responses into the project deliverables. <p>Documentation of all survey milestones will be provided to KRC.</p>		<p>Nov 2023 Sept 2024 Sept 2025</p>

7.	<p>The Personal Outcome Measures® (POM) is a person-centered discovery tool to explore the presence, importance, and achievement of personally defined outcomes, along with the supports that help people attain their individual goals and dreams. 21 indicators are used to gain valuable insight into the lives of adults, and older adults with intellectual and developmental disabilities. The interview covers a variety of topics, including choice, health, safety, social capital, relationships, rights, employment, and more. recognized tool has been an effective data set for valid and reliable measurement of individual quality of life.</p> <p>50 Individuals in Kern, Inyo and Mono County will be training on the tool in groups not to exceed 12 each grouping. during years 1 and 2 for a total of 100 over the two years</p> <p>KRC Service Providers who have completed the POM will demonstrate use of the tool to develop effective data set for valid and reliable measurement of individual quality of life.</p>	<p>\$35,000</p> <p>\$35,000</p>	<p>Oct 2023 to Sept 2024</p> <p>Oct 2024 to Sept 2025</p>
8.	<p>6 Individuals will be trained in the Life Chart Ambassador Series, Developed by the Charting the Lifecourse (CtLC) Nexus • © 2020 <u>Curators of the University of Missouri UMKC IHD</u></p> <ul style="list-style-type: none"> ○ Build confidence and capacity to champion the CtLC Framework with a variety of stakeholders and audiences. ○ Identify and practice using the CtLC framework and tools specific to the functions of providers role/position ○ Build confidence and competence to integrate the CtLC framework into the practices/functions on an ongoing basis ○ Support others in similar roles/positions in using the CtLC framework and tools ○ Enhance existing or develop new practices, processes, or policies integrating the CtLC framework and methodology 	<p>\$1,300</p>	<p>Sept 2023 to Oct 2024</p>

Bakersfield ARC Funding to Support Compliance with the Home & Community Based Waiver Services (HCBS) Final Rule

	<ul style="list-style-type: none"> o Identify strategic implementation strategies to support all team members to the CtLC framework and its integration throughout the project, program, or organization as a whole o Plan for scaling and sustaining the use of CtLC to enhance person-and family-centered policies, practices, and procedures 		
9.	<p>Topical Monthly Communities of Practice Combination of Presentations, Field Assignments and Reporting Out on Progress of Field Assignments</p> <p>Potential Community of Practice Topics:</p> <ol style="list-style-type: none"> 1. Leadership and Strategic Planning 2. Meaningful Day and Integration Strategies 3. Managing Employment Services 4. Building/Mentoring an Effective Community based Team (Workforce Focus) 5. Participant, Family and Community (Customer Communication Focus) 	Facilitate 24 Community of Practice each year of the project	Oct 2023 to Sept 2025
10.	Total Project Cost	\$375,120	

BAKERSFIELD ARC will report to KRC on the project's implementation, including progress related to the above milestones and progress toward compliance with the federal requirements.

ATTACHMENT D

PAYMENT AGREEMENT

PAYMENT AGREEMENT

Vendor Name: Bakersfield ARC
Vendor #: PK5126 Service Code: 055

This agreement establishes the rates for services under this contract between Kern Regional Center and Bakersfield ARC, hereafter referred to as "Contractor."

KRC agrees to remit funds to Contractor in consideration for the Contractor's completion of the Project, payable in installments as Contractor satisfies each Project Milestone. The total amount of funds payable by KRC to Contractor under this Agreement shall not exceed Three-Hundred and seventy-five thousand, two-hundred dollars (\$375,200.00) (the "Compensation").

Contractor acknowledges that the Compensation will not cover all of Contractor's expenses relating to the Project, and that any additional funds, if needed, must be provided by the Contractor in order for it to complete the Project. The Compensation is available for reimbursement to Contractor only through **March 01, 2025**; thereafter, KRC must return all unused funds to the State of California.

This is not a negotiated rate Agreement. Rather, DDS has determined and set the approved maximum amount of the Compensation.

The Contractor agrees to accept the following rate(s) for the above service as payment in full and affirms that this amount does not exceed the rate of payment that the provider charges any other person for this service. This agreement is in effect for the period:

07/1/2023 TO 03/01/2025

All services provided are subject to the terms of the service agreement/contract and the approved service design of the provider. All services or purchases made under the terms of the contract and rate agreement require prior approval and specific written authorization from KRC.

The Payment Agreement identifies compensation reimbursement claims to be processed under the vendor number PK5126 Service Code 055 to be intended and to be used for the contractor's concept. This should reflect that the Department of Developmental Services approved funding for the contractor's concept based on the guidance in the letter dated 2/1/23 (Attachment A). All terms that are defined in the Agreement shall have the same meaning when used herein.

Payment of Compensation. Contractor may request and KRC shall remit the Compensation to Contractor, up to the amount stated above, after KRC's review and approval of Contractor's reports, receipts and other documentation supporting such expenditures, in the form and content reasonably acceptable to KRC. Further, KRC's reimbursement of Project costs will only apply to actual expenditures that assist Contractor in transitioning into compliance with the HCBS Rules. KRC will disburse all funds to Contractor in arrears; *provided, however*, on a case-by-case basis KRC may elect in its sole discretion to remit certain payments of Compensation in advance. In such cases, Contractor shall promptly return such advance payments to KRC if Contractor subsequently fails to timely provide all receipts and necessary documentation to support such payments.

Claim Submission Procedure. Each time Contractor satisfies a Project Milestone [Attachment C], Contractor may submit one or more claims based on such completed task; provided, however, the aggregate amount of such claims shall not exceed the Compensation limit above. Each claim for Compensation must be consistent with the Budget, the Scope of Work and the applicable Project Milestone relating to such claim. Each claim must be electronically submitted to KRC. In addition, each claim that falls within any of the following categories (if applicable, based on the Scope of Work) must comply with the terms and conditions in that category as a condition to KRC's reimbursement for such expense.

Specialized Equipment, Supplies and Furnishings. If KRC reimburses Contractor for equipment and program supplies (including computers and related equipment), or specialized/durable and other furnishings, Contractor's documentation for payment of such items must include (1) an itemized account of all items to be reimbursed, (2) proof of receipt of the approved items purchased (the receipts must clearly state the item purchased, and Contractor must handwrite the item on the receipt if unclear) and (3) multiple quotes or another objective justification for the cost-effectiveness of each purchase.

Remodeling of Residential Facility. If KRC reimburses Contractor for the cost to remodel a residential facility, the facility modifications must be related to furthering compliance with the HCBS Rules. Further, prior to construction, Contractor must submit to ACRC, for its prior approval, a set of plans and at least two itemized bids for the proposed work. All bids shall be from contractors who are insured and bonded, and have a contractor's license that is active and in good standing with the Contractors State License Board. All modifications which require a building permit must be completed with a building permit. Documentation to be submitted by the Contractor to KRC for payment of modifications must include: (1) approved plans (stamped by the governmental entity as approved, as applicable); (2) all necessary itemized bids, as approved by KRC; (3) evidence of payment of permit fees; (4) invoices from architects, engineers, contractors, as applicable; (5) cancelled checks related to such invoices, evidencing payment by Contractor; (6) receipts for material purchased by Contractor not listed on an invoice; (7) invoices from subcontractors, if any, for work not covered in a contractor's invoice; (8) evidence of payment of inspections fees from the Fire Marshall, if any; (9) applicable executed mechanic's lien waivers and releases.

Vehicles. If KRC reimburses Contractor for the cost to acquire, maintain and/or insure specialized vehicles for the transportation of clients, Contractor's documentation must include: (1) itemized list of vehicles to be reimbursed; (2) copies of all receipts of approved items that have been purchased; and (3) multiple quotes or another objective justification for the cost-effectiveness of each purchase.

Specialized Training. If KRC reimburses Contractor for specialized training needed to meet the needs of KRC's clients, Contractor must obtain KRC's approval prior to attending training sessions in order to be considered for reimbursement. Registration/admission fees and other costs Contractor incurs for attending such training (i.e. lodging, airfare, etc.) may be reimbursed by KRC on a case-by-case basis, if KRC approves such costs in advance. Documentation to be submitted by Contractor to KRC must include: (1) trainer's flyer or other document describing the training; (2) proof of paid registration; and (3) receipts for any other costs associated with attending the training.

Employee Wages and Benefits. If KRC reimburses Contractor for its employees' wages and benefits, including wages and benefits for Contractor's staff, Contractor must provide adequate documentation for such costs.

Office Space. If KRC reimburses Contractor for its cost to rent office space, Contractor must provide the fully executed lease and other adequate documentation for such costs. To the extent Contractor requests reimbursement for the cost to remodel such office space, the provisions in Section 5.2.2 above ("Remodeling of Residential Facility") shall apply to such office space remodel.

Client Meetings; Travel Expenses. If KRC reimburses Contractor for mileage to and from a State Developmental Center and/or other highly restrictive settings for the purpose of individual client transition planning, KRC must pre-approve such costs, including lodging, airfare, mileage, etc. KRC shall only approve such costs when it is necessary to visit specific clients and/or programs and when the expense for lodging and airfare is directly related to the development of the Project. Documentation to be submitted by the Contractor to KRC must include: (1) itemized list of costs associated with each travel, including lodging, airfare, mileage, etc.; and (2) receipts of costs associated to such travel which have been approved by KRC. KRC will reimburse approved mileage at the current IRS reimbursement rate in effect at the time the mileage expense was incurred.

Consequence of Contractor's Failure to Satisfy Requirements. Contractor's failure to complete any of the Scope of Work by the applicable deadlines noted in the Project Milestones shall constitute Contractor's default under this Agreement. Notwithstanding the foregoing, if Contractor's failure to complete the Scope of Work is due solely to KRC's refusal or failure to timely approve an item submitted by Contractor in good faith, then KRC's refusal or failure to approve such submittal by the applicable milestone deadline shall, at KRC's option, constitute the failure of a contingency under this Agreement. Upon the failure of a contingency, this Agreement shall be rescinded, and neither party shall have any further rights or obligations to the other, except for those obligations that are intended to survive such rescission (such as, for example, Contractor's obligation to return Compensation to KRC as provided in Paragraph 11.3 below).

KRC's Review of Documents and Disbursement of Funds. KRC will endeavor to review all documents provided by Contractor within ten working days of receipt, including receipts for purchases. After KRC approves Contractor's documentation for each applicable claim described above, KRC shall send an authorization for payment to its accounting department. KRC accounting department shall remit payment to Contractor within 30 days of receipt of all required documentation.

Expenditures in Accordance with Agreement. KRC has no obligation to reimburse Contractor for any expenditure that exceeds the Budget line item for such expenditure, that is not described in the Scope of Work, or that is otherwise not in accordance with this Agreement.

This agreement does not suspend or amend the reporting requirements of California Code of Regulations, Titles 17, 22 and other laws.

Note: Notwithstanding anything in this Agreement to the contrary, the payments to Contractor under this Agreement are subject to any payment reduction or increased authorized by the California State Legislature.

Service Provider agrees that any rate(s) specified on an Authorization Draft, Purchase Order, Provider of Care Claim Form, Individual Program Plan and/or Individualized Family Services Plan which are not consistent with those identified above are not binding.

Executed in Bakersfield, California as of date written above.

“Contractor”
Bakersfield ARC,
A Non Profit in California

“KRC”
Kern Regional Center, A California
Private Not-For-Profit Corporation

David S Kennemer President/CEO
Tax ID #: 951805520

Enrique Roman, Director of CSD

ATTACHMENT E

BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (Hereinafter "Agreement") dated as of **07/1/2023-3/01/2025**, is made by and between KERN REGIONAL CENTER (KRC) (Hereinafter "Covered Entity") and **Bakersfield ARC, a State of California Business operating as a Non-Profit Organization** (Hereinafter "Business Associate").

ARTICLE 1 INTRODUCTION

1.1 This Agreement governs the terms and conditions under which Business Associate will access Protected Health Information belonging to patients of Covered Entity in performing services for, or on behalf of, Covered Entity. Specifically, this agreement governs the terms and conditions under which Business Associate *to make changes in order to meet the requirements of the federal Centers for Medicare & Medicaid Services (CMS) Home and Community-Based Services (HCBS) final regulations, or rules. DDS has awarded funds for Concept Proposals based on the contractor submission. Generally, HCBS settings must (i) be integrated in and facilitate a client's full access to the greater community; (ii) optimize client autonomy and independence in making life choices; (iii) be chosen by the client from among residential and day options, including non-disability specific settings; (iv) ensure the right to the client's privacy, dignity, respect and freedom from coercion and restraint; (v) provide each client an option to choose a private unit in a residential setting; and (vi) facilitate a client's choice of services and who provides them.* (Hereinafter, "Services").

1.2 Covered Entity and Business Associate intend to: (a) protect the privacy and provide for the security of Protected Health Information disclosed pursuant to this Agreement and (b) comply with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Public Law 104-191, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), Public Law 111-5, and the regulations promulgated hereunder by the U.S. Department of Health & Human Services (Hereinafter, "HIPAA Regulations"), and other applicable federal and state laws.

ARTICLE 2 DEFINITIONS

2.1 Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

2.2 For purposes of this Agreement:

2.2.1 "Breach" means the acquisition, access, use, or disclosure of PHI in a manner not permitted under Subpart E of 45 CFR Part 164 that compromises the security or privacy of the PHI (within the meaning of 45 CFR 164.402).

2.2.2 "Designated Record Set" shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR 164.501.

- 2.2.3 "Electronic Protected Health Information" or "ePHI" means PHI that is transmitted by or maintained in electronic media as defined in 45 CFR 160.103.
- 2.2.4 "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).
- 2.2.5 "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, subparts A and E.
- 2.2.6 "Protected Health Information" or "PHI" 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.
- 2.2.7 "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR 164.501.
- 2.2.8 "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- 2.2.9 "Unsecured PHI" means PHI that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology specified by the Secretary in regulations or other guidance issued under Section 13402(h)(2) of HITECH.

ARTICLE 3

OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

Business Associate agrees to:

- 3.1 Use and Disclosure. Not use or further disclose Protected Health Information other than as permitted or required by this Agreement or as Required By Law.
- 3.2 Appropriate Safeguards. Use appropriate physical, technical, and administrative safeguards (a) to prevent use or disclosure of PHI other than as permitted under this Agreement or as Required By Law and (b) to reasonably and appropriately protect the confidentiality, integrity, and availability of the ePHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity.
- 3.3 Assurances. Provide Covered Entity with written assurances that any PHI placed on any type of mobile media, including, but by no means limited to, lap top computers, iPads and mobile phones, are encrypted in accordance with guidance issued by the Secretary.

- 3.4 Breach Reporting. Report in writing to Covered Entity within two (2) business days after discovery, any suspected or actual: (a) access, use or disclosure of PHI not permitted by this Agreement; (b) Breach of unsecured PHI in accordance with 45 CFR 164.410; (c) security breach or intrusion; (d) use or disclosure of PHI in violation of any applicable federal or state laws or regulations. Business Associate will implement a reasonable system for discovery of Breaches.
- 3.5 Mitigation. Mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement.
- 3.6 Agents and Subcontractors. Ensure that any agent, including a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate agrees to the same restrictions, conditions and requirements that apply through this Agreement to Business Associate with respect to such information.
- 3.7 Access to PHI. In the event that the Business Associate maintains PHI in a Designated Record Set, Business Associate agrees to provide access, within ten (10) days of a request by Covered Entity in the time and manner designated by Covered Entity, to Protected Health Information in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR 164.524.
- 3.8 Amendment of PHI. In the event that the Business Associate maintains Protected Health Information in a Designated Record Set, Business Associate agrees to make any amendment(s) to Protected Health Information in a designated record set that the Covered Entity directs or agrees to pursuant to 45 CFR 164.526 at the request of Covered Entity or an Individual, within ten (10) days of receipt of a request from Covered Entity and in the time and manner designated by Covered Entity.
- 3.9 Document Disclosures. Document such disclosures of Protected Health Information and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.
- 3.10 Accounting of Disclosures. Within ten (10) days of notice by Covered Entity of a request for an accounting of disclosures of PHI, provide to Covered Entity, in the time and manner designated by Covered Entity, information collected in accordance with Section 3.9, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR 164.528.
- 3.11 Compliance with Applicable Requirements. To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to Covered Entity in the performance of such obligation(s).

- 3.12 Electronic Transactions. If Business Associate conducts any Standard Transaction for or on behalf of Covered Entity, Business Associate shall comply with the requirements under the Electronic Transaction Rule (as those terms are defined in the Security Rule).
- 3.13 Government Access. Make internal practices, books, and records relating to the use and disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule. In the event such a request comes directly from the Secretary, Business Associate agrees to notify Covered Entity immediately of such request.
- 3.14 Inspection. Within ten (10) business days of a written request by Covered Entity, Business Associate and its agents or subcontractors, if any, shall allow Covered Entity to conduct a reasonable inspection of the facilities, systems, books, records, agreements, policies and procedures relating to the use or disclosure of PHI pursuant to this Agreement for the purpose of determining whether Business Associate has complied with this Agreement; provided, however, that (a) Business Associate and Covered Entity will mutually agree in advance upon the scope, location and timing of such an inspection, and (b) Covered Entity will protect the confidentiality of all confidential and proprietary information of Business Associate to which Covered Entity has access during the course of such inspection.
- 3.15 Identity Theft. Implementation of an Identity Theft Monitoring Policy and Procedure, to protect any patient information that may be breached by the Business Associate to the extent applicable under the Federal Trade Commission's Red Flag Rules.
- 3.16 HITECH Compliance. Business Associate shall:
- 3.16.1 Not receive, directly or indirectly, any impermissible remuneration in exchange for PHI or ePHI, except as permitted by HITECH § 13405(d) or the HIPAA Regulations;
 - 3.16.2 Comply with the marketing and other restrictions applicable to business associates contained in HITECH § 13406 and the HIPAA Regulations;
 - 3.16.3 To the extent required under HITECH § 13404, fully comply with the applicable requirements of 45 CFR 164.502(e) (2) for each use or disclosure of PHI;
 - 3.16.4 To the extent required under HITECH § 13401, fully comply with 45 CFR 164.308, 164.310, 164.312, and 164.316;
 - 3.16.5 To the extent required under HITECH §§ 13401 and 13404, comply with the additional privacy and security requirements that apply to covered entities in

the same manner and to the same extent as Covered Entity is required to do so; and

3.16.6 To the extent required under the HIPAA Regulations, comply with the privacy and security requirements that apply to business associates.

3.17 State Privacy Laws. Business Associate shall understand and comply with state privacy laws to the extent that such state privacy laws are not preempted by HIPAA or HITECH. Without limiting the generality of the foregoing, all of Business Associate's uses and disclosures of PHI shall be consistent with: (a) the California Confidentiality of Medical Information Act ("CMIA"), Cal. Civ. Code Section 56 et seq.; and (b) Cal. Health and Safety Code Section 1280.15.

ARTICLE 4

PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

Except as otherwise limited in this Agreement:

- 4.1 Business Associate may use or disclose Protected Health Information to perform functions, activities or services for, or on behalf of, Covered Entity, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity.
- 4.2 Business Associate may disclose Protected Health Information for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate 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 Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

ARTICLE 5

OBLIGATIONS OF COVERED ENTITY

- 5.1 Notice of Privacy Practices. Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 CFR 164.520, as well as any changes to such notice.
- 5.2 Permissible Requests. Covered Entity shall not request Business Associate to use or disclose Protected Health Information in any manner that would not be permissible under the Privacy Rule if done by Covered Entity.

ARTICLE 6

TERM AND TERMINATION

- 6.1 Term. The obligations set forth in this Agreement shall be effective as of the date the first Protected Health Information is released to Business Associate pursuant to this Agreement, and shall terminate only when all of the Protected Health Information

provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy Protected Health Information, protections are extended to such information, in accordance with the termination provisions in this Article 6.

6.2 Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall provide an opportunity for Business Associate to cure the breach or end the violation. Covered Entity may terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity.

6.3 Effect of Termination.

6.3.1 Except as provided in Section 6.3.2, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

6.3.2 In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity 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, Business Associate shall extend the protections of this 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 Business Associate maintains such Protected Health Information.

ARTICLE 7 MISCELLANEOUS

7.1 Indemnification. Business Associate agrees to indemnify, defend, and hold harmless Covered Entity, its directors, officers, employees, contractors and agents, against, and in respect of, any and all claims, losses, expenses, costs, damages, obligations, penalties, and liabilities which Covered Entity may incur by reason of Business Associate's breach of or failure to perform any of its obligations pursuant to this Agreement. Further, Business Associate agrees to indemnify, defend, and hold harmless Covered Entity, its directors, officers, employees, contractors and agents, against all costs and expenses, including but not limited to, reasonable legal expenses, which are incurred by or on behalf of Business Associate in connection with the defense of such claims.

- 7.2 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement, HIPAA, HITECH, or the HIPAA Regulations will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI.
- 7.3 Assistance in Litigation or Administrative Proceedings. Business Associate shall make itself, and any subcontractors, employees, affiliates or agents assisting Business Associate in the performance of its obligations under this Agreement, available to Covered Entity, at no cost to Covered Entity, to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against Covered Entity, its directors, officers or employees based upon a claimed violation of HIPAA, HITECH, the HIPAA Regulations, or other laws relating to security and privacy, except where Business Associate or its subcontractor, employee or agent is named adverse party.
- 7.4 Survival. The respective rights and obligations of Business Associate under this section shall survive the termination of this Agreement.
- 7.5 Ownership of Information. Covered Entity holds all right, title, and interest in and to the PHI and Business Associate does not hold and will not acquire by virtue of this Agreement or by virtue of providing goods or services to Covered Entity, any right, title, or interest in or to the PHI or any portion thereof.
- 7.6 Right to Injunctive Relief. Business Associate expressly acknowledges and agrees that the breach, or threatened breach, by it of any provision of this Agreement may cause Covered Entity to be irreparably harmed and that Covered Entity may not have an adequate remedy at law. Therefore, Business Associate agrees that upon such breach, or threatened breach, Covered Entity will be entitled to seek injunctive relief to prevent Business Associate from commencing or continuing any action constituting such breach without having to post a bond or other security and without having to prove the inadequacy of any other available remedies. Nothing in this paragraph will be deemed to limit or abridge any other remedy available to Covered Entity at law or in equity.
- 7.7 Regulatory References. A reference in this Agreement to a section in HIPAA, HITECH or the HIPAA Regulations means the section as in effect or as amended.
- 7.8 Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the HIPAA Regulations.
- 7.9 Interpretation. Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the HIPAA Regulations.
- 7.10 Severability. In the event any part or parts of this Agreement are held to be unenforceable, the remainder of this Agreement will continue in effect.

- 7.11 California HIPAA Rule. Understand and Comply with California Senate Bill 541 and AB 211 to the extent applicable which requires health facilities, clinics, hospices and home health agencies to prevent unlawful or unauthorized access to, or use or disclosure of, a patient's medical information. This requirement creates a stricter standard than any currently in effect under existing state law or HIPAA because facilities are required under this bill to "prevent" unauthorized access, not merely to take reasonable steps to try to monitor and stop inappropriate access.

SB 541 also authorizes administrative penalties on the facility of up to \$25,000 per patient per violation, and up to \$17,500 for each subsequent accessing, use or disclosure of that information, and increases existing penalties for violations that result in immediate jeopardy of patients.

Assembly Bill 211 requires that every health care provider implement specified safeguards to protect the privacy of a patient's medical information, and establishes an Office of Health Information Integrity (OHII) within the California Health and Human Services Agency, which will assess and impose fines for violations of privacy laws. Penalties may be assessed: against any person or provider of health care, whether licensed or unlicensed up to \$250,000 as set forth in CMIA and requires referral from DPH for assessment of fines.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

COVERED ENTITY:

By: Kern Regional Center (KRC), a California Not-For-Profit Corporation

Signature: _____
Enrique Roman, Director of Community Services

BUSINESS ASSOCIATE:

By: Bakersfield ARC, a State of California Business operating as a Non-Profit Organization

Signature: _____
David S Kennemer President/CEO

ATTACHMENT F

DRUG-FREE WORKPLACE POLICY

Executed in Bakersfield, California as of the date first written above.

Contractor:

**Bakersfield ARC,
A California nonprofit corporation**

KRC:

**Kern Regional Center,
A California not-for-profit corporation**

**By: _____
David S Kennemer President/CEO**

**By: _____
Enrique Roman, Director CS**

Kern Regional Center Drug-Free Workplace Policy

Purpose and Goal

KRC receives Federal funds and is required to comply with the Drug Free Workplace Act. We are committed to the safety, health and well being of all employees and other individuals in our workplace. We have established a drug-free workplace program that balances our respect for individuals with the need to maintain an alcohol and drug-free environment. This policy recognizes that employee involvement with alcohol and other drugs can be disruptive, adversely affect the quality of work and performance of employees, pose serious health risks to users and others, and have a negative impact on productivity and morale.

Who Is Covered By This Policy

Any individual who conducts business for KRC or is conducting business on KRC's property is covered by our drug-free workplace policy. Our policy includes, but is not limited to employees, contractors, volunteers, interns, and applicants. Our drug-free workplace policy is intended to apply whenever anyone is representing or conducting business for KRC.

Therefore, this policy applies during all working hours, while on call, while on organization property and while at company-sponsored events.

Prohibited Behavior

It is a violation of our drug-free workplace policy to use, possess, sell, trade, and/or offer for sale alcohol, illegal drugs or intoxicants. Prescription and over-the-counter drugs are not prohibited when taken in standard dosage and/or according to a physician's prescription. Any employee taking prescribed or over-the-counter medications will be responsible for consulting the prescribing physician and/or pharmacist to ascertain whether the medication may interfere with safe performance of his/her job. If the use of a medication could compromise the safety of the employee, fellow employees or the public, it is the employee's responsibility to call in sick, use leave, request change of duty, or consult with a supervisor to avoid unsafe workplace practices. The illegal or unauthorized use of prescription drugs is prohibited. It is a violation of our drug-free workplace policy to intentionally misuse and/or abuse prescription medications.

Notification of Convictions

Any employee who is convicted of a criminal drug violation in the workplace must notify KRC in writing within five calendar days of the conviction. KRC will take appropriate action within 30 days of notification. Federal contracting agencies will be notified when appropriate.

Searches

If an individual is suspected of violating the drug-free workplace policy, he or she may be asked to submit to a search or inspection. Searches can include desks and workstations and may extend to personal property, if necessary.

Consequences

An employee who violates this policy will be subject to progressive disciplinary action and may be required to enter rehabilitation. An employee who fails to successfully complete rehabilitation and/or repeatedly violates the policy will be terminated from employment.

Normal disciplinary action will be taken if job performance deterioration and/or other accidents occur, and nothing in this policy prohibits the employee from being disciplined or discharged for other violations and/or performance problems.

Assistance

KRC recognizes that alcohol and drug abuse and addiction are treatable illnesses. We encourage employees to seek help and allow the use of accrued paid leave while seeking treatment for alcohol and other drug problems. Treatment for alcoholism and/or other drug use disorders are covered as described in PERS healthcare publications. Free or for-fee assistance is also available through community hotlines, self-help groups, community mental health centers, private therapists or counselors, and addiction treatment centers. The ultimate financial responsibility for recommended treatment belongs to the employee.

Confidentiality

All information reported through the drug-free workplace program is confidential communication. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

Shared Responsibility

All employees are required to not report to work or be subject to duty while their ability to perform job duties is impaired due to on-or-off-duty use of alcohol or other drugs. In addition, employees are encouraged to report dangerous behavior to their supervisors. It is the supervisor's responsibility to: Investigate reports of dangerous practices, document negative changes and problems in performance, and counsel employees as to expected performance improvement.

Communication

To ensure all employees are aware of their role in supporting our drug-free workplace program, all employees will receive a written copy of this policy and the policy will be reviewed in orientation sessions with new employees. Educational materials about the dangers of alcohol and drug use and the availability of help will be available to all employees.

ATTACHMENT G
ZERO TOLERANCE POLICY

Executed in Bakersfield, California as of date written above.

Contractor:

**Bakersfield ARC,
A California nonprofit corporation**

KRC:

**Kern Regional Center,
A California not-for-profit corporation**

**By: _____
David S Kennemer President/CEO**

**By: _____
Enrique Roman, Director CS**

POLICY

TITLE: Zero Tolerance PolicyPOLICY NO. A-6DATE SUBMITTED: 9/24/13PAGE 1 of 2

PURPOSE: Kern Regional Center will enforce a zero tolerance policy to address client abuse or neglect.

DEFINITION: abuse includes physical abuse, neglect, financial abuse, abandonment, isolation, abduction or other treatment which results in physical harm, pain or mental suffering; or deprivation, by a person providing care and supervision of goods and services which are necessary to avoid physical harm or mental suffering.

- **Physical Abuse:** means the use or attempt to use force on the person of another, unreasonable physical constraint or prolonged or continual deprivation of food, water, or sexual abuse. It also means the use of isolation, physical or chemical restraint, or psychotropic medication without medical authorization for punishment.
- **Mental Suffering:** is defined as fear, agitation confusion, severe depression or other forms of emotional distress that is brought about by threats, harassment or other forms of intimidating behavior.
- **Neglect:** is defined as the negligent failure of a person(s) having care or custody of a client to exercise a reasonable degree of care including, but not limited to, a failure to assist in personal hygiene and the provision of food, clothing and shelter or failure to provide medical care or protect the client from health and safety hazards.

POLICY: Client abuse committed by Kern Regional Center employees or employees of service providers or long term care facilities will not be tolerated. All such abuse or allegations of such abuse will be thoroughly investigated. Any Kern Regional Center employee found to have engaged in abuse against a client will be subject to severe discipline, up to and including discharge. Any abuse found to have been committed by a service provider or long term care facility employee will be referred to the appropriate authorities and the service provider may also be subject to sanctions up to and including removal from the list of those authorized to provide service for regional center clients.

All Kern Regional Center employees who are "mandated reporters" pursuant to the California Penal Code and all employees of service providers and long-term health care facilities who are mandated reporters shall strictly comply with the reporting laws at all times. A mandated reporter must (unless exempt under law) report all client abuse to the applicable governmental authorities immediately or as soon as practicable after his or her discovery or reasonable belief that client abuse has occurred.

Kern Regional Center and all Kern Regional Center service providers and long term health care facilities serving Kern Regional Center clients shall ensure their employees are fully informed upon hire and annually thereafter regarding Kern Regional Center's Policy on Client Abuse and Neglect and

Review Date: 9/24/13

Revision Date:

Approval Date: 9/24/2013

POLICY No. A-6
Zero Tolerance Policy
Page 2 of 2

the mandatory abuse and neglect reporting laws. Each employee must be knowledgeable of their responsibility to protect clients from abuse and neglect, the signs of abuse and neglect, the process for reporting suspected abuse or neglect, and the consequences of failing to follow the law and enforce this policy.

If Kern Regional Center or a Kern Regional Center service provider or long-term health care facility becomes aware of client abuse, it shall take immediate action to the extent permitted by law, to ensure the health and safety of the affected client and all other clients receiving services and supports from Kern Regional Center. This obligation is in addition to those obligations required of mandated reporters to report client abuse under the reporting laws.

Review Date: 9/24/13
Revision Date:
Approval Date: 9/24/2013
KRC-110 (6/89)

ATTACHMENT H

WHISTLEBLOWER POLICY

Executed in Bakersfield, California as of the date first written above.

Contractor:

Bakersfield ARC,
A California nonprofit corporation

KRC:

Kern Regional Center,
A California not-for-profit corporation

By: _____
David S Kennemer President/CEO

By: _____
Enrique Roman, Director CS

TITLE: Whistleblower**POLICY NO.** P-4**DATE SUBMITTED:** 10/26/10**PAGE** 1 of 2

PURPOSE: To be consistent with the State's directive entitled "Department of Developmental Services Whistleblower Complaint Process" dated July 28, 2010.

POLICY: This Kern Regional Center Policy addresses "whistleblower" complaints and reporting of alleged improper regional center and/or vendor/contractor activities. The intent of this policy is to be consistent with the State's directive entitled "Department of Developmental Services Whistleblower Complaint Process" dated July 28, 2010.

An "improper regional center activity" is defined as an activity by a regional center, or an employee, officer, or board member of a regional center, in the conduct of regional center business, that is a violation of a state or federal law or regulation; violation of contract provisions; fraud or fiscal malfeasance; misuse of government property; or constitutes gross misconduct, incompetency, or inefficiency.

An "improper vendor/contractor activity" means an activity by a vendor/contractor, or an employee, officer, or board member of a vendor/contract, in the provision of State funded services, that is a violation of a state or federal law or regulation; violation of contract provisions; fraud or fiscal malfeasance; misuse of government property; or constitutes gross misconduct, incompetency, or inefficiency.

Any employee, consumer or other related person, or any member of the general public may make a complaint or report. The following apply to all such complaints:

1. Any complaint or report addressing "improper activities defined as above may be made to any Kern Regional Center (KRC) manager or to the Board of Directors. The KRC Human Resources Director will coordinate investigation of the complaint unless such action would pose a conflict. If there were to be such a conflict, any other senior manager may coordinate the investigation. If that still leaves a conflict, the President of the Board of Directors shall coordinate the investigation. Appropriate actions shall be taken following the investigation. All complaints and reports including those of retaliation shall be investigated.

Complaints made to the Board of Directors may be made to the Board as a whole or to any officer of the Board individually.

2. There shall be no retaliation by the regional center or any of its employees or Board members against anyone who files a complaint or report.

Review Date:**Revision Date:** 12/7/2010**Approval Date:**

3. Kern Regional Center will do everything possible to maintain the confidentiality of a complainant making a whistleblower complaint if the complainant requests confidentiality. However, in the rare circumstances where KRC is unable to maintain confidentiality due to its statutory responsibilities (including ensuring the health and safety of consumers and regional center contract compliance), KRC will attempt to inform the complainant of its need to disclose certain information prior to releasing identifying information. Additionally, the identity of the complainant may be revealed to appropriate law enforcement agencies conducting a criminal investigation.

4. Filing a complaint with KRC:

We will need a clear and concise statement of the improper activity and any evidence you have to support the allegation. If you do not provide a name or other information (witnesses or documents) that clearly identifies the person you are alleging has acted improperly, and the regional center or vendor/contractor where that person works, we may not have sufficient information to investigate. Copies of documents, rather than originals, should be submitted, as they cannot be returned.

Although complaints may be filed anonymously, if insufficient information is provided and we have no means to contact you, we may not be able to investigate your allegations.

5. This KRC Board Policy becomes effective December 31, 2010. It, along with the State's Whistleblower Policy, shall be distributed to employees, board members, consumers/families and the vendor community within 30 days of the effective date and annually thereafter.
6. This KRC Board Policy along with the State's Whistleblower Policy shall be posted on the KRC website by January 15, 2011.
7. In addition to the provisions of this KRC policy, complainants may also utilize the State's Whistleblower Policy which is accessible on either the KRC website (kernrc.org) or the Department of Developmental Services website (dds.ca.gov).

Review Date:

Revision Date: 12/7/2010

Approval Date:

Attachment 6

MEMORANDUM

TO: BOARD OF DIRECTORS, KERN REGIONAL CENTER

FROM: ENRIQUE ROMAN, DIRECTOR OF COMMUNITY SERVICES

SUBJECT: CONTRACT APPROVAL FOR CONTRACT IN EXCESS OF \$250,000

DATE: AUGUST 14, 2023

Board of Directors,

I come before you this evening to request contract approval for the initiation of transportation broker services via R&D Transportation Services, Inc.

After many years of working with the same transportation broker, KRC currently finds itself in a position where a new broker is needed to coordinate transportation for its clients. R&D will work with KRC transportation providers to develop and streamline transportation routes for clients to get from their homes to their day services. Additionally, R&D will provide the following services to KRC and its clients: monitoring and quality assurance activities; safety reviews of transportation service providers; training; transportation resource development; and dedicated KRC customer service personnel.

At this time, KRC seeks Board approval for KRC to enter into a transportation brokerage services contract with R&D Transportation Services, Inc., and thus requests for the Board to approve this contract that will be over \$250,000 a year.

Attached is the draft Contract for R&D Transportation Services, Inc., for your review and consideration. Please note that the included contract draft does not include the following template attachments: Business Associate Agreement, Zero Tolerance Policy, Drug-Free Workplace Policy, Whistleblower Policy for your review, but will be included once the contract is finalized.

Respectfully,

Enrique Roman

Enrique Roman
Director of Community Services

AGREEMENT FOR TRANSPORTATION BROKER SERVICES

between

KERN REGIONAL CENTER

and

R & D TRANSPORTATION SERVICES, INC.

Vendor Number: H18007; Service Code: 883

TERM OF AGREEMENT: January 1, 2024 – December 31, 2025

TABLE OF CONTENTS

AGREEMENT FOR TRANSPORTATION BROKER SERVICES

This Agreement For Transportation Broker Services (this “**Agreement**”), dated for reference purposes as of January 1, 2024, is entered into by and between Kern Regional Center, a California nonprofit corporation (“**KRC**”) and R & D Transportation Services, Inc., a California corporation (“**Contractor**”). The parties enter into this Agreement with reference to the following facts:

- A. KRC has established the need for transportation broker services for Regional Center consumers with developmental disabilities in Kern, Inyo and Mono Counties, which are within KRC’s service area.
- B. Contractor represents that it has experience and expertise in the business of providing transportation broker services and wishes to provide such services to KRC.
- C. Contractor represents that it has been vendored to provide transportation broker services in accordance with the requirements of California Code of Regulations, 17 CCR, Division 2 and the California Department of Developmental Services (“**DDS**”).
- D. Contractor agrees to provide safe, efficient and cost effective transportation brokerage services to KRC’s consumers, and KRC agrees to compensate Contractor for such services, pursuant to the terms and conditions of this Agreement.

THEREFORE, based on the facts set forth above, KRC and Contractor agree as follows:

1. **PARTIES TO THE AGREEMENT.** The parties to this Agreement are:

1.1 Kern Regional Center, having its principal office at 3200 N. Sillect Ave, Bakersfield, CA 93308; and

1.2 R & D Transportation Services, Inc., having its office at 807 Camarillo Springs Road, Suite B, Camarillo, CA 93012.

2. **AUTHORIZED REPRESENTATIVES; SEPARATION OF OWNERSHIP.**

Representatives of the respective parties who are authorized to administer this Agreement, and to whom formal notices, demands and communications shall be given, are as follows:

2.1 The representative of KRC shall be the Director of Community Services, Enrique Roman, and in his absence, designated staff persons of KRC.

2.2 The representative of Contractor shall be Charles J. Devlin, President, and in his absence, designated staff persons of Contractor.

3. **CERTAIN DEFINITIONS.**

3.1 “17 CCR” refers generally (or specifically as cited) to the California Code of Regulations, Title 17, Division 2 (Department of Developmental Services).

3.2 “Attendant” or “Aide”, if any, is a person assigned by KRC to a route or a site for the purpose of assisting and monitoring consumers receiving services from a Transportation Vendor (defined below).

3.3 “KRC” includes all officers and employees of KRC. KRC shall identify in writing all of its designees to Contractor.

3.4 “Contractor” includes all officers and employees of Contractor, plus any agent, person, corporation or other entity rendering any services under this Agreement on behalf of Contractor.

3.5 “Rate of Payment” means the price(s) charged to KRC by Contractor, and paid to Contractor by KRC, for each unit of service, as identified in the Payment Agreement attached hereto as **Attachment A** and incorporated herein by this reference (collectively, the “Payment Agreement”).

3.6 “Special Incidents” are defined by 17 CCR, Section 54327, and include but are not limited to the following events in which consumers are involved:

3.6.1 Any incident involving a serious bodily injury when the consumer is under the care and supervision of Transportation Vendor;

3.6.2 Any incident in which a consumer is missing when the consumer is under the care and supervision of a Transportation Vendor, and sufficient time has passed (but in any event not to exceed twenty-four (24) hours) so that a missing persons report is required by law to be filed concerning the consumer; and

3.6.3 The death of any consumer, regardless of cause or living arrangement.

3.7 “Transportation Vendor” means a transportation service provider who has met all the requirements and standards of Title 17, Section 54320 and has been assigned vendor identification number(s) and service code(s) by KRC.

4. **TERM OF THE AGREEMENT; PERFORMANCE REVIEWS.** The term of this Agreement is for a period of two years, starting January 1, 2024 and ending December 31, 2025, unless terminated prior to that time by either party in accordance with the provisions of this Agreement.

4.1 For purposes of this Agreement, any and all references herein to “the term of this Agreement” shall include any renewals and/or extensions hereof unless specifically provided to

the contrary. However, Contractor understands that no right to renew this Agreement is expressed or implied. At the end of the original term of this Agreement, KRC may choose to offer to renew, or not to renew, this Agreement in KRC's sole and arbitrary discretion.

4.2 Before taking effect, the Agreement shall be signed by the authorized representatives of both contracting parties identified in Section 2 of this Agreement.

4.3 If Contractor provides services to KRC beyond the expiration date of this Agreement, and KRC accepts such services, then unless the parties agree differently in writing, this Agreement shall become a month-to-month contract, terminable by either party (i) without cause on ninety (90) days' written notice or (ii) in accordance with Section 13 below.

5. SCOPE OF WORK.

5.1 Contractor shall, at the times and locations specified by KRC, furnish labor, equipment, software, technology and other resources and supplies as required, to provide safe, reliable and efficient transportation broker services to KRC for its consumers who reside in KRC's service area and who are authorized by KRC to receive specific types of transportation services from a Transportation Vendor or other generic resources.

5.2 In accordance with 17 CCR, Section 50608 (Contract Duties and Responsibilities), Contractor agrees that the level of services provided pursuant to this Agreement shall, at a minimum, be consistent with the provisions of (1) this Agreement, (2) any other program design required by KRC and (3) Contractor's Service Agreement attached hereto as **Attachment B** (the "**Service Agreement**"). KRC and DDS have relied on such documents in establishing the Rate of Payment in the Payment Agreement. The Program Design is a part of this Agreement; Contractor shall at all times comply with the provisions in the Program Design and the Program Design shall comply with the provisions of 17 CCR, Section 50608(a)(2). If any conflict exists between the terms of this Agreement and the scope of Contractor's services and obligations set forth in the Program Design/Service Agreement, the provisions that most broadly protect the Regional Center's consumers shall control.

6. TRANSPORTATION SYSTEM BROKER SERVICES. Contractor shall provide the following broker services to KRC:

6.1 Transportation Planning, Route Design and Scheduling:

6.1.1 Contractor shall, utilizing proprietary software, plan and prepare routes and schedules and cost estimates for the provision of services by specified Transportation Vendors as requested by KRC. Contractor shall provide documentation of the actual fee and proof of payment in a manner determined by and acceptable to KRC.

6.1.2 If this Agreement terminates for any reason, and if so requested by KRC, Contractor shall cause the owner (the "**Licensors**") of any third party transportation software (the "**Software**") used by Contractor to transfer the license in the Software to KRC. In such event, Contractor acknowledges that (i) the Licensors' license will continue in full force and effect as an agreement between KRC and Licensors (but KRC will have no liability for any acts, omissions or

defaults by Contractor), (ii) KRC will become the "Licensee" under the Licensor's license, with no additional license transfer fees charged by Licensor and (iii) thereafter KRC shall pay for the right to continue use of the license for a time period chosen by KRC.

6.1.3 Contractor shall provide transportation system planning and analysis to ensure that the transportation system in KRC's catchment area shall have sufficient buses and capacity, at all times, to serve all referred KRC consumers during the term of this Agreement. Contractor shall ensure that all consumer referrals can be served within five (5) business days of referral and that a waiting list does not develop in the transportation system. If Contractor cannot comply with such five (5) business day deadline due to events outside of its reasonable control, then Contractor shall so notify KRC in writing within such five (5) business day period of the cause for the delay and the expected date that the consumers who have been referred by KRC will be served by the applicable Transportation Vendor; provided, however, all such consumer referrals must be served by Transportation Vendors within five (5) calendar days after the expiration of the original five (5) business day period, subject to delays beyond Contractor's reasonable control.

6.1.4 All transportation plans, routes and schedules are subject to the approval of, or revision by, KRC. Routes submitted to KRC shall be well planned taking into consideration the individual consumer needs as well as the needs of other consumers on same route as well as the efficiency of the system as a whole. Routes should be accurate and correct 90% of the time at a minimum.

6.1.5 All final routes become the property of KRC.

6.1.6 In the development of routes and schedules, Contractor shall take into consideration health, safety, efficiency, generic resource options and other individual needs of KRC consumers.

6.1.7 Contractor and KRC will together establish a cost analysis threshold (the "**Threshold Cost**") based upon the average cost per consumer for transportation services in KRC's catchment area. The Threshold Cost will be re-evaluated by the parties on a quarterly basis, and Contractor shall adjust the Threshold Costs if appropriate and if approved by the KRC Chief Financial Officer or designee. Any transportation service request that does not increase transportation costs by more than the Threshold Cost will be immediately processed by Contractor. Any service request that exceeds the Threshold Cost will require a signed authorization by the authorized KRC representative before Contractor shall be allowed to process such service request. In such cases, Contractor shall submit the cost analysis to KRC (showing the amount by which such cost exceeds the Threshold Cost) within 3 working days after Contractor receives such service request. If Contractor cannot comply with such 3-day deadline due to events outside of its reasonable control, then Contractor shall so notify KRC in writing within such 3-day period of the cause for the delay and the expected date that Contractor will provide its cost analysis to KRC.

6.1.8 Routing and scheduling shall be aimed at providing the optimum mix of efficient, effective and quality services, "optimum" to be determined by KRC. In the absence of other objectives articulated by KRC, Contractor shall strive to reduce total vehicle service hours and individual and average consumer ride times to the minimum necessary for safe and effective

transportation. Routes and schedules shall be provided to KRC's identified Transportation Vendors as requested by KRC. Contractor shall ensure that all consumers' one-way ride times do not exceed ninety (90) minutes. Contractor shall promptly notify KRC's Director of Community Services or their designee in writing when consumers' one-way ride times exceed ninety (90) minutes. On a quarterly basis as provided in Paragraph 6.2.5 below, Contractor shall provide KRC with a set of monthly reports for the prior three months listing all consumers whose one-way ride times exceeded ninety (90) minutes, along with recommendations to reduce future ride times below ninety (90) minutes.

6.2 Service Monitoring and Vendor Contract Monitoring:

6.2.1 As the designee of KRC, Contractor shall coordinate and monitor the daily operation of specified Transportation Vendors and provide troubleshooting and consultation to vendors to assure compliance with contract and vendor requirements including performance, incident reporting, safety awareness and driver/Attendant training. Training shall include, but limited to, mandated reporting, Special Incident reporting processes as well as reporting of non-reportable incidents, KRC values and processes, understanding developmental disabilities, sensitivity training, safety issues, strategies for dealing with consumers with challenging behaviors (including, but not limited to, de-escalating potentially volatile situations and intervention techniques), and KRC's role and responsibilities. Contractor's training curriculum shall be approved by KRC in advance of any training session and amount of training shall be determined by KRC.

6.2.2 Contractor shall work with KRC to develop and maintain a quarterly contract compliance check list for each of the Transportation Vendors under Contractor's responsibility. Contractor shall assure that the quarterly contract compliance check list will be completed each quarter by each respective Transportation Vendor as a Self-Survey. Quarterly reports will specify any areas not in compliance and Transportation Vendor's plan to correct deficiencies including timelines. Contractor shall sample a predetermined amount of each line item of the Self-Survey (as determined by KRC), and will verify that the Transportation Vendor has complied with any Corrective Action Plan.

6.2.3 Contractor shall conduct biannual quality assurance reviews/audits for each Transportation Vendor. ~~per month.~~ Contractor shall complete a quality assurance/audit review for at least 25% of the vehicles that are scheduled at the site they are reviewing, example: 24 buses are scheduled for a site, Contractor shall be responsible for documenting their observation of six of those buses. Contractor to develop a quality assurance/audit report, approved by KRC, for each biannual visit.

6.2.4 Contractor shall coordinate separate meetings with Transportation Vendors as a group, or individually, as requested by KRC, to review issues and manage contract compliance. KRC Community Services Director or designee will work with Contractor to develop a standard agenda for such meetings. Contractor staff shall document meeting outcomes with a plan to resolve outstanding issues. Contractor shall forward a copy of the report and the plan to correct identified issues/problems to the KRC Community Services Director or designee, within two weeks following the meeting.

6.2.5 Each quarter, Contractor will submit a monthly routing summary report to KRC. This monthly report shall provide detailed route information ~~by catchment areas~~ including, but not limited to:

- a) Total route changes performed during the month.
- b) Detailed information and explanation for those consumers who exceed a total ride time of ninety (90) minutes and a plan to reduce ride time to ninety (90) minutes or less.
- c) List of KRC-approved routes that are above average with respect to cost and or time.
- d) Detailed information and explanation concerning all consumers whose daily cost exceeds the average cost, or other information as mutually agreed upon by both parties. A master list may be used for those consumers for whom KRC has approved a rate above the average cost.

6.2.6 As the designee of KRC, Contractor shall review Transportation Vendor billings and conduct or participate in billing audits as requested by KRC.

6.2.7 Contractor shall generate and monitor a monthly absence list to determine which consumers need to be reviewed by KRC and which consumers may need to have their space held or released. A copy of this report shall also include the average individual cost per day. Contractor shall submit a copy of the report to KRC's Community Services Director each month.

6.2.8 Contractor shall monitor the on-time performance of the contracted Transportation Vendors and provide an analysis of the issues affecting performance and develop an action plan to improve the on-time performance by each Transportation Vendor as needed. Contractor will prepare a quarterly "on-time performance report" by catchment area. The report format will be designed by Contractor and approved by KRC, including, but not limited to: vehicle maintenance issues; chronic system issues and an action plan to improve on-time performance. Contractor will submit this report quarterly to the KRC Community Services Director and KRC Senior Management staff. KRC and Contractor to hold quarterly meetings to review Contractor's and Transportation Vendors' performances.

6.3 Liaison with Consumers, Families, Programs and KRC Staff: Contractor shall provide daily customer and liaison services for KRC with KRC's Transportation Vendors, consumers, families and program staff in the provision of transportation broker services as necessary for the safe, timely and efficient provision of services and the resolution of problems. Contractor customer service representatives shall be knowledgeable and available by phone during business hours, commensurate with demand, and shall respond to in-coming calls in a timely manner. Contractor shall provide to KRC a monthly report on Contractor's telephone system performance, including but not limited to hold times. On a quarterly basis, Contractor and KRC shall review such telephone performance. Upon KRC's request, Contractor shall develop a corrective action plan to improve the timeliness of Contractor's telephone system performance.

6.4 General Transportation Planning and Assistance: Contractor shall assist KRC in planning for the future transportation needs of its consumers, and in accommodating growth and changes in eligibility, program hours, program location, consumer address or other variables affecting the provision of transportation services. Contractor shall also advise KRC regarding policies and issues related to the provision of transportation services. Contractor shall provide KRC with a written Twelve (12) Month Rolling Plan (the “PLAN”) that projects the timely addition of new buses for KRC's catchment areas. The PLAN shall be revised monthly and delivered to the KRC Chief Financial Officer and Community Services Director on a quarterly basis. This plan shall be proactive and identify projected new programs, projected program expansion, consumer growth, and other changes impacting the transportation system in KRC's catchment areas. Contractor shall work with KRC in identifying monthly changes and shall utilize its expertise to incorporate current bus capacity, routes, ride times exceeding ninety (90) minutes, equipment type and other critical elements to develop the PLAN for adding buses in a timely and cost effective manner. The PLAN shall allow for reasonable time for new bus delivery. The PLAN shall identify the number of new buses by catchment area, the date for vehicles to be placed in service and the order date required by each Transportation Vendor.

6.4.1 Contractor shall submit written requests to add new buses during the fiscal year to the KRC Executive Director or designee. The requests shall include detailed information to justify the request.

6.5 Structured Oversight of KRC's Transportation Vendors' Billings: During the term of this Agreement, Contractor shall oversee KRC's Transportation Vendors' billings under Service Code 875 (transportation company), Service Code 880 (transportation additional component), and Service Code 882 (transportation assistant). In particular, Contractor shall:

6.5.1 Review Invoices for Accuracy. Review all Transportation Vendor invoices on a monthly basis to verify the accuracy of the units of services billed prior to payment, including the following:

- a) Compare units of services billed by Transportation Vendors with scheduled routes and/or day program attendance on a monthly basis;
- b) Perform monthly reconciliations of scheduled route hours with actual route hours, and perform monthly reconciliations of attendance billed against day program attendance;
- c) Maintain records by route, detailing scheduled hours and actual hours provided;
- d) Reconcile and resolve any billing differences between actual units of services billed and authorized units of service, and communicate any billing adjustments to both KRC and the Transportation Vendor.

6.5.2 Monitor Scheduling Changes. Identify potential scheduling changes based on Contractor's review of invoices, and communicate these changes to the Transportation Vendor, consumer and their family, and KRC's staff;

6.5.3 Monthly Expenditure Tracking Reports. Prepare monthly expenditure tracking reports, in a format approved by KRC, including but not limited to:

- a) Total consumers served;
- b) Total service days during the month;
- c) Total units of services provided during the month;
- d) Billable services to KRC and billable services to other regional centers;
- e) Total actual expenditures compared to budgeted costs for the month for all of KRC's transportation services; and
- f) Total actual expenditures compared to budgeted costs for the month by Transportation Vendor.

6.5.4 Documentation Maintenance. Maintain all documentation substantiating all scheduled route hours, actual route hours, and billing adjustments for a minimum of 5 years from the date such events occur, per Title 17 Section 50605;

6.5.5 Written Procedures. Establish detailed written procedures for all processes; and

6.5.6 Internal Controls. Establish and maintain a clear system of internal controls and record keeping, established in accordance with generally accepted accounting practices and in compliance with all relevant Federal, State, and local statutes, regulations, and guidelines.

7. **ADMINISTRATION AND REPORTING**. Contractor shall administer services in accordance with the provisions of this Agreement, maintain records and provide KRC with reports of service, performance, incidents, ridership and satisfaction. Records and reports shall include, but not be limited to the following:

7.1 Accounting and Service Reporting:

7.1.1 Internal Controls. Contractor shall establish and maintain a clear system of internal control, established in accordance with generally accepted accounting practices and in compliance with the provisions of Title 17, Chapter 1, Subchapter 6, "Service Provider Accountability" as well as all relevant Federal, State, and local statutes and guidelines.

7.1.2 Information to be Included with Invoices. Contractor shall prepare and submit a monthly invoice and supporting documentation as required by this Agreement, in a format approved by KRC, which shall include:

- a) total number consumers served, identified by vendor and sponsoring regional center or funding source as identified to Contractor by KRC;

- b) total services days for the month;
- c) total units of service by Contractor and total dollars billable by Contractor for the month;
- d) total units of service by vendor number and service codes authorized by Contractor to be billed by other Transportation Vendors;

7.1.3 Contractor shall prepare, maintain and submit consumer database, route and schedule information as identified below in formats approved by KRC which shall include:

a) Updated consumer lists including current rate information, shall be submitted at least monthly or more frequently as indicated based on service needs and characteristics;

b) By the fifth (5th) working day of each month, Contractor will submit a current master list of all routes to KRC. Route sheet information shall include:

- i. route identification indicating am or pm route and destinations;
- ii. consumer names;
- iii. sequential addresses for pick-up and/or drop off;
- iv. scheduled start time of route upon leaving yard, time for each consumer pick-up and/or drop off, and end time for route upon return to yard;
- v. requirement for Attendant;
- vi. other consumer specific information including information on consumer release.

7.1.4 Contractor shall maintain and make available to KRC upon request system performance information including but not limited to:

- a) on time performance of specific Transportation Vendors;
- b) growth/change/cost analysis;
- c) consumer emergency information including but not limited to: names and phone numbers of personal contacts and known allergic reactions. KRC will collect and provide this information to Contractor. Contractor will input this information into its database upon receipt of information of KRC.

7.2 Incident and Special Incident Reporting: All consumer-related Special Incidents which come to the attention of Contractor directly or via report and/or any other accidents or incidents which are, or may be, in the judgment of Contractor, detrimental to consumer health or safety, shall be reported or forwarded to KRC in accordance with Title 17, Section 54327 (Requirements for Special Incident Reporting by Vendors), and as follows:

7.2.1 All Special Incidents shall initially be reported to KRC verbally or in writing as soon as possible, and in no case later than the end of the same day that the incident occurs and Contractor receives notification of same. Reports after KRC's business hours may be made via KRC's SIR reporting software (Therap), voice mail, or fax. Contractor shall contact KRC's on-duty worker for assistance in the event of a serious incident which is brought to Contractor's attention after business hours and which may require immediate attention to protect the health and safety of consumers.

7.2.2 Contractor shall ensure that those members of their staff who will have contact with consumers or Transportation Vendors receive Special Incident and mandated reporter training. Additionally, Contractor shall monitor that drivers, Aides and dispatchers of the Transportation Vendors, receive Special Incident reporting and mandated reporter training prior to working with KRC's consumers.

7.2.3 A complete written report on all incidents shall be provided and/or forwarded by Contractor within 48 hours. Basic information regarding an incident shall include the identification of consumer(s) and/or other parties involved, any consequences to consumers and others, any initial action taken by Contractor's personnel during or in response to the incident. Contractor may participate with the transportation coordinator in the follow-up of incidents as requested by KRC.

7.2.4 Contractor shall assist KRC with investigation, gathering of additional information, or resolution of incidents as may be requested by KRC.

7.3 Other Record-Keeping and Consumer Monitoring.

7.3.1 If in Contractor's opinion the health and/or safety of a consumer, or others, may be jeopardized, Contractor shall verbally communicate such concerns to KRC as soon as possible, and in writing within one (1) working day of the event.

7.3.2 In accordance with 17 CCR, Section 58521 (Consumer Information), Contractor shall assure that all of its personnel maintain, and keep confidential, all consumer information received from KRC, and utilize such information only as necessary to provide safe and effective Transportation Services.

7.4 Vendor Disclosure Statement. Upon the execution of this Agreement, and at all other times upon KRC's request, Contractor shall complete, sign and deliver to KRC a Vendor Disclosure Statement (DDS Form DS 1891). Contractor shall also submit an updated signed and dated DS 1891 Form to KRC within thirty (30) days of any change in the information previously submitted pursuant to this Section.

7.5 Contractor Reviews and Audits

7.5.1 This Section 7.5 shall only apply if all payments Contractor cumulatively receives from KRC and other regional centers during each state fiscal year equals or exceeds Five Hundred Thousand Dollars (\$500,000).

7.5.2 Contractor shall, at KRC's request and at Contractor's cost, cause an independent Certified Public Accountant to annually (1) provide either an independent review report of Contractor's financial statements for Contractor's fiscal year that includes the last day of the most recent state fiscal year when the amount received from the regional centers during each state fiscal year is more than or equal to Five Hundred Thousand Dollars (\$500,000), but less than Two Million Dollars (\$2,000,000), or provide an independent audit if the amount received from regional centers during each state fiscal year is equal to or more than Two Million Dollars (\$2,000,000); and (2) provide a copy of either the review results (the "**Review Report**") or the annual audit results (the "**Audit Report**") to KRC.

7.5.3 If Contractor engages an independent Certified Public Accountant to review (but not audit) Contractor's financial statements, (i) the review shall, at minimum, comply with the provisions set forth in WIC, Section 4652.5(e) and (ii) the Review Report shall, at minimum, comply with the provisions set forth in WIC, Section 4652.5(f).

7.5.4 Contractor shall complete the audit or review within nine (9) months after the end of Contractor's fiscal year, and submit to KRC pursuant to WIC, Section 4652.5(b).

7.5.5 In accordance with WIC, Section 4652.5(b), Contractor shall provide copies of the independent Audit Report or Review Report to KRC within 30 days after completion of the audit or review.

7.5.6 If KRC believes that any issues identified in the Audit Report or Review Report have an impact on services Contractor provides to KRC's Consumers, KRC will so notify Contractor and provide Contractor with 30 days to resolve such issues. Contractor's failure to resolve such issues to KRC's reasonable satisfaction within such 30-day period shall constitute a material breach of this Agreement. As a result of such uncured breach, KRC may, among its other remedies, terminate this Agreement.

7.5.7 If KRC does not find any issues in Contractor's prior year Audit Report or Review Report, Contractor may apply, in writing, to KRC for a two-year exemption from the independent Audit Report or Review Report.

7.6 Administrative Cost Cap. Contractor agrees that it will not spend more than 15% of the funds it receives from KRC under this Agreement on Contractor's administrative costs. For purposes of this paragraph, Contractor's administrative costs shall include all of the items listed under California Welfare and Institutions Code ("**WIC**") §4629.7(a)(1) through (15), as such provisions may be amended from time to time. Conversely, those costs Contractor incurs that are immediately associated with the services Contractor offers to KRC's consumers are considered direct service expenditures, and are not administrative costs. To insure Contractor complies with these requirements, Contractor shall, to the extent permitted under applicable law, provide KRC

with access to all books, documents, papers, computerized data, source documents, consumer records, and other records pertaining to Contractor's negotiated rates, upon KRC's reasonable prior written request.

8. OPERATIONS.

8.1 Facilities Equipment: Contractor shall maintain adequate planning, operations and administrative facilities and equipment necessary to provide efficient and cost effective transportation broker services and to fulfill all reporting requirements pursuant to this Agreement.

8.2 Administrative, Supervisory and Operational Personnel:

8.2.1 Contractor shall maintain personnel as required for effective management, supervision and operation of the transportation broker services provided to KRC under this Agreement. This shall include the availability of personnel to receive and place telephone calls, to perform liaison services, to monitor transportation services during the hours consumers are being transported, and to respond to emergencies as they occur. (See Program Design, Organizational Chart).

8.2.2 Contractor shall at all times, at a minimum, have personnel who are bilingual in English and Spanish to respond to calls from consumers and families.

8.2.3 In addition to such other management and supervisory personnel as may be required to perform services hereunder, Contractor shall assure that during all operating hours one designated staff person shall be available for the purpose of monitoring services and with the authority to act on behalf of Contractor.

9. SERVICE DESIGN AND QUALITY REQUIREMENTS. In the performance of service under this Agreement, Contractor shall conform to the following parameters of service design and quality and in the Program Design:

9.1 Days and Hours of Operation. During the term of this Agreement, service shall be provided five (5) days per week, Monday through Friday, except for those days designated by KRC as holidays. Hours shall be 6:00 am to 6:00 pm or *as required* for personnel to be on duty from the first consumer pick-up to the last consumer delivery. After hours there shall, at a minimum, be a system for recorded information and messages.

9.2 Service Authorization: Services for individual consumers will be authorized by KRC's Case Management Department or other individual(s) so designated by KRC.

9.3 Service Termination: Contractor shall not refuse service, or terminate, or otherwise indefinitely suspend transportation service for any consumer without consultation with and prior approval of KRC.

9.4 New Service Notification: The consumer or family/care provider(s) of each new rider on vendored transportation shall be notified by Contractor, a minimum of two (2) days prior to the day on which new transportation service is to begin concerning the start date and pickup and

drop-off times. In addition, all passengers on any route whose times are changed in the scheduling process by more than ten (10) minutes shall also be notified of such new pickup and drop-off times a minimum of two (2) days prior to the day on which such revised service is scheduled to begin. The program site to be attended by a new consumer shall also be contacted by Contractor to confirm the first day of service prior to that day of service.

9.5 Late Vehicle Notification: Families/care providers and program staff shall be notified by Contractor when vehicles of specified Transportation Vendors will be arriving more than fifteen (15) minutes behind schedule. Contractor will re-contact the affected families/care providers and/or programs to advise of additional delays or revised arrival projections and generally make best effort to keep parties advised according to the situation.

9.6 Customer Service Complaint Resolution: Contractor shall respond to routine complaints within the same day in which the complaint is received. Within 3 working days, Contractor will investigate and if possible resolve any complaints regarding transportation services under this Agreement.

9.7 Grievance Procedure: At the beginning of the term, Contractor shall provide to KRC, as part of Contractor's Program Design, a copy of Contractor's written internal procedure to resolve consumer grievances in accordance with the provisions of 17 CCR, Section 50608(e) (Contract Duties and Responsibilities). Contractor shall also provide to KRC all revisions to such grievance procedure as they are implemented. The procedure shall be provided to consumers, families and programs upon request.

9.8 Consumer Release: For purposes of this Agreement, all consumers are to be considered to require release only to the custody of a responsible adult unless otherwise specified in writing by KRC or family and transmitted to Contractor.

9.8.1 If a Transportation Vendor reports that a consumer requiring release into the custody of a responsible adult cannot be appropriately released, Contractor shall monitor and attempt to resolve the situation until resolved or until appropriate KRC personnel can be contacted. If after the completion of the entire route on which the monitored consumer is riding, an appropriate adult is still not available, Contractor shall contact KRC to address the individual consumer's situation and to identify a location or other appropriate action concerning safe delivery of the consumer. After KRC's working hours, KRC's on-call personnel shall be contacted utilizing KRC's emergency answering service procedure.

10. **ROUTE PLANNING AND SCHEDULING REQUIREMENTS.** In the planning, scheduling and issuing of routes for designated Transportation Vendors, Contractor shall conform to the following parameters:

10.1 Ride Time: Scheduled consumer ride/travel time shall be no greater than ninety (90) minutes, one way, unless specific approval for such is given by KRC.

10.2 Arrival Time: Scheduled program delivery/arrival time shall be the program start time or no more than fifteen (15) minutes prior to the scheduled program start time; scheduled program pick-up/departure time shall be the program end time or no more than fifteen (15) minutes

after the scheduled program end time, unless specific approval to do otherwise is given by KRC. The designated program start and end times shall be identified by KRC.

10.3 Route Changes: Contractor shall create or make changes to routes as requested by and confirmed by KRC and provide such information to designated Transportation Vendor so that transportation services are delivered as follows:

10.3.1 Suspend or delete service for a consumer the next working day following notification from KRC.

10.3.2 Add a new consumer to a route, or implement a consumer change of address, change of program or change of schedule within five (5) working days following notification by and confirmation from KRC, unless otherwise agreed upon with KRC.

10.3.3 Increased or decreased service resulting from program, service and/or consumer population growth and changes shall be deemed an ordinary part of this Agreement. For major service design changes such as new program additions or site relocations, schedules and vehicle deployment levels shall be implemented by Contractor in accordance with timelines agreed upon by the parties in accordance with the situation.

11. COMPENSATION AND FISCAL PROVISIONS.

11.1 Compensation.

11.1.1 In consideration for Contractor's provision of services described in this Agreement, KRC agrees to pay Contractor in accordance with the rates identified on the attached Payment Agreement. Notwithstanding the foregoing, Contractor's right to payment is subject to any required review and approval of this Agreement by (i) DDS in accordance with 17 CCR, if applicable and (ii) KRC's Board of Directors under WIC, Section 4625.5.

11.1.2 In accordance with Title 17, Section 50609(f), the maximum total amount payable by KRC to Contractor under the full term of this Agreement shall not exceed the amounts identified in the Payment Agreement.

11.1.3 KRC's payment to Contractor shall be only for authorized services rendered pursuant to this Agreement.

11.1.4 The cost of Contractor's total monthly billing shall be allocated by KRC, based on proportionate actual cost or formula distribution, among KRC, other sponsoring regional centers and/or other funding sources, based on the number of authorized consumers transported for each center or funding source.

11.1.5 Payments to Contractor shall be calculated and payable by KRC monthly in arrears, contingent upon KRC's receipt of a properly documented invoice with service information as required by the provisions of this Agreement.

11.1.6 For each properly documented invoice received by KRC by the fifth (5th) working day of the month following Contractor's month of service, KRC shall issue payment by the 20th day of the same month. Properly documented invoices received by KRC after the fifth working day of the month may be subject to payment by KRC after the 20th day of the month, but in no case later than the 20th day of the following month.

11.1.7 In accordance with 17 CCR, Section 54326(a)(12), (General Requirements for Vendors and Regional Centers), the money paid by KRC (or other regional centers) to Contractor for providing its services to authorized consumers shall be the total compensation to which Contractor shall be entitled for performance of this Agreement and its requirements. Contractor shall make no additional charges or billings beyond this Agreement to regional center consumers or families, without prior review and approval of KRC. This provision shall not be construed to apply to the pro-rating of the billing or charging of private fees for other riders who are not funded by regional centers.

11.1.8 In accordance with 17 CCR, Section 50609(d) (Contract Fiscal Provisions), consideration paid by KRC to Contractor, as provided herein, shall be the total compensation for performance of the contract and its requirements, unless otherwise expressly provided.

11.1.9 If KRC questions any portion of a billing by Contractor as to proper documentation or authorization, then KRC reserves the right either to issue a partial payment (thereby holding the amount in question, pending resolution), to issue payment and subsequently adjust a future payment pending resolution, or to do both. KRC shall not, however withhold total payment of any properly documented invoice if only a portion of the amount is in question. KRC shall identify to Contractor any disputed item and/or reasons for a withheld payment along with the issuance of the undisputed payment.

11.2 Legislative Payment Reduction. Notwithstanding anything in this Agreement to the contrary, all of the Rates of Payment described in the Payment Agreement are subject to payment reductions that may in the future be implemented by the California State Legislature, as such reductions may be further increased or reduced, and will remain in effect until withdrawn by the State of California. If a payment reduction is implemented, Contractor may elect to terminate this Agreement with 60 days' notice to KRC.

11.3 Electronic Billing. Contractor shall use electronic billing under DDS's Regional Center e-Billing System Web application for all of Contractor's invoices to KRC under this Agreement, as set forth in WIC Section 4641.5(a)(1) through (2).

12. MONITORING, INSPECTIONS AND AUDIT PROVISIONS.

12.1 For purposes of audit and inspection in accordance with this Agreement, KRC and Contractor specifically agree to utilize and be bound by 17 CCR, Subchapter 6, (Service Provider Accountability) in accordance with the following Sections (as they may be amended from time to time):

- 50602. Definitions;

- 50603. Access to Service Provider Records;
- 50604. Service Provider Record Maintenance Requirements;
- 50605. Service Provider Record Retention Requirements; and
- 50606. Regional Center Auditing Requirements.
- 50610 Contract Fiscal Audits

12.2 Contractor shall maintain all records pertaining to the provision of services to consumers in accordance with this Agreement and with 17 CCR, Section 50605, for a minimum period of five (5) years after the later of (i) the date of Contractor's receipt of final payment from KRC for the applicable State fiscal year or (ii) the resolution of any audit pertaining to Contractor's services under this Agreement.

12.3 During the term of this Agreement, such records shall be maintained at the following place of business of Contractor: **807 Camarillo Springs Road, Suite B, Camarillo, CA 93012**. Such records shall not be removed from such place of business of Contractor without Contractor's prior written notification to KRC, and KRC's reasonable approval of the new location.

12.4 Contractor agrees to utilize and be bound by 17 CCR, Subchapter 7, (Fiscal Audit Appeals), Sections 50700 through 50767, and WIC, Section 4648.2, should Contractor elect to appeal any of KRC's or DDS's audit findings and/or recommendations.

12.5 Contractor agrees to accept financial liability for any audit findings and/or recommendations disclosed by audit and agrees to promptly repay amounts owed within 30 days of request, unless appealed and repayment is stayed pursuant to 17 CCR, Section 50705 (Recovery of Overpayments).

12.6 Contractor shall include the requirement to store records and KRC's right to audit, monitor and or inspect same under the terms of this Agreement in any service agreements to perform work under this Agreement.

13. **TERMINATION.**

13.1 This Agreement may be terminated by KRC in accordance with the procedures below, without prejudice to any other rights or remedy, if KRC determines that any of the following grounds for termination exist:

13.1.1 Contractor has not complied with any provisions of this Agreement or the terms of any purchase of service authorization; or

13.1.2 Contractor has not complied with any of the vendorization requirements in 17 CCR, Section 54370(b)(1) through (9). For purposes of this Paragraph, Contractor's failure to maintain the insurance required by this Agreement constitutes Contractor's failure to comply with vendorization requirements under 17 CCR, Section 54370(b)(1) and (b)(4); or

13.1.3 Contractor has not complied with (1) applicable Federal or State regulations, (2) local ordinances or (3) statutes governing (a) Contractor's service program hereunder or (b) the provision of services to persons with developmental disabilities; or

13.1.4 Contractor has filed for bankruptcy, and such claim has not been dismissed within 90 days, or Contractor has made a general assignment for the benefit of creditors, or a receiver is appointed as a result of Contractor's alleged insolvency.

13.2 If KRC determines that conditions exist under Section 13.1 which constitute grounds for termination of this Agreement, KRC or its authorized representative shall notify Contractor in writing.

13.2.1 If the basis for terminating this Agreement is based on an event described in Paragraphs 13.1.1, 13.1.3 or 13.1.4 above, KRC shall deliver its termination notification by certified mail to Contractor 30 days in advance of termination of this Agreement, in accordance with the requirements set forth in 17 CCR, Section 50611 and WIC, Section 4710. Neither KRC nor Contractor shall terminate this Agreement without complying with the requirements set forth by applicable statutes and regulations including, but not limited to, WIC, Sections 4502, 4646, 4646.3, 4648, 4710 and 4741.

(a) Such written notification shall contain the reason or reasons for KRC's intention to terminate this Agreement. Unless Contractor, within 30 days after service of such notice, (1) causes the condition or violation to cease, (2) remits the payment owed under Paragraph 13.3 below, if applicable, and (3) makes arrangements consistent with the terms of this Agreement and satisfactory to KRC for the correction of the violation, this Agreement shall terminate upon the expiration of such 30 day period, and KRC shall have no further obligation hereunder.

13.2.2 If the basis for terminating this Agreement is based on any of those events described in Paragraph 13.1.2 above, KRC shall deliver its termination notification to Contractor by registered return receipt requested mail so that it is received at least one (1) working day in advance of termination of this Agreement, in accordance with the requirements (and containing the information) set forth in 17 CCR, Sections 54370(b) and (d). This Agreement shall not terminate if Contractor takes either of the following actions prior to the expiration of the period stated in the termination notice: (1) corrects the violation(s) to KRC's satisfaction and provides documentation of the correction to KRC or (2) timely files an appeal in accordance with Title 17, Section 54380(c).

13.2.3 Pursuant to 17 CCR, Section 54370(g), Contractor's filing of any request for hearing or appeal shall not preclude KRC from withdrawing purchase of service authorizations under this Agreement if KRC believes such withdrawal is necessary to protect the health, safety and welfare of its consumers.

13.2.4 After this Agreement terminates, KRC will pay for all of Contractor's services performed prior to the date of termination, subject to KRC's offset rights as allowed under

this Agreement and by applicable law. KRC will remit such payment within 30 days after KRC's receipt of Contractor's invoice for such services.

13.3 At those times when Contractor fails to provide (or fails to adequately provide) the services, or personnel required under this Agreement, KRC may immediately secure such services from any third party, whether or not KRC has provided a notice of termination to Contractor. If the cost of securing such services is greater than the cost of the service set forth herein, and if KRC believes such securing of new services is necessary to protect the health, safety and welfare of its consumers, then Contractor shall be liable for such excess costs for the lesser of (1) the time period until Contractor again provides the services required under this Agreement or (2) the unexpired term of this Agreement, from the time such new services shall commence. In addition, Contractor shall be liable for any other damages sustained by KRC with respect to such default.

13.4 Contractor may terminate the Agreement on 60 days' notice for reduction of payment rates or failure to pay monthly invoices by the deadline required under this Agreement.

13.5 Termination or Modification Due to Insufficiency of KRC Funding Allocation. KRC may, in accordance with Section 14 of this Agreement (Funding Contingency) terminate or modify this Agreement upon thirty (30) days written notice to Contractor.

13.6 Neither KRC nor Contractor shall terminate this Agreement without complying with the requirements set forth in applicable statutes and regulations.

13.7 Contractor may terminate this Agreement for cause if KRC fails to cure a material default hereunder within 30 days after receipt of written notice to do so. Such notice shall state the reasons for such termination.

13.8 Notwithstanding anything in this Agreement to the contrary, KRC may terminate this Agreement for convenience and without cause at any time on at least 60 days' advance written notice to Contractor.

14. FUNDING CONTINGENCY

14.1 Notwithstanding anything in this Agreement to the contrary, the validity of this Agreement (including KRC's obligation to remit payments to Contractor) is conditioned on KRC's receipt of adequate funds from DDS to pay for the services described in this Agreement (the "**Funding Contingency**"). The Funding Contingency is a part of this Agreement because KRC's annual funding agreement with DDS provides that such funding agreement is subject to the appropriation of funds by the Legislature, and that if such funds are not appropriated for any fiscal year into which such funding agreement extends, the funding agreement is of no force and effect. KRC shall therefore have the right and option to terminate this Agreement without liability, and such termination shall be deemed a failure of the Funding Contingency, if (1) DDS for any reason fails to deliver funds to KRC for any period covered by this Agreement or (2) KRC receives funds from DDS for a period covered by this Agreement but KRC determines that such funds are inadequate to pay for all of the vendor services and other expenses which KRC expects to incur in such fiscal year, and therefore elects to fund other services rather than the services identified in this Agreement or (3) KRC receives funds from DDS for a period covered by this Agreement and

initially allocates a portion of such funds for the services in this Agreement, but thereafter elects to reallocate some or all of such DDS funds to fund services other than the services in this Agreement. When insufficient funds exist for KRC to pay for all potential services to its Consumers, KRC shall have the right (under clauses (2) and (3) above) in its sole and arbitrary discretion to fund services other than the services identified in this Agreement, based on which services KRC believes are in the best interests of its Consumers. If there is a failure of the Funding Contingency, then (1) KRC shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and (2) neither party shall be obligated to further perform any provisions of this Agreement.

14.2 In addition to the above, if there are insufficient funds available from DDS to pay for all of the vendor services and other expenses which KRC expects to incur in any fiscal year, as determined by KRC in its sole and arbitrary discretion, KRC shall have the option at any time, on 30 days' notice to Contractor, to reduce the amount of services being provided under this Agreement. In such event, the parties will in good faith negotiate to attempt to agree on Contractor's new amount of compensation under the modified Agreement. If the parties are unable to agree on Contractor's new compensation for its reduced services within such 30 day period, KRC shall then either (1) terminate this Agreement, because of the failure of a Funding Contingency or (2) rescind its reduction of Contractor's services, in which event this Agreement shall continue in full force and effect without such reduction in services or compensation.

15. COMPLIANCE WITH APPLICABLE GOVERNING PROVISIONS.

15.1 State of California Laws. The law of the State of California shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties.

15.2 Applicable Statutes and Regulations.

15.2.1 Contractor warrants and certifies that, in the performance of this Agreement, it shall comply with all Federal, State and local laws and regulations, including but not limited to (i) Division 2 of 17 CCR and Divisions 3 and 5 of Title 22 of the California Code of Regulations and (ii) Divisions 4.5 and 5 of the California WIC, and (iii) all laws and regulations pertaining to labor, wages, hours and other conditions of employment.

15.2.2 Contractor specifically agrees to comply with the following Subchapters of 17 CCR, Division 2 (Department of Developmental Services):

- Chapter 3, Subchapter 2 (Vendorization), Section 54326 (General Requirements for Vendors and Regional Centers) and Section 54327 (Requirements for Special Incident Reporting by Vendors).
- Chapter 1, Subchapter 6 (Service Provider Accountability), Sections 50601 - 50612.
- Chapter 1, Subchapter 7 (Fiscal Audit Appeals), Sections 50700-50767.
- Chapter 3, Subchapter 18 (Transportation Service), Sections 58500-58570, to the extent applicable to transportation brokers.

15.2.3 The terms of this Agreement shall not be construed in such a way as to excuse compliance with any existing statutes and regulations.

15.3 Permits and Licenses. Contractor and any agents or employees engaged in the provision of services under this Agreement shall maintain all current permits and licenses required by law for the operation of its business and shall operate only as permitted under such permits and licenses.

15.4 Nondiscrimination Provisions.

15.4.1 During the performance of this Agreement, Contractor shall not unlawfully deny the Agreement's benefits to any person on the basis of religion, color, ethnic-group identification, sex, sexual preference, sexual orientation, age, physical or mental disability, nor shall it discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age (over 40), sex or sexual orientation. Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

15.4.2 Contractor shall comply with the provision of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.), the provision of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.5), and the regulations or standards adopted by the awarding State agency to implement such article.

15.4.3 Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding State agency, upon reasonable notice, at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, other sources of information and its facilities as such Department or agency shall require to ascertain compliance with this section.

15.4.4 Contractor shall give written notice of its obligations under this section to labor organizations with which it has a collective bargaining or other agreement.

15.4.5 Contractor shall at all times comply with the provisions of the Americans with Disabilities Act of 1990, Title I (Employment) and Title III (Public Accommodations and Services Operated by Private Entities).

15.4.6 Contractor shall include the nondiscrimination and compliance provisions of this Section 15 in any third party service agreements to perform work under this Agreement (which agreements are subject to KRC's approval as provided under Paragraph 23.1).

15.5 HIPAA. Both parties shall at all times comply with the mandatory provisions of the HIPAA Privacy Rule (Standards for Privacy of Individually Identifiable Health Information at 45 Code of Federal Regulations Part 160 and Part 164, Subparts A & E). Contractor and KRC shall also be bound by the Business Associate Agreement ("BAA") entered into between such parties;

such BAA is incorporated herein by this reference as if directly signed by each party. A copy of the BAA is attached hereto as Attachment "C".

15.5.1 Within five (5) days after the termination of this Agreement for any reason, Contractor shall (i) return to KRC, or destroy, all protected health information concerning KRC's consumers in Contractor's possession or control and (ii) deliver to KRC a Certificate of Return or Destruction of PHI (the "**Certificate**"). KRC shall provide the Certificate on request .

15.6 Zero Tolerance Policy. Contractor shall at all times comply with KRC's Zero Tolerance Policy; such Policy is attached hereto as Attachment "D" and is incorporated herein by this reference.

15.7 Drug-Free Workplace Policy. Contractor shall at all times comply with KRC's Drug-Free Workplace Policy; such Policy is attached hereto as Attachment "E" and is incorporated herein by this reference.

15.8 Whistleblower Policy. Contractor shall at all times comply with KRC's Whistleblower Policy; such Policy is attached hereto as Attachment "F" and is incorporated herein by this reference.

15.9 HCBS Provider Agreement. Contractor represents and warrants that it has signed the State Department of Health and Human Services' Home and Community Based-Services Provider Agreement and delivered such signed document to KRC.

15.10 Website Link to DDS Consumer Complaint Process. This Section is applicable if Contractor has a website. In accordance with WIC, Section 4704.6, Contractor shall conspicuously post on its Internet Web site a hyperlink to the DDS Internet Website page for complaints at <https://www.dds.ca.gov/general/appeals-complaints-comments/regional-center-or-vendor-contractor-whistleblower-complaints/>; and DDS's contact information at <https://www.dds.ca.gov/general/contact-us/> .

15.11 Additional Legislative Restrictions. In accordance with 17 CCR, Section 58524(c)(7) (Transportation Service Contracts), this Agreement is subject to any additional restrictions or conditions enacted by the California Legislature and contained in its annual Budget Act or any other statute enacted by the Legislature which may affect the provisions, terms or funding of this Agreement in any manner.

16. INSURANCE.

16.1 Workers' Compensation Insurance. In accordance with the provision of Section 3700 of the Labor Code of the State of California, Contractor shall maintain Workers' Compensation insurance at all times during the term of this Agreement;

16.2 Public Liability, Property Damage and Automobile Insurance.

16.2.1 Contractor shall at all times during the term of this Agreement maintain all insurance as required by KRC including public liability and property damage insurance (including automotive coverage), with endorsements satisfactory to KRC and in the amount of One Million Dollars (\$1,000,000.00) combined single limit, which shall be primary and non-contributory over any and all valid and collectable insurance which may be available to KRC. Contractor shall obtain all necessary endorsements and additional coverages to protect KRC against all loss and liability arising out of Contractor's and its employees', representatives' and agents' use of all vehicles, including separate automobile insurance if applicable. Such insurance shall include a broad form property (including contractual liability) endorsement for the benefit of KRC. Contractor shall obtain "Owned, Non-Owned and Hired Automobile Insurance" for the benefit of KRC, each with the limits of liability for bodily injury and property damage as set forth above. Such insurance shall apply on an "any auto" basis. Contractor shall not commence work under this Agreement until it has obtained all required insurance, and certificates of insurance have been delivered to and approved by KRC. All of Contractor's insurance carriers shall at all times be licensed to transact the business of insurance in the State of California, shall have a rating of A- and VII or higher in the most current edition of Best's Insurance Guide, and shall be acceptable to KRC. All of Contractor's policies or certificates of insurance shall include substantially the following clause: *This policy shall not be canceled as to coverage until written notice has been given to Kern Regional Center of such cancellation by Contractor. The date of cancellation shall not be less than 30 days after such notice is given (10 days for non-payment).*

16.2.2 All of Contractor's insurance (including but not limited to the Owned, Non-Owned and Hired Automobile Insurance) shall contain a Named Insured Endorsement which names KRC as an additional insured. In addition, each certificate of insurance shall list KRC as a named additional insured, shall state the extent of insurance, the locations and operations to which insurance applies and the expiration date of the insurance.

16.2.3 Contractor shall at all times provide KRC with current copies of Contractor's insurance certificates. If Contractor fails to provide valid current copies of such certificates, KRC may terminate this Agreement as provided in Section 13, and obtain any services to be provided by Contractor hereunder from any other transportation broker.

16.3 Waiver of Subrogation. Contractor's insurance policies shall contain a waiver of subrogation clause for the benefit of KRC.

16.4 No Compensation While Uninsured or Underinsured; Remedies Available to KRC. If at any time during the term of this Agreement the insurance required pursuant to this Section 16 is canceled, reduced or modified, or is otherwise not in force, (1) Contractor shall not be entitled to payment for any services rendered during any such time period and (2) KRC shall have the option (but not the obligation) to pay any premium necessary to reinstate such insurance to the amounts and coverage required under this Agreement, in which event KRC shall deduct such costs from the next sums owed to Contractor.

17. INDEMNITY.

17.1 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless KRC, DDS the State of California and their respective officers, directors, agents and employees (collectively, the “**Indemnitees**”) from every claim, demand, loss, liability and expense (including but not limited to attorneys’ fees) made or incurred by reason of:

17.1.1 Any personal injury or property damage sustained by Contractor or any person or entity rendering any services under this Agreement on behalf of Contractor, either directly or indirectly, however caused; and

17.1.2 Any personal injury or property damage sustained by any person, or entity, caused by or resulting from any act, neglect, default, or omissions of Contractor or of any person, or entity performing any services in connection with this Agreement on behalf of Contractor; and

17.1.3 Claims under workers’ compensation laws or other employee benefit laws by Contractor’s agents or employees; and

17.1.4 Contractor’s failure to fulfill its obligations under this Agreement in strict accordance with its terms, including Contractor’s breach of any representations or covenants given in this Agreement; and

17.1.5 A violation of any local, state, or federal law, regulation or code by Contractor or by any of Contractor’s employees, agents, consultants or authorized subcontractors in connection with the conduct of their activities performed in connection with this Agreement.

17.2 Contractor at its own expense and risk shall defend any action, legal proceeding, or arbitration or other mediation proceeding, that may be brought against the Indemnitees or any of them on any such claim or demand as set forth above. Contractor shall defend such matter by counsel reasonably satisfactory to KRC. The Indemnitees need not have first paid any such claim in order to be so indemnified. Contractor shall also pay and satisfy any settlement, or any judgment which may be rendered against the Indemnitees or any of them arising from any injuries described in this Section 17, including but not limited to those claims and demands resulting from the negligence of the Indemnitees or any of them; provided, however, Contractor shall have no duty to indemnify any particular Indemnitee for those injuries caused to Contractor or a third party by the gross negligence of such Indemnitee.

17.3 The indemnity set forth in this Section 17 shall apply during the term of this Agreement and shall also survive the expiration, rescission or termination of this Agreement, until such time as action against the Indemnitees on account of any matter covered by such indemnity is barred by the applicable statute of limitations.

18. **AMENDMENTS AND WAIVERS.**

18.1 Contract Amendments and Modifications. The parties to this Agreement may amend, extend or otherwise modify the scope of services as described herein. However, any such modifications shall not be valid unless they are documented in writing and signed by all parties to this Agreement.

18.2 Compliance. Any amendment or modification of this Agreement shall comply with requirements of applicable Federal, State and local statutes and regulations.

18.3 Waiver; Cumulative Remedies. The failure of a party to enforce any of its rights by reason of any breach of a covenant by the other party will not constitute a waiver of such breach. No custom or practice which may develop between the parties in the course of administering this Agreement will be construed to waive any party's right to insist upon the performance by the other party of any covenant in this Agreement. A waiver of a particular breach will not be deemed to be a waiver of the same or any other subsequent breach. KRC's remedies in this Agreement shall be cumulative and in addition to any other remedies in law or equity.

19. INDEPENDENT CONTRACTOR STATUS. In accordance with 17 CCR, Section 50607 (Regional Center Contracting Requirements), Contractor agrees that Contractor and any agents and employees retained by Contractor in the provision of services pursuant to this Agreement, act in an independent capacity and are not acting as an officer, employee or agent of KRC or the State of California.

20. ATTORNEYS' FEES AND COSTS. If any legal action or proceeding is commenced by either party to enforce or interpret any provisions or rights under this Agreement, the unsuccessful party to such action or proceeding (as determined by the court in a final judgment or decree) shall pay the prevailing party its attorneys' fees and costs (including, without limitation, such costs and fees on any appeal). If such prevailing party shall recover judgment in any such action or proceeding, such costs, expenses and attorney's fees shall be included as part of such judgment.

21. NOTICES. Except where oral notification is specifically provided for herein, all notices and information of any kind to be given by either party hereto to the other party shall be in writing and shall be deemed delivered (i) upon delivery, if delivered in person, or by email (with return receipt acknowledgement), or (ii) as of the next business day after mailing if delivered by a nationally recognized overnight delivery carrier (e.g., Federal Express) or (iii) three (3) days after same is deposited in the United States Mail, first-class postage prepaid, addressed to the parties at the addresses set forth in Section 1 above, and via email to KRC at Enrique.roman@kernrc.org. Notices to KRC shall be addressed to the attention of the Enrique Roman, Director of Community Services of Kern Regional Center. Notices to Contractor shall be addressed to R & D Transportation, Inc., Attn: Charles J. Devlin, President.

22. FORCE MAJEURE, SERVICE REASSIGNMENTS AND RATIONING.

22.1 All parties herein shall be excused from performance hereunder during the time and to the extent that each is prevented from performing by acts of God, epidemics, pandemics, strikes or commandeering of vehicles, materials, products, plants or facilities by the government, or any other event which is beyond the reasonable control of such party when reasonable evidence thereof is presented to the other party.

22.2 KRC reserves the right to assign any areas covered by this Agreement to another contractor, either in whole or in part, whenever Contractor is unable to perform due to strike of Contractor's employees or such other conditions as are specified in Paragraph 22.1 above. In such

event, the assignment will cover the period in which Contractor is unable to perform and will end when Contractor has presented satisfactory evidence to KRC that Contractor is again able to perform the work hereunder.

22.3 KRC shall bear the complete costs for any and all interim service assigned by KRC in accordance with Paragraph 22.2.

22.4 In the event of rationing of any product or commodity due to a local, regional or national emergency, Contractor shall give KRC high priority with respect to Contractor's other non-Regional Center accounts. The services provided by Contractor hereunder satisfy an important public policy, which is to preserve and protect the rights of individuals with developmental disabilities.

22.4.1 Should it become necessary by rationing to curtail Contractor's services, either in whole or in part, it shall be the sole and exclusive right of KRC to direct Contractor in the priority and methods of reducing services, including the elimination of routes and rerouting of existing consumers.

22.5 In the event Contractor has an insufficient number of personnel or resources to adequately discharge all of its responsibilities under this Agreement at any time, (1) Contractor shall give KRC priority over all of Contractor's other non-Regional Center accounts and (2) Contractor shall not allocate any resources allocated to KRC to any other party without the express written approval of KRC. Since the services provided by Contractor hereunder satisfy an important public policy, which is to preserve and protect the rights of individuals with developmental disabilities, KRC may specifically enforce its rights under this Paragraph by injunctive relief, including a temporary restraining order, a preliminary injunction and a permanent injunction, pending either the full restoration of Contractor's services or the termination of this Agreement by KRC.

23. SUBCONTRACTING AND ASSIGNMENTS.

23.1 Contractor shall not subcontract any part of the services to be provided pursuant to this Agreement without prior written approval of KRC, which may be withheld in KRC's sole and absolute discretion. In addition, Contractor shall not assign its rights in this Agreement. The transfer of 50 percent or more of the equity interest of the ownership of Contractor, either through one (1) transaction or on a cumulative basis, shall be deemed an assignment.

23.2 All terms of this agreement will be binding upon and inure to the benefit of the parties and their respective administrators or executors, successors and assigns. However, nothing in this Paragraph shall be construed to modify Paragraph 23.1.

24. CONTRACT INTERPRETATION AND ENFORCEABILITY.

24.1 Severability. If any provision of this Agreement is held to be inoperative, unenforceable or otherwise invalid, the remaining provisions hereof shall be carried into effect without regard to such inoperative, unenforceable or otherwise invalid provision. If any provision

is held to be inoperative, unenforceable or otherwise invalid with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

24.2 Interpretation. This Agreement shall not be interpreted against the drafter but shall be interpreted with the understanding that both parties have had input in the final draft of this Agreement.

24.3 Section Headings, Etc. The section headings are not intended to define, limit, extend or interpret the scope of this Agreement or any particular paragraph. The masculine, feminine or neuter gender and the singular or plural number, shall each be deemed to include the others whenever the context so indicates.

25. **INTEGRATED AGREEMENT; NO TERMS NOT INCLUDED; CONFLICTING PROVISIONS.** This Agreement and its attachments contain all the terms and conditions agreed upon by the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties hereto. This Agreement supersedes all prior agreements, representations, and understandings of the parties, either oral or written regarding the subject matter hereof. This Agreement shall not be amended or modified, except in a writing signed by the parties that complies with the requirements of all statutes and regulations applicable to this Agreement. If any conflicts or inconsistencies exist between the provisions in this Agreement and the provisions in any other agreement between the parties, the provisions which are, in KRC's reasonable judgment, most protective of the Consumers shall prevail.

26. **AUTHORIZED REPRESENTATIVES; COUNTERPARTS; DELIVERY.** Each party represents that the party signing below is an authorized representative of such party and has the authority to bind such party to this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall be considered a single instrument. Copies of this Agreement executed electronically (such as via DocuSign) and/or delivered and received electronically (such as a PDF attachment to an email) shall be deemed the same as originals.

Executed in Bakersfield, California as of the date first written above.

"Contractor":

R & D Transportation Services, Inc.,
a California corporation

By: _____
Charles J. Devlin, President

"KRC":

Kern Regional Center,
a California nonprofit corporation

By: _____
Enrique Roman,
Director, Community Services

Attachments:

- A – Payment Agreement
- B – Service Agreement
- C – Business Associate Agreement
- D – Zero Tolerance Policy
- E – Drug-Free Workplace Policy
- F – Whistleblower Policy

Attachment A
(R & D Transportation Services, Inc.)

PAYMENT AGREEMENT

Kern Regional Center, a California nonprofit corporation ("KRC") and R&D Transportation Services, Inc., a California corporation ("Contractor") are parties to an Agreement for Transportation Broker Services dated January 1, 2024 (the "Agreement"). This Payment Agreement is part of the Agreement. In consideration for the provision of services by Contractor under the Agreement, KRC shall compensate Contractor pursuant to the rates established below. Contractor agrees to accept the rates established as payment in full.

1. Projected Rates of Payment.

R&D Transportation Services, Inc. Revised Broker Service Fee Structure Proposed Term: July 1, 2023 through June 30, 2025 [Estimate Reflects Monthly Fixed Fees & Performance Based Fees]										
Projected Reimbursement Per Month & Per Fiscal Year										
VENDOR ID	Rate_SysCd	Service	Rate_Regional Center	Rate SubCode	Unit Type	1/1/2023 Rate	Units/ Month	Monthly Fee	Months	FY Estimate
H18007	883	Transportation Broker	TCRC	ROUTE	Monthly	\$ 78,363.02	1	\$ 78,363.02	12	\$ 940,356.24
H18007	883	Transportation Broker	TCRC	CSAT	Monthly	\$ 11,405.19	1	\$ 11,405.19	12	\$ 136,862.28
H18007	883	Transportation Broker	TCRC	ACCTG	Monthly	\$ 3,801.74	1	\$ 3,801.74	12	\$ 45,620.88
H18007	883	Transportation Broker	TCRC	CONT	Monthly	\$ 1,425.65	1	\$ 1,425.65	12	\$ 17,107.80
H18007	883	Transportation Broker	TCRC	FVEND	Monthly	\$ 461.38	1	\$ 461.38	12	\$ 5,536.56
H18007	883	Transportation Broker	TCRC	QAEFF	Monthly	\$ 5,940.20	1	\$ 5,940.20	12	\$ 71,282.40
H18007	883	Transportation Broker	TCRC	SPEC	Monthly	\$ 2,851.30	1	\$ 2,851.30	12	\$ 34,215.60
Projected Monthly Fixed Fees								\$ 104,248.48		\$ 1,250,981.76
VENDOR ID	Rate_SysCd	Service	Rate_Regional Center	Rate SubCode	Unit Type	1/1/2023 Rate	Units/ Month	Monthly (\$)	Months	FY Estimate
H18007	883	Transportation Broker	TCRC	SAFE	Per Unit	\$ 1,283.36	2	\$ 2,566.72	12	\$ 30,800.64
H18007	883	Transportation Broker	TCRC	TR875	Per Unit	\$ 498.29	1	\$ 498.29	12	\$ 5,979.48
H18007	883	Transportation Broker	TCRC	TR880	Per Unit	\$ 346.03	2	\$ 692.06	12	\$ 8,304.72
H18007	883	Transportation Broker	TCRC	VEND	Per Unit	\$ 855.72	1	\$ 855.72	12	\$ 10,268.64
Projected Performance Based Fees								\$ 4,612.79		\$ 55,353.48
Total Monthly + Performance Based Fees								\$ 108,861.27		\$ 1,306,335.24
Please note that the proposed rate structure reflects the fee structure approved under contract between TCRC with R&D. This fee structure includes the recent rate increase pursuant to Assembly Bill (AB) 136, which adjusted R&D's monthly base fixed fee to \$78,363.02 effective January 1, 2023. This fee structure includes a monthly fixed fee plus performance based fees that are reimbursed consistent with the number of units completed for i.) vendor audits, ii.) number of vendor compliance workshops by respective category either 880 SC or 875 SC, and iii.) new vendorization completed. The projected number of units per month reflect an estimate in the number of units for KRC based on the number of contractors and routes that are expected. R&D will only invoice based on actual number of vendor audits, vendor compliance workshops, or completed vendorizations (supported by monthly reports).										

2. Payment Agreement – Rate Adjustments Pursuant to WIC 4519.10 Rate Model. Pursuant to Welfare and Institutions Code Section 4519.10, DDS has implemented a rate model for applicable service providers, which additional funding is paid in phases over time (the "**WIC 4519.10 Rate Model**"). Based on Contractor's Service Code 883, Contractor is eligible for the WIC 4519.10 Rate Model in its rate of payment. The current rates of payment reflect all rate increases allowed by the WIC 4519.10 Rate Model through June 30, 2024. As of July 1, 2024, the rates of payment that are invoiced monthly will be subject to change consistent with the provisions in this statute and Section 3 below. However, the performance-based fees for the following subcodes are not eligible for the rate adjustment under the WIC 4519.10 Rate Model, and will not increase during the term: (i) vendor audits (Subcode SAFE); (ii) vendor compliance workshops (Subcodes TR875 and TR880); and (iii) new vendorizations (Subcode VEND). Notwithstanding the foregoing, if the Legislature and/or DDS implement new legislation that allows for rate increases for such applicable subcodes, then upon Contractor's request, KRC agrees to review any subsequent rate increase proposal in good faith which is submitted in compliance with State law and regulations in effect at such time.
3. Change in Rate of Payment. As allowed by the WIC 4519.10 Rate Model, commencing July 1, 2024, DDS shall implement the fully-funded rate model using two payment components: (i) a base rate equaling 90 percent of the rate model and (ii) a quality incentive payment equaling up to 10 percent of the rate model, to be implemented through the quality incentive program described in the statute. Notwithstanding anything in this paragraph to the contrary, if the California Legislature amends WIC 4519.10 Rate Model (or adopts new legislation) to accelerate or otherwise modify the above described rate increase phase-in schedule, this paragraph shall be deemed automatically modified to comply with the provisions in the amended or new legislation.
4. Rate Change Notification Letters. KRC will document any future adjustment to Contractor's rate of payment under the WIC 4519.10 Rate Model, as well as any other future changes in Contractor's rate of payment, through delivery of Rate Change Notification Letters to Contractor. Such letters do not require Contractor's signature and shall become effective upon delivery. KRC shall either (i) attach all Rate Change Notification Letters to the Agreement or (ii) retain all Rate Change Notification Letters in its vendor files for Contractor. Each Rate Change Notification Letter is incorporated into this Agreement by this reference.
5. Rate Adjustment Appeals. If Contractor believes any adjustment pursuant to the WIC 4519.10 Rate Model or any Rate Change Notification Letter is inaccurate, Contractor must contact KRC by email at krcratestudy@kernrc.org within 60 days after KRC's delivery of such Payment Agreement or Rate Change Notification Letter (the "**Appeal Deadline**"). After receipt of any such notice, KRC will investigate the request and, if it is valid, reset the rate of payment, after consultation with DDS if applicable. If KRC fails to receive notice from Contractor of any rate schedule inaccuracy by the applicable Appeal Deadline, the new rate of payment in the Rate Change Notification Letter shall be conclusively deemed the correct rate of payment.

6. Termination. This Payment Agreement is part of the attached Agreement, and shall automatically terminate on the earlier of (i) the termination of the Agreement or (ii) the date Contractor ceases providing services to KRC's Consumers.
7. Counterparts; Delivery. This Payment Agreement may be executed in counterparts, each of which shall be deemed an original and both of which shall constitute a single instrument. Copies of this Payment Agreement executed electronically (such as via DocuSign) and/or delivered and received electronically (such as a PDF attachment to an email) shall be deemed the same as originals.

Executed in Bakersfield, California as of the date first written above.

"Contractor":

R & D Transportation Services, Inc.,
a California corporation

By: _____
Charles J. Devlin,
President

"KRC":

Kern Regional Center,
a California nonprofit corporation

By: _____
Enrique Roman,
Director, Community Services

Attachment B
(R & D Transportation Services, Inc.)

PROGRAM DESIGN

[Attach Program Design Here]

Attachment C
(R & D Transportation Services, Inc.)

BUSINESS ASSOCIATE AGREEMENT

[Attach Business Associate Agreement Here]

Attachment D
(R & D Transportation Services, Inc.)

ZERO TOLERANCE POLICY

[Attach Zero Tolerance Policy Here]

Attachment E
(R & D Transportation Services, Inc.)

DRUG-FREE WORKPLACE POLICY

[Attach Drug-Free Workplace Policy Here]

Attachment F
(R & D Transportation Services, Inc.)

WHISTLEBLOWER POLICY

[Attach Whistleblower Policy Here]

Attachment B
SERVICE AGREEMENT
FOR
TRANSPORTATION BROKER SERVICES
BETWEEN
KERN REGIONAL CENTER
AND
R&D TRANSPORTATION SERVICES, INC.
VENDOR # H18007 | SC 883
EFFECTIVE JULY 1, 2023 – JUNE 30, 2025

This Agreement is entered into by and between **Kern Regional Center**, California nonprofit corporation, hereinafter referred to as "REGIONAL CENTER", and **R&D Transportation Services, Inc.**, hereinafter referred to as "CONTRACTOR", agree as follows:

1. **PURPOSE.** The parties acknowledge that the purpose of this Agreement is to set forth the terms and conditions under which CONTRACTOR will provide services to REGIONAL CENTER'S consumers and their families and the compensation to be paid by REGIONAL CENTER to CONTRACTOR for its services.
2. **TERM.** Subject to the provisions of Section 15, the term of this Agreement shall commence on **July 1, 2023**, and shall continue through **June 30, 2025**. If CONTRACTOR provides services for REGIONAL CENTER beyond the expiration date of this Agreement, then unless the parties agree differently in writing, this Agreement shall become a month to month contract for twelve (12) months, terminable by either party. If the CONTRACTOR and REGIONAL CENTER wish to extend this Agreement beyond the expiration date set forth in this section, the CONTRACTOR and REGIONAL CENTER may do so by mutual agreement in accordance with Section 20. The provisions of Section 15 are deemed fulfilled upon agreement expiration.

CONTRACTOR understands and agrees that, upon completion or termination of this Agreement, a subsequent agreement is not guaranteed and that the decision for such funding is within the discretion of REGIONAL CENTER.

3. **REGULATORY AND FINANCIAL SPECIFICATIONS.** CONTRACTOR agrees to fully satisfy all terms, conditions and service specification requirements described in the following areas and attachments, all of which are incorporated herein by this reference:

(a) **REGULATORY**

- 1) The CONTRACTOR agrees to act as Transportation Broker for the REGIONAL CENTER, as defined in Title 17 of the California Code of Regulations, Section 54342, (a) (83), means a vendor that:
 1. is not the transportation service provider;
 2. develops routing and time schedules for the transport of Clients to and from their day program;
 3. may, in addition to performing the duties specified in (1) and (2) above;
 - a. conduct monitoring and quality assurance activities; and/or;
 - b. perform safety review; and/or;
 - c. assist the REGIONAL CENTER in implementing contracted transportation services; and,
 4. is vendored under Service Code 883.

(b) FINANCIAL / LEGAL SPECIFICATIONS

1) Compensation, attached hereto as Attachment A;

All services rendered pursuant to this Agreement shall be rendered in accordance with all relevant provisions of statute and Federal and State regulations.

All services provided pursuant to this Agreement shall be provided at a level not less than that stated in Title 17 of the California Code of Regulations, Section 54342 (a) (82).

4. COMPENSATION.

- (a) REGIONAL CENTER will pay CONTRACTOR in accordance with the schedule of payments set forth in the titled *Payment Agreement*, and the attachment titled *Payment Structure* (Attachment A). The REGIONAL CENTER has no obligation to pay or reimburse CONTRACTOR for any expenditures made or incurred by CONTRACTOR, or any of its agents or representatives, which are outside the scope of work described in Attachment A, or Title 17 of the California Code of Regulations, Section 54342, (a) (82). All payments to CONTRACTOR shall be dependent upon the authorization pursuant to 17CCR §50612. Termination of authorizations will follow the notice requirements in Section 15. Payments under this Agreement are dependent on the availability of State funding. (17CCR §50609(c)) and dependent upon such funds being sufficient as determined by the REGIONAL CENTER.
- (b) REGIONAL CENTER will not have any responsibility and will not be obligated to make any payments of any kind directly to any subcontractors or suppliers of CONTRACTOR under any circumstances unless CONTRACTOR receives REGIONAL CENTER'S express written agreement to remit such payment prior to having the subcontractor provide the applicable service. REGIONAL CENTER agrees to reasonably consent to CONTRACTOR'S engagement of subcontractors or suppliers in connection with the rendering of services contemplated herein or as included in the approved service design. Nothing herein shall limit CONTRACTOR'S entitlement to be compensated in full for services rendered as contemplated in 17CCR §50612.
- (c) CONTRACTOR shall agree to refund and repay to REGIONAL CENTER any audit exceptions, subject to the Title 17 CONTRACTOR appeal process, if requested to do so by either REGIONAL CENTER or the State of California. CONTRACTOR'S obligation to reimburse any alleged overpayments made by REGIONAL CENTER are expressly subject to CONTRACTOR'S rights under 17CCR §50705, et seq.
- (d) CONTRACTOR shall submit to REGIONAL CENTER on a monthly basis by the fifth day of each and every month during the term of this Agreement, an invoice for services rendered during the preceding monthly period, together with substantiating documentation in accordance with Attachment A. Prior to the commencement of services pursuant to this Agreement, REGIONAL CENTER and CONTRACTOR shall reasonably agree on the supporting documentation, which REGIONAL CENTER will require as condition of payment. Records for services shall specify the date, actual service time, location and nature of services provided. Attachment A reflects the total of all documentation that is required. REGIONAL CENTER will pay CONTRACTOR only those amounts which are within the scope of this Agreement and which are properly reflected on each invoice, within twenty (20) working days from receipt of such invoice and all applicable supporting documentation.
- (e) REGIONAL CENTER shall pay the annual fixed-fee portion of CONTRACTOR'S fees as specified in Attachment A, on a monthly basis at a rate of 1/12 (one twelfth) of the total annual amount specified in Attachment A.
- (f) REGIONAL CENTER shall pay the performance-based portion of CONTRACTOR'S fees monthly, based on the actual number of units completed and earned for that month as specified in Attachment A.
- (g) During, the term of this Agreement, REGIONAL CENTER may request changes in the design of CONTRACTOR'S services. Any such change in services requested by REGIONAL CENTER shall be subject to the agreement of CONTRACTOR and shall be reflected in a fully executed amendment of this Agreement.

Nothing herein shall limit CONTRACTOR'S ability to provide emergency services as contemplated in 17CCR §50612.

5. NONDISCRIMINATION AND CONSUMER COMPLAINTS.

- (a) During the term of this Agreement and in the performance of its duties hereunder, CONTRACTOR on behalf of itself and all subcontractors retained by it, shall not deny the contract's benefits to any employee or applicant for employment of the CONTRACTOR on the basis of race, religion, color, national origin, sex, age, marital status, physical, or mental disability, or sexual orientation and shall not discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, marital status, age, sex, or sexual orientation.

CONTRACTOR agrees to evaluate and monitor its performance under this Agreement and, if appropriate, to promptly take such action as is necessary to ensure the nondiscrimination provisions of Subparagraph 5(a) are enforced.

- (b) CONTRACTOR shall have in effect at all times during the term of this Agreement, and shall periodically review, a written internal procedure to resolve consumer grievances pursuant to Welfare and Institutions Code Section 4705 (17 CCR §50608(c)).

6. EXAMINATION OF RECORDS.

- (a) For all cost reimbursement fee structures: CONTRACTOR agrees to maintain books, records, documents, and other evidence pertaining to the costs and expenses CONTRACTOR incurs relating to this Agreement ("Records") to the extent and in such detail as will properly reflect all costs, direct and indirect, of labor, materials, equipment, supplies and services, administrative overhead, and other costs and expenses of whatever nature for which reimbursement is claimed hereunder. Financial Records shall be maintained in accordance with generally accepted accounting principles.
- (b) CONTRACTOR shall preserve the Records and make each of them available at its office for inspection, audit or reproduction by either REGIONAL CENTER or a representative of the State of California for a period of three years from the date final payment is made by REGIONAL CENTER hereunder, or longer, if such period is required by applicable law. REGIONAL CENTER or the State of California or any qualified representative of REGIONAL CENTER or the State shall have the right to inspect records in accordance with Title 17 Section 50603. If such audit or review, subject to Title 17 CONTRACTOR appeal rights, reveals that the CONTRACTOR has over billed REGIONAL CENTER for services, the CONTRACTOR shall reimburse to REGIONAL CENTER, within thirty (30) days after the results of such audit are made available to the CONTRACTOR, the amount of such overcharge or REGIONAL CENTER shall have the right to deduct any overcharge from future payment(s) to CONTRACTOR.
- (c) REGIONAL CENTER or the State of California or any qualified representative of REGIONAL CENTER or the State shall have the right to inspect and review the services provided to ensure the health and safety of each consumer served, to gather information to assess the effectiveness of services provided to meet individual consumer needs and to monitor the progress in meeting identified consumer goals and the requirements for services as specified in Title 17 regulations. Subject to the provisions of 17CCR §50705, et seq., the results of such review shall be the basis for determining any compensation adjustment as required per Sections 4(c) and 6(b).
- (d) Notwithstanding the above, CONTRACTOR and REGIONAL CENTER agree to retain all Records which relate to any litigation, claims, disputes, or other controversies arising out of the performance of either party's obligations under this Agreement, until such time as the dispute, litigation, claim or other controversy is resolved or CONTRACTOR and REGIONAL CENTER agree CONTRACTOR and REGIONAL CENTER may dispose of such Records.

7. INSURANCE AND INDEMNIFICATION.

- (a) To the fullest extent permitted by law, CONTRACTOR agrees to hold harmless REGIONAL CENTER and the State of California (the "State") and each of their agents, employees, officers, and directors from and against any and all claims, damages, personal injury, costs, judgments, penalties, attorneys' fees and/or liabilities arising out of or connected with any act, omission or neglect of CONTRACTOR, its agents or employees in the performance of their services or duties.
 - (b) To the fullest extent permitted by law, REGIONAL CENTER agrees to hold harmless CONTRACTOR and each of their agents, employees, officers, and directors from and against any and all claims, damages, personal injury, costs, judgments, penalties, attorneys' fees and/or liabilities arising out of or connected with any act, omission or neglect of REGIONAL CENTER, their agents or employees in the performance of their services or duties.
 - (c) CONTRACTOR agrees to purchase and maintain, throughout the term of this Agreement, insurance coverage covering Workers' Compensation, automobile liability, property damage, and such other coverage as shall be reasonably requested from time to time by REGIONAL CENTER. CONTRACTOR agrees to purchase and maintain general liability insurance in the amount of not less than one million dollars (\$1,000,000.00) per claim and three million (\$3,000,000.00) in the aggregate during the period of its operation. The policy shall name REGIONAL CENTER, and their employees and other agents, as additional insureds during the term of this Agreement. CONTRACTOR shall use best efforts to assure that each policy of insurance providing coverage required hereunder shall provide that it may not be cancelled or materially modified unless REGIONAL CENTER is provided at least thirty (30) days prior written notice thereof. CONTRACTOR shall provide to REGIONAL CENTER proof evidencing REGIONAL CENTER as the named insured on the inception date of this Agreement, and upon REGIONAL CENTER'S request.
8. INDEPENDENT CAPACITY. CONTRACTOR is solely responsible for the manner of operation of its business except to the extent as limited by the parties to this Agreement. CONTRACTOR will not hold itself nor its agents and employees out as, nor claim to be officers or employees of REGIONAL CENTER or the State of California, including but not limited to Worker's Compensation coverage, Unemployment Insurance benefits, Social Security benefits, State Disability Insurance benefits, or retirement membership or credit. CONTRACTOR is free to act as an independent contractor for others.
9. NO ASSIGNMENT. CONTRACTOR shall not subcontract, assign, transfer, or delegate any of its rights or obligations to provide services under this Agreement to any third party without the prior written consent of REGIONAL CENTER. The transfer of control of the ownership of CONTRACTOR to any third party (e.g., transfer of majority of voting shares of stock) shall constitute an assignment, which requires REGIONAL CENTER'S consent hereunder.
10. TRAINING. CONTRACTOR shall be responsible for providing all training to staff necessary for the safe and competent provision of services in accordance with this Agreement.
11. TAXES AND FUNDING SOURCES. CONTRACTOR shall be totally and solely responsible for all taxes due, if any. CONTRACTOR shall not bill any other funding source for services provided to clients that are funded under the terms of this Agreement.
12. REFERRALS. REGIONAL CENTER shall be the referring agency. An authorization to provide services must be received by CONTRACTOR before services begin.
13. CONFIDENTIALITY. CONTRACTOR shall assure that all staff maintain and keep confidential all client information received from REGIONAL CENTER and utilize such information only as necessary to provide safe and effective services. CONTRACTOR shall further assure that any transfer of client information meets or exceeds the confidentiality requirements of HIPAA.
14. REPORTING OF SPECIAL INCIDENTS. CONTRACTOR shall report all Special Incidents to REGIONAL CENTER in accordance with Title 17, Section 54327.
15. EARLY TERMINATION. This Agreement may be terminated prior to the scheduled expiration of the term of the Agreement upon:
- (a) Ninety (90) days' written notice by one party to the other, without cause; or

- (b) Notice by REGIONAL CENTER to CONTRACTOR within ten (10) days of REGIONAL CENTER'S notification of termination of delegate agency status by the California Department of Developmental Services, in which event REGIONAL CENTER shall specify the effective termination date.

[NO FURTHER TEXT ON THIS PAGE]

16. **TERMINATION ON BREACH.** CONTRACTOR shall be in material breach of this Agreement if, in REGIONAL CENTER'S reasonable opinion, CONTRACTOR (i) fails to perform any of its obligations described herein or on any of the attachments which are a part of this Agreement or (ii) fails to comply with Federal or State laws or regulations applicable to the provision of services pursuant to this Agreement including, without limitation, the provision of services to persons with developmental disabilities. If the breach is noncurable, this Agreement shall terminate, at REGIONAL CENTER'S election, no earlier than 30 days following delivery of written notice to CONTRACTOR stating the reasons for termination. If the breach is curable, this Agreement shall terminate within thirty days after REGIONAL CENTER notify CONTRACTOR of CONTRACTOR'S breach, if CONTRACTOR fails to cure such breach within such thirty-day period. In the event of any termination pursuant to Section 15 or 16 of this Agreement, REGIONAL CENTER shall pay CONTRACTOR all compensation for services rendered through the date of termination of this Agreement.
17. **DISPUTE.** The parties agree that any dispute arising out of this Agreement shall be subject to the following:
- (a) If the dispute is of a type governed by the CONTRACTOR appeal processes in regulation, the dispute shall be resolved in accordance with Title 17 of the California Code of Regulations.
 - (b) Any controversy or claim arising out of, or relating to, this Agreement (including, but not limited to, the breach of this Agreement) shall be settled through binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator will have the right to grant any remedy or relief that the arbitrator deems just and equitable (including, but not limited to, specific performance, reformation, declaratory relief, and rescission) and to assess, against a party or among the parties, as the arbitrator deems reasonable, (i) interest on the amount awarded, (ii) administrative fees of the American Arbitration Association, (iii) compensation to the arbitrator and (iv) attorneys' fees incurred by a party. The provisions of California Code of Civil Procedures section 1283.05, which allow for discovery in arbitration, will apply and are incorporated herein by this reference. Arbitration hearings will be held in the county in which the REGIONAL CENTER is headquartered. The parties acknowledge that, by agreeing to arbitrate their differences, they are both waiving their right to have their dispute resolved through a jury trial. The venue for the resolution of all disputes shall be the county in which the REGIONAL CENTER is headquartered, unless a mutually agreed upon court of jurisdiction can be identified.
18. **GOVERNING LAW, SEVERABILITY, AND INTEGRATION.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. If any provision of this Agreement shall be found to be invalid or unenforceable for any reason, the remainder of this Agreement shall not be affected thereby and shall be fully enforced as permitted by law. This Agreement contains the entire understanding between the parties hereto, and supersedes any previous understandings and agreements, either oral or written, between the parties hereto relating to the subject matter of this Agreement. The terms of this Agreement shall not be construed so as to excuse compliance with any statutes or regulations existing on the date of this Agreement (17CCR §50607(i)).
19. **WAIVER OF BREACH.** No waiver of a breach of any provision of this Agreement by REGIONAL CENTER or CONTRACTOR shall constitute a waiver of any other breach of such provision. Failure of REGIONAL CENTER to enforce at any time, or from time to time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.
20. **AMENDMENT.** No supplement, modification, or amendment of this Agreement shall be binding unless it is executed in writing by all parties and complies with all requirements of applicable statutes and regulations (17 CCR §50607(e)).
21. **TIME OF THE ESSENCE.** The parties hereby acknowledge and agree that time is of the essence with respect to the performance of their obligations hereunder.

[NO FURTHER TEXT ON THIS PAGE]

22. NOTICES. All notices and other communication required or permitted to be given herein shall be in writing and shall be deemed to have been sufficiently delivered for all purposes if delivered (i) personally, or (ii) by facsimile with electronic confirmation of delivery or (iii) by depositing the notice in the United States mail by certified or registered mail, return receipt requested, to the following addresses:

If to REGIONAL CENTER:

Executive Director
Kern Regional Center
3200 No. Sillect Ave.
Bakersfield, CA 93308
Telephone: (661) 327-8531
Facsimile: (661) 873-4540

If to CONTRACTOR:

Chief Executive Officer/President
R&D Transportation Services, Inc.
807 Camarillo Springs Road Suite B
Camarillo, CA 93012
Telephone: (805) 529-7511
Facsimile: (805) 484-0960

23. AUTHORIZED SIGNATORIES. Each individual signing this Agreement on behalf of a party hereto, which is other than an individual, represents and warrants that they have the necessary capacity and authority to act for, sign on behalf of, and bind the respective entity on whose behalf they sign (17 CCR §50607(b)).
24. COUNTERPARTS. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

[NO FURTHER TEXT ON THIS PAGE]

**FEE AGREEMENT FOR TRANSPORTATION BROKER SERVICES
BETWEEN
KERN REGIONAL CENTER
AND
R&D TRANSPORTATION SERVICES, INC.**

PAYMENT AGREEMENT

In consideration of the provision of services described in the AGREEMENT for Transportation Broker Services between R&D Transportation Services, Inc. (CONTRACTOR) and Kern Regional Center (REGIONAL CENTER), or documents incorporated in the AGREEMENT by reference, REGIONAL CENTER agrees to pay CONTRACTOR for Transportation Broker Services (Service Code 883):

Year 1	July 1, 2023 through June 30, 2024	Monthly	Annual
	Base Fixed Service Fees	\$104,248.48	\$1,250,981.76
	Performance Variable Fee	Based on # Units	Based on # of Units.
Year 2	July 1, 2024 through June 30, 2025	Monthly	Annual
	Base Fixed Service Fees	\$104,248.48	\$1,250,981.76
	Performance Variable Fee	Based on # Units	Based on # of Units.
12 Month-to-Month Extension		<i>Rates will be adjusted pursuant to WIC 4519.10 Rate Model</i>	
	July 1, 2025 through June 30, 2026	Monthly	Annual
	Base Fixed Service Fees	\$104,248.48	\$1,250,981.76
	Performance Variable Fee	Based on # Units	Based on # of Units.

Payment Agreement – Rate Adjustments Pursuant to WIC 4519.10 Rate Model

Pursuant to Welfare and Institutions Code Section 4519.10, the Department of Developmental Services ("DDS") has implemented a rate model for applicable service providers, which additional funding is paid in phases over time (the "WIC 4519.10 Rate Model"). Based on CONTRACTOR'S Service Code 883, Contractor is eligible for the WIC 4519.10 Rate Model in its rate of payment. Therefore, the Base Fixed Service Fees that are invoiced monthly will be subject to change consistent with the provisions in this statute. However, the performance-based fees for: i.) vendor audits, ii) vendor compliance workshops, or iii.) new vendorizations will not increase since these service fees were not eligible for the rate adjustment under the rate model implementation. However, if the Legislature and/or DDS implement new legislation that allows for rate increases for applicable subcodes, then, upon CONTRACTOR'S request, the REGIONAL CENTER agrees to review any subsequent rate increase proposal in good faith which is submitted in compliance with State law and regulations in effect at such time. In addition, CONTRACTOR retains the right to terminate this Agreement within ninety (90) days" notice in accordance with Paragraph 15 herein.

IN WITNESS WHEREOF, the parties hereby execute this Agreement:

Kern Regional Center

R&D Transportation Services, Inc.

Michi Gates, Ph.D.
Executive Director

Charles J. Devlin
CEO and President

Attachment A – Payment Structure

R&D Transportation Services, Inc. Revised Broker Service Fee Structure Proposed Term: July 1, 2023 through June 30, 2025 [Estimate Reflects Monthly Fixed Fees & Performance Based Fees]										
Projected Rembursement Per Month & Per Fiscal Year										
VENDOR ID	Rate_SysCd	Service	Rate_Regional Center	Rate SubCode	Unit Type	1/1/2023 Rate	Units/ Month	Monthly Fee	Months	FY Estimate
H18007	883	Transportation Broker	TCRC	ROUTE	Monthly	\$ 78,363.02	1	\$ 78,363.02	12	\$ 940,356.24
H18007	883	Transportation Broker	TCRC	CSAT	Monthly	\$ 11,405.19	1	\$ 11,405.19	12	\$ 136,862.28
H18007	883	Transportation Broker	TCRC	ACCTG	Monthly	\$ 3,801.74	1	\$ 3,801.74	12	\$ 45,620.88
H18007	883	Transportation Broker	TCRC	CONT	Monthly	\$ 1,425.65	1	\$ 1,425.65	12	\$ 17,107.80
H18007	883	Transportation Broker	TCRC	FVEND	Monthly	\$ 461.38	1	\$ 461.38	12	\$ 5,536.56
H18007	883	Transportation Broker	TCRC	QAEFF	Monthly	\$ 5,940.20	1	\$ 5,940.20	12	\$ 71,282.40
H18007	883	Transportation Broker	TCRC	SPEC	Monthly	\$ 2,851.30	1	\$ 2,851.30	12	\$ 34,215.60
Projected Monthly Fixed Fees								\$ 104,248.48		\$ 1,250,981.76
VENDOR ID	Rate_SysCd	Service	Rate_Regional Center	Rate SubCode	Unit Type	1/1/2023 Rate	Units/ Month	Monthly (\$)	Months	FY Estimate
H18007	883	Transportation Broker	TCRC	SAFE	Per Unit	\$ 1,283.36	2	\$ 2,566.72	12	\$ 30,800.64
H18007	883	Transportation Broker	TCRC	TR875	Per Unit	\$ 498.29	1	\$ 498.29	12	\$ 5,979.48
H18007	883	Transportation Broker	TCRC	TR880	Per Unit	\$ 346.03	2	\$ 692.06	12	\$ 8,304.72
H18007	883	Transportation Broker	TCRC	VEND	Per Unit	\$ 855.72	1	\$ 855.72	12	\$ 10,268.64
Projected Performance Based Fees								\$ 4,612.79		\$ 55,353.48
Total Monthly + Performance Based Fees								\$ 108,861.27		\$ 1,306,335.24
Please note that the proposed rate structure reflects the fee structure approved under contract between TCRC with R&D. This fee structure includes the recent rate increase pursuant to Assembly Bill (AB) 136, which adjusted R&D's monthly base fixed fee to \$78,363.02 effective January 1, 2023. This fee structure includes a monthly fixed fee plus performance based fees that are reimbursed consistent with the number of units completed for i.) vendor audits, ii.) number of vendor compliance workshops by respective category either 880 SC or 875 SC, and iii.) new vendorization completed. The projected number of units per month reflect an estimate in the number of units for KRC based on the number of contractors and routes that are expected. R&D will only invoice based on actual number of vendor audits, vendor compliance workshops, or completed vendorizations (supported by monthly reports).										

This Agreement for Transportation Broker Services is entered into by the parties in accordance with the following facts:

- A. The parties will enter into an Agreement for Transportation Broker Services for the period starting **July 1, 2023**, through **June 30, 2025**.
- B. Pursuant to Welfare and Institutions Code Section 4519.10, the Department of Developmental Services ("DDS") has implemented a rate model for applicable service providers, which additional funding is paid in phases over time (the "WIC 4519.10 Rate Model").
- C. Based on CONTRACTOR'S service code, CONTRACTOR is eligible for the WIC 4519.10 Rate Model in its rate of payment.

[NO FURTHER TEXT ON THIS PAGE]

NOW, THEREFORE, in consideration of the following mutual covenants, the parties agree as follows:

1. CHANGE IN RATE OF PAYMENT. As allowable in the model, CONTRACTOR shall receive increases in its rate of payment commencing on April 1, 2022, July 1, 2023, and July 1, 2025. Commencing on April 1, 2022, the rate increase will be equal to one-quarter of the difference between CONTRACTOR's current rate and the fully-funded rate model for service providers under Service Code 063. Commencing July 1, 2023, the rate increase will be equal to one-half of the difference between CONTRACTOR's current rate and the fully-funded rate model for service providers under Service Code 063. Commencing July 1, 2025, DDS shall implement the fully-funded rate model using two payment components: (i) a base rate equaling 90 percent of the rate model and (ii) a quality incentive payment equaling up to 10 percent of the rate model, to be implemented through the quality incentive program described in the statute. Notwithstanding anything in this paragraph to the contrary, if the California Legislature amends Welf. and Inst. Code Section 4519.10 (or adopts new legislation) to accelerate or otherwise modify the above described rate increase phase-in schedule, this paragraph shall be deemed automatically modified to comply with the provisions in the amended or new legislation.

2. RATE CHANGE NOTIFICATION LETTERS. REGIONAL CENTER will document any future adjustment to CONTRACTOR'S rate of payment under the WIC 4519.10 Rate Model, as well as any other future changes in CONTRACTOR'S rate of payment, through delivery of Rate Change Notification Letters to CONTRACTOR. Such letters do not require CONTRACTOR'S signature and shall become effective upon delivery. REGIONAL CENTER shall either (i) attach all Rate Change Notification Letters to the Agreement, or (ii) retain all Rate Change Notification Letters in its vendor files for CONTRACTOR. Each Rate Change Notification Letter is incorporated into this Agreement by this reference.

3. RATE ADJUSTMENT APPEALS. If CONTRACTOR believes any adjustment pursuant to the WIC 4519.10 Rate Model stated in Attachment 1: Payment Agreement or any Rate Change Notification Letter is inaccurate, CONTRACTOR must contact REGIONAL CENTER by email at: RateAdj@Kern.org within 60 days after CONTRACTOR'S receipt of such Attachment 1: Payment Agreement or Rate Change Notification Letter (the "Appeal Deadline"). After receipt of any such notice, REGIONAL CENTER will investigate the request and, if it is valid, reset the rate of payment, after consultation with DDS if applicable. If REGIONAL CENTER fails to receive notice from CONTRACTOR of any rate schedule inaccuracy by the Appeal Deadline, the new rate of payment in the Rate Change Notification Letter shall be conclusively deemed the correct rate of payment.

4. FULL FORCE AND EFFECT. The Agreement, as modified by this Amendment, remains in full force and effect.

5. COUNTERPARTS; DELIVERY. This Agreement may be executed in counterparts, each which shall be deemed an original and all of which shall constitute a single instrument. Signed copies of this Agreement signed electronically (such as via DocuSign) and/or delivered by facsimile or electronically in PDF (or similar format) shall be deemed the same as originals.

IN WITNESS WHEREOF, the parties hereby execute this Agreement:

Kern Regional Center

R&D Transportation Services, Inc.

Michi Gates, Ph.D.
Executive Director

Charles J. Devlin
CEO and President

Attachment 7

KERN REGIONAL CENTER
PURCHASE OF SERVICE
FY 2022-2023
AS OF JUNE 30, 2023

PURCHASE OF SERVICES	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023	2022-2023 Total
OUT-OF-HOME													
Community Care Facility	5,417,295	5,492,246	5,462,087	5,494,425	5,535,548	5,524,436	5,832,728	5,608,928	5,856,166	5,773,388	5,689,308	5,560,523	67,247,078
ICF/SNF Facility	157,022	200,550	240,343	225,572	229,375	228,334	262,566	276,128	325,030	310,540	293,151	267,459	3,016,090
TOTAL OUT OF HOME	5,574,317	5,692,796	5,702,430	5,719,997	5,764,923	5,752,770	6,095,314	5,885,056	6,181,196	6,083,928	5,982,459	5,827,982	70,263,168
DAY PROGRAMS													
Day Care	51,627	53,088	49,271	48,862	48,627	49,070	47,603	46,348	34,812	36,293	36,148	36,188	538,137
Day Training	2,795,283	3,250,375	3,105,494	3,077,601	3,065,869	2,888,681	3,127,065	3,080,776	3,513,999	3,061,245	3,261,110	3,170,691	37,998,389
Supported Employment	2,846,910	3,303,463	3,154,765	3,126,463	3,114,496	2,937,751	3,174,868	3,127,124	3,546,811	3,097,538	3,297,258	3,207,079	37,936,526
Work Activity Program	8,562	9,740	10,097	8,755	7,665	7,655	7,740	8,412	-	-	11,565	-	80,211
SUBTOTAL DAY PROGRAMS	5,702,382	6,616,666	6,319,627	6,261,681	6,236,677	5,883,157	6,357,476	6,262,660	7,097,622	6,195,076	6,606,081	6,414,158	75,953,263
OTHER SERVICES													
Non Medical Services Prof	400,084	427,445	419,146	422,649	407,828	376,683	441,201	473,661	480,160	467,627	523,589	473,620	5,313,693
Non Medical Services Prog	1,301,594	1,523,338	1,506,708	1,612,404	1,557,645	1,588,976	1,580,351	1,600,095	1,961,510	1,760,617	1,910,336	1,663,776	19,567,350
Home Care Services Prog	13,804	18,410	20,175	17,768	12,962	11,679	15,442	13,108	20,279	11,767	15,546	19,262	190,202
Transportation	492,481	516,568	500,629	477,465	511,400	483,819	367,792	370,877	431,814	431,189	456,293	441,330	5,493,657
Transportation Contracts	594,787	624,976	594,668	596,931	550,694	605,872	601,345	569,316	636,610	595,116	622,008	621,543	7,213,866
Prevention Services	547,433	651,145	627,205	670,800	664,759	661,599	706,193	687,220	753,617	725,543	797,809	789,160	8,282,483
Other Authorized Services	3,550,240	3,697,447	3,640,330	3,700,250	3,628,425	3,528,514	3,647,394	3,556,201	3,790,708	3,714,029	3,768,324	3,670,385	43,892,247
P & I Expense	16,264	9,986	11,064	10,756	19,064	10,685	11,010	10,842	11,010	11,178	10,170	9,834	141,863
Hospital Care	7,500	-	-	-	-	-	-	-	-	-	-	-	7,500
Medical Equipment	2,538	9,562	9,659	7,153	5,594	11,935	2,922	6,467	13,965	5,145	8,944	4,991	88,675
Medical Services Prof	200,220	206,572	235,285	268,962	237,641	258,892	220,827	249,916	271,755	237,516	260,945	248,180	2,896,711
Medical Services Prog	34,029	38,780	36,649	30,152	25,993	26,460	27,682	29,603	28,799	29,664	34,924	30,945	373,682
Respite Care - In Home	2,212,165	2,233,387	2,210,642	2,250,525	2,294,131	2,221,481	2,266,582	2,258,529	2,231,392	2,261,134	2,366,120	1,554,334	26,400,422
Respite Care - Out of Home	18,751	9,600	9,017	15,768	11,882	21,389	26,439	27,663	20,630	12,841	13,692	18,794	206,466
TOTAL OTHER SERVICES	9,391,890	9,969,216	9,821,177	10,081,583	9,928,018	9,817,984	9,935,180	9,853,500	10,652,249	10,283,366	10,788,700	9,546,154	120,069,017
TOTAL PURCHASE OF SERVICES	20,668,589	22,278,678	21,843,234	22,063,261	21,929,618	21,453,911	22,387,970	22,001,216	23,931,067	22,562,370	23,377,240	21,786,294	266,285,448
COMMUNITY PLACEMENT PLAN													
Community Care Facility	-	-	55,937	108,056	98,985	96,985	96,759	254,873	98,084	97,078	97,064	97,064	1,098,885
ICF/SNF Facility	-	-	-	-	-	-	-	-	-	-	-	-	-
Day Training	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Medical Services	-	-	-	2,115	5,023	5,640	-	1,817	5,170	6,596	12,648	1,000	1,000
Non-Medical Services-Programs	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Authorized Services	951	1,313	3,677	963	-	-	-	-	-	-	-	-	6,904
Other Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical Care - Prof	-	-	-	-	-	-	-	-	-	-	-	-	-
Community Care Facility	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY PLACEMENT PI	951	1,313	59,614	111,134	102,008	102,625	96,759	256,690	103,254	103,674	109,712	104,393	1,152,127
TOTAL PURCHASE OF SERVICE	20,669,540	22,279,991	21,902,848	22,174,395	22,031,626	21,556,536	22,484,729	22,257,906	24,034,321	22,666,044	23,486,952	21,897,687	267,437,575

Attachment 8

KERN REGIONAL CENTER
OPERATIONS
FY 2022/2023
AS OF JUNE 30, 2023

	PROPOSED EXPENDITURE	YEAR TO DATE	07/31/22	08/31/22	09/30/22	10/31/22	11/30/22	12/31/22	01/31/23	02/28/23	03/31/23	04/30/23	05/31/23	06/30/23	TOTAL	OVER/UNDER
OPERATIONS																
Salaries & Benefits	20,378,826	20,378,826	1,421,790	1,567,802	2,011,650	1,261,290	1,116,049	1,915,921	1,620,048	1,597,623	2,320,501	1,726,945	1,702,275	1,318,885	19,566,578	792,248
Operating Expenses	5,668,000	5,668,000	306,691	363,842	403,645	530,362	629,596	537,121	544,486	596,390	514,461	472,761	440,508	174,424	5,514,287	153,713
SUBTOTAL OPS	26,046,826	26,046,826	1,734,481	1,931,444	2,415,295	1,791,651	1,745,645	2,453,042	2,164,534	2,194,013	2,834,962	2,199,705	2,142,783	1,493,309	25,100,864	945,862
COMMUNITY PLACEMENT PLAN																
Salaries & Benefits	870,375	870,375				266,852	63,808	48,816	57,638	62,728	78,082	30,767	79,207	2,414	690,315	180,060
Operating Expenses	253,082	253,082			30,170	56,416	47,670	17,708	96,092	3,517	48,674	(16,382)	2,667	3,233	249,965	3,117
SUBTOTAL CPP	1,123,457	1,123,457			30,170	323,268	111,478	66,526	113,731	66,245	126,956	14,386	81,874	5,647	940,280	183,177
FOSTER GRANDPARENT PROGRAM																
Salaries & Benefits	98,040	98,040	3,823	4,467	6,205	4,467	4,467	4,467	4,573	4,471	6,205	5,405	6,488	6,603	61,642	36,398
Operating Expenses	151,503	151,503	3,444	153	4,221	14,490	11,476	9,633	9,499	7,802	12,582	9,669	11,972	1,987	96,930	54,573
SUBTOTAL FGP	249,543	249,543	7,267	4,620	10,427	18,957	15,943	14,100	14,073	12,273	18,788	15,074	18,460	8,590	158,572	90,371
SENIOR COMPANION PROGRAM																
Salaries & Benefits	65,360	65,360	2,557	2,978	4,137	2,978	2,978	2,978	3,049	2,981	4,137	3,603	4,324	4,402	41,102	24,258
Operating Expenses	101,002	101,002	2,565	194	2,921	8,019	6,910	5,947	6,466	4,977	6,988	4,608	5,226	1,326	55,745	45,257
SUBTOTAL SCP	166,362	166,362	5,122	3,172	7,058	10,997	9,888	8,925	9,514	7,958	10,725	8,211	9,551	5,728	96,847	69,515
TOTAL OPERATIONS	27,586,188	27,586,188	1,746,869	1,939,236	2,462,951	2,144,873	1,882,953	2,542,593	2,301,652	2,280,489	2,991,430	2,237,375	2,252,668	1,513,274	26,296,584	1,289,624