

AGREEMENT RELATING TO
CALIFORNIA STATEWIDE AUTOMATED WELFARE SYSTEM

THIS AGREEMENT is entered into this 1st day of July, 2023 by and between the following parties: California Statewide Automated Welfare System ("CalSAWS") Consortium and the California State Association of Counties ("CSAC").

RECITALS

WHEREAS, the Consortium desires to enter into an Agreement with CSAC to provide Staff and other support resources as set forth herein to be assigned to work under the CalSAWS Executive Director's direction; and

WHEREAS, CSAC is able to provide such staff and other support resources to the Consortium in return for compensation from the Consortium as set forth herein;

WITNESSETH:

NOW, THEREFORE, the parties hereto agree as follows:

1. Definitions.

As used in this Agreement the following terms shall be ascribed the following meanings:

- a. "Consortium" -- shall mean the California Joint Powers Authority known as the CalSAWS Consortium;
- b. "County" -- shall mean one of the following fifty-eight Counties: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Orange, Placer, Plumas, Riverside, Sacramento, San Benito, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Ventura, Yolo, and Yuba.;
- c. "Board of Directors" -- shall mean the CalSAWS Board of Directors constituting representatives of a Joint Powers Authority (JPA) established for the purpose of overseeing the consolidation of the three (3) predecessor automated welfare systems (the Consortium-IV (C-IV) System, Los Angeles Replacement System (LRS), and the California Work Opportunity and Responsibility to Kids Information Network (CalWIN) System) for the purpose of implementing a single California Statewide Automated Welfare System (CalSAWS System) in all fifty-eight (58) California

counties. The JPA is a legal entity vested with the power to contract or to sue or be sued, and is vested with the powers delegated by this Agreement.

- d. "Consortium Executive Director" – shall mean the person designated by the Consortium's Board of Directors to oversee and authorize day-to-day activities.
- e. "CSAC" -- shall mean the California State Association of Counties, a nonprofit mutual benefit corporation known as "County Supervisors Association of California" with a principal office in Sacramento, California.

2. Term.

- a. The term of this agreement is for the period commencing on July 1, 2023 and ending June 30, 2028; provided that termination of this Agreement shall be carried out as provided in Section 10.

3. The CalSAWS Staff. CSAC shall employ qualified individuals ("Employee(s)") who shall be assigned to work under the Consortium Executive Director as delegated by the Board of Directors. The Consortium Executive Director, or designee, shall have sole responsibility for directing and managing the Employee(s) in the performance of the following:

- a. Day-to-day evaluation of data processing contractors (quality, costs, and trends);
- b. Monitoring/scheduling system and data processing contractor performance problem resolution;
- c. Establish and maintain an ongoing working relationship with relevant State agencies, including monitoring of state and federal processing and review of Advance Planning Documents and feasibility studies;
- d. Maintain records for the CalSAWS Staff contract activities including county billings and payments;
- e. Contract (i.e. prepare request for proposals, evaluation of applicants, and negotiate contract and present to the Consortium for execution) for an annual audit of cash receipts and disbursements to the data processing contractor when directed to do so by the Consortium Executive Director;
- f. Undertake special studies and analysis as requested by the Consortium Executive Director;
- g. Provide staff support to facilitate operational meetings and facilitate communications between the counties and other CalSAWS stakeholders;

- h. In conjunction with the Consortium, administer contracts, RFP evaluation, contract negotiation process and project management as directed by the Consortium Executive Director;
 - i. Evaluate and propose opportunities for cost savings and/or system improvements for review;
 - j. Monitor communications and policy development for CalSAWS impacts and bring potential impacts to the attention of the Board of Directors and other stakeholders as appropriate;
 - k. Support development and execution of the Consortium's strategic plans, to be updated as directed by the Consortium Executive Director to reflect accomplishments, changes in needs and priorities; and
 - l. Other duties as prescribed by the Consortium Executive Director.
4. Employment Relationship. The Employee(s) shall be CSAC Employee(s) and, except as expressly provided herein, shall be subject to all standard CSAC employment policies, procedures and practices.

Selection of the Employee(s) will be the sole responsibility of the Consortium. The Consortium Executive Director, or designee, shall be solely responsible for directing and managing the Employee(s) in the performance of duties. In particular, the Consortium shall have total control, responsibility and discretion over the Employee(s) day-to-day duties, including but not limited to direction and supervision of the scope and content of the Employee(s) work, work schedule and travel; provided, however, that such control, responsibility and discretion shall be exercised in a manner consistent with CSAC's employment policies and procedures and with all applicable federal and state labor laws.

The Employee(s) shall be "at-will" Employee(s). By virtue of this Agreement, CSAC delegates to the Consortium the authority to terminate the Employee(s) employment at any time, with or without cause.

Nothing in this Agreement is intended to imply a contractual relationship between the Employee(s) and CSAC, nor shall the Employee(s) be considered a third-party beneficiary of this Agreement.

5. Employee(s) Salary, Benefits, Vacation, Sick Leave and Severance Pay. The Consortium Executive Director shall set the salaries for the Employee(s) and any subsequent increases thereto. Except as otherwise agreed to in a separate written agreement, the Employee(s) shall participate in all standard CSAC employment welfare and fringe benefit plans and programs as they currently exist and are documented in the current CSAC Employee(s) Handbook and as they may from time to time be modified or changed, including but not limited to retirement, health and other medical, and life insurance.

The Employee(s) shall accrue vacation and sick leave in accordance with CSAC policy. For purposes of administering leave rights and benefits, CSAC shall be considered the primary employer within the meaning of 29 C.F.R. section 825.106, subdivision (c).

The Consortium shall reimburse CSAC for amounts paid for salary and benefits as provided in Section 8.

6. Other Support Services. CSAC shall reimburse Employee(s) for all travel and other miscellaneous expenses incurred by the Employee(s); upon submission of an expense report approved by the Consortium Executive Director or authorized representative. The Consortium shall reimburse CSAC for such costs in accordance with Section 8.
7. CSAC Compensation. In consideration for all services provided by CSAC under paragraphs 5 and 6 of this Agreement, and except as otherwise noted, the Consortium shall pay to CSAC a maximum compensation as noted in Section 8, Table I. Total compensation for administrative costs shall be 5% of the actual payroll, including salaries and benefits, travel, and other related miscellaneous expenses of CalSAWS CSAC Employees for Fiscal Year (FY) 2023-24 and 7% of the actual payroll, including salaries and benefits, travel, and other related miscellaneous expenses of CalSAWS CSAC Employees as of July 1, 2024 as included in Table I. The Consortium shall also pay to CSAC \$475 per County per year in effect for the cost of naming each County as an additional insured on CSAC's insurance, also included in Section 8, Table I.
8. Payments. The Consortium desires to send funds to CSAC to hold in trust for the costs described in Sections 5, 6 and 7. These funds will be provided to CSAC based on the estimated annual costs set forth in Table I below. CSAC will invoice the Consortium for the costs described in Section 5, 6 and 7 on a monthly basis. The Consortium will pay invoices within thirty (30) days and may direct that the invoices be paid from the Consortium funds held in trust.

Table I

Cost Category	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28	Total
Personnel Salary & Benefits	\$4,435,292	\$4,622,420	\$4,818,698	\$5,022,649	\$5,234,562	\$24,133,621
Travel	\$288,000	\$222,000	\$222,000	\$222,000	\$222,000	\$1,176,000
Miscellaneous (Meeting Support/Domain Registration)	\$16,920	\$16,920	\$16,920	\$16,920	\$16,920	\$84,600
Administrative Overhead and Fees	\$237,011	\$340,294	\$354,033	\$368,310	\$383,144	\$1,682,792.00
Total	\$4,977,223	\$5,201,634	\$5,411,651	\$5,629,879	\$5,856,626	\$27,077,013

In the event this Agreement is terminated in advance of the conclusion of its term, CSAC

shall reimburse to the Consortium the unexpended and unencumbered balance held by CSAC.

9. Post-Termination Expenses - Unemployment and Workers' Compensation Insurance. The Consortium acknowledge that CSAC, in accordance with California law, is self-insured for unemployment compensation purposes, and that CSAC carries independent insurance to cover its workers' compensation liability. Consortium agrees to reimburse CSAC for any additional unemployment and workers' compensation costs incurred by CSAC in connection with or as a result of the Employee(s) under this agreement, as included in the maximum compensation in Section 8, Table I. These costs include, but are not limited to, any payments CSAC is required to make to the California Employment Development Department by reason of any claim for unemployment benefits filed by the Employee(s). This obligation to reimburse such costs shall extend beyond the termination of this Agreement and shall continue until CSAC is paid in full for all such costs.
10. Termination of Agreement.
 - a. This Agreement is effective contingent upon availability of funds and shall terminate as provided in Section 2. Additionally, the Consortium and/or CSAC may terminate this Agreement and/or may terminate payments to or on behalf of the Employee(s) as provided herein at such time as there are insufficient funds available for such payments. Before terminating the Agreement under this section, CSAC will give written notice that there are insufficient funds to cover payments due and Consortium shall have 30 days from date of notice to cure such default. CSAC's waiver or non-enforcement of this provision at any time shall not be deemed a waiver of CSAC's rights to enforce this provision as CSAC deems appropriate.
 - b. This Agreement may be terminated at any time without cause by the Consortium, upon service of sixty (60) days advance written notice upon CSAC. This Agreement may be terminated at any time without cause by CSAC by serving sixty (60) days advance written notice upon the Consortium. In case of such early termination, CSAC shall be paid for services satisfactorily performed up until the date of termination as specified in the notice unless CSAC is in default of this Agreement.
 - c. A termination of this Agreement shall effect a termination of the Employee(s)' employment with CSAC and the Consortium shall pay in equal parts any costs associated therewith, including but not limited to any unemployment costs as provided in Section 8. If any such costs are paid or incurred by CSAC, the Consortium shall reimburse CSAC for such costs in accordance with Section 8.
11. Records, Reports and Documentation. CSAC shall maintain complete and accurate records of its operation as it pertains to this Agreement. The Board of Directors shall have the right to review any records that pertain to this Agreement. All records, reports and documentation shall be retained by CSAC for three (3) years after termination of this Agreement. CSAC shall provide the Board of Directors with a monthly statement of account.

12. Insurance. Throughout the term of this Agreement, CSAC shall maintain in full force and effect comprehensive general liability insurance coverage for bodily and personal injuries, and comprehensive automobile liability insurance, including owned and non-owned automobile coverage, covering bodily injury and property damage. CSAC will maintain either an umbrella or excess policy of at least \$1,000,000 each occurrence. CSAC shall maintain in full force and effect Employer's Liability Insurance coverage in an amount not less than \$1,000,000 per occurrence. Such insurance policies shall name each County, their officers, agents, and Employee(s), individually and collectively, as additional insured. Such coverage for additional insured shall apply as primary insurance for covering the acts of the Employee(s). This insurance shall not be canceled or materially changed without thirty (30) days advance, written notice to the Board of Directors.

Prior to commencement of this Agreement, CSAC shall provide on an Accord form naming the Consortium as an additional insured. The certificate of insurance shall certify that the liability insurance coverage as required herein has been obtained and is in full force; and that such insurance coverage shall not be canceled or materially changed without thirty (30) days advance, written notice to the Board of Directors.

Employees who use their personal vehicles to transport other Employees in the performance of work encompassed by this Agreement shall provide to the Consortium Executive Director, or his/her designee, proof that the Employee possesses a valid California driver's license and possesses automobile insurance as required under California law.

Throughout the term of this Agreement, CSAC shall maintain in full force and effect a policy of Statutory Workers' Compensation Insurance including broad form all-states coverage, covering the Employee(s).

All required insurance shall be provided by a company rated "AV" or better according to the Best Key Rating guide.

13. Independent Contractor Status. In performance of the work, duties and obligations assumed by CSAC under this Agreement, it is mutually understood and agreed that CSAC, including any and all of CSAC's officers, agents and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the Consortium. However, Consortium shall retain the right to administer this Agreement so as to verify that CSAC is performing its obligations in accordance with the terms and conditions thereof. CSAC and Entities shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, CSAC shall have absolutely no right to employment rights and benefits available to County employees. CSAC shall be solely liable and responsible for providing to, or on behalf of, its Employees all legally-required Employee benefits. In addition, CSAC shall be solely responsible and save Consortium harmless from all matters relating to payment of CSAC's Employees, including compliance with Social Security, withholding and all other regulations governing such matters. It is

acknowledged that during the term of this Agreement, CSAC may be providing services to others unrelated to the Consortium or to this Agreement. In performance of this Agreement, CSAC, its agents and Employees, shall act in an independent capacity and not as officers, employees, or agents of the Board of Directors, the Consortium, or the State of California.

14. Indemnification. In consideration of CSAC's promise to delegate to the Board of Directors the sole responsibility for selecting, directing and managing the Employee(s), the Consortium agree to indemnify, defend and hold harmless CSAC, its officers, directors, Employees and agents from and against all claims, liability, losses, damages, judgments, demands, or expenses arising from or in connection with the Employee(s)' performance under the terms of this Agreement or with the employment of the Employee(s), except such claims which are shown to arise from the negligence or willful default of CSAC in the performance of its duties and obligations provided herein or as to those matters for which CSAC is responsible as a matter of law as the Employee(s)' primary employer. CSAC's rights under this indemnification provision shall remain enforceable after the termination of this Agreement and for so long as CSAC may be subject to liability arising from or in connection with this Agreement. CSAC agrees to exonerate, indemnify, defend and hold harmless the Consortium and it's member Counties, (including without limitation each County's officers, agents, Employees, volunteers, and elected and appointed officials, and those special districts and agencies which County's Board of Supervisors acts as the governing Board), from and against all claims, liability, losses, damages, judgments, demands or expenses arising from or in connection with CSAC's performance under the terms of this Agreement.
15. Confidentiality. All services performed by CSAC under this Agreement shall be in strict conformance with all applicable federal, State of California and/or local laws and regulations relating to confidentiality. The Board of Directors agrees to require Employee(s) to comply with the provisions of Sections 10850, 14100.2, and 17006 of the Welfare and Institutions Code, and to execute individual Privacy and Security Agreements (PSAs) as the Consortium, in its sole discretion, deems necessary. The cited code sections provide that:
 - a. All applications and records concerning any individual made or kept by any public officer or agency in connection with the administration of any provision of the Welfare and Institutions Code relating to Medicaid or any form of public social services for which grants-in-aid are received by the State of California from the United States government shall be confidential, and shall not be open to examination for any purpose not directly connected with the administration of such public social services.
 - b. No person shall publish, disclose or use or permit or cause to be published or disclosed any list of persons receiving public social services, except as is provided by law.
 - c. No person shall publish, disclose, or use or permit or cause to be published, disclosed or used any confidential information pertaining to an applicant or recipient, except as is provided by law.

The Board of Directors shall inform all Employees, agents and officers of the above provisions and that any person knowingly and intentionally violating such provisions is guilty of a misdemeanor.

16. Nondiscrimination.

- a. CSAC shall not employ any unlawful discriminatory practices in the assignment of accommodations, treatment, evaluation, employment of personnel, or in any other respect on the basis of race, color, gender, religion, marital status, national origin, age, sexual orientation, or mental or physical handicap, in accordance with the requirements of applicable federal or state Law.
- b. During the performance of this contract, CSAC, shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or veteran or military status. CSAC shall comply with the provisions of the Americans with Disabilities Act of 1990, the Fair Employment and Housing Act (Government Code, section 12900, et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.). CSAC shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, section 12990, set forth in Chapter 5, Division 4.1 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. CSAC shall give written notice of its obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- c. CSAC shall comply with the provisions of section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in all federally assisted programs or activities, as detailed in regulations signed by the Secretary of Health and Welfare Agency, effective June 2, 1977, and found in the Federal Register, Volume 42, No. 86, dated May 4, 1977.

17. Enforceability. This Agreement shall be governed by and construed according to the laws of the State of California. Any legal action to enforce this Agreement shall be brought in Sacramento County, California.

18. Board of Directors Representative. Except as may be specified otherwise in this Agreement, the Executive Director shall represent the Board of Directors in all matters under this Agreement.

19. Notices. Any notice required or permitted to be given under Agreement or pursuant to law shall be considered given when sent, provided such notice is sent by United States mail,

postage prepaid, addressed to the parties as designated below or as otherwise noticed by the parties:

a. The Board of Directors: John Boule, Consortium Executive Director
CalSAWS
11290 Pyrites Way, Suite 150
Rancho Cordova, CA 95670

b. CSAC: Chastity Benson
Chief Operating Officer
California State Association of Counties
1100 K Street, Suite 101
Sacramento, CA 95814

20. Entire Agreement. This Agreement contains the entire agreement and understanding between the parties hereto and supersedes any prior or contemporaneous written or oral agreements between them respecting the subject matter of this Agreement.
21. Amendment of Agreement. This Agreement shall be amended only by a written instrument signed by all of the parties hereto.
22. Dispute Resolution.
- a. The Parties to this Agreement agree to act immediately to mutually resolve any disputes that may arise with respect to this Agreement. The Parties agree that time is of the essence in the resolution of disputes.
- b. In the event of any dispute between the Parties with respect to this Agreement, the Consortium and CSAC shall first attempt to resolve that dispute through discussion between the Consortium's Executive Director, or his/her designee, and CSAC's Executive Director, or his/her designee. If the dispute cannot be resolved through these discussions within a reasonable time not to exceed ten (10) days from the date of submission of the dispute, then either party may initiate further dispute resolution steps as provided for in this Section 22.
- c. If the Parties are unable to resolve a dispute pursuant to subparagraph (b) above, either party may submit the dispute to JAMS, or its successor, for mediation, and if the matter is not resolved through mediation, then it shall be submitted to JAMS, or its successor, for final and binding arbitration pursuant to subparagraph (d) below. Either party may commence mediation by providing to JAMS and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The Parties will cooperate with JAMS and with one another in selecting a mediator from the JAMS panel of neutrals and in scheduling the mediation proceedings. The Parties agree that they will participate in the mediation in good faith and that they will share equally in its costs.

- d. In the event that mediation is unsuccessful in resolving the dispute, either party may initiate arbitration within forty-five (45) days following the unsuccessful conclusion of the mediation by providing notice to JAMS and to the other party of their intent to submit the dispute to arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall finally be determined by arbitration in Sacramento, California before a single arbitrator mutually selected by the Parties from JAMS panel of neutrals. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the Award may be entered in the Superior Court of the State of California in and for the County of Sacramento. This clause shall not preclude either party from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

CALIFORNIA STATE ASSOCIATION OF COUNTIES

By: _____

Chastity Benson, Chief Operating Officer

CALSAWS CONSORTIUM

By: _____

Michael Sylvester, Consortium Chair

By: _____

Kronick Moskowitz Tiedemann & Girard, Consortium Legal Counsel

By: _____

John Boule, Consortium Executive Director