

AGREEMENT

THIS AGREEMENT is made and entered into this 13th day of June, 2006, by and between the COUNTY OF FRESNO, a Political Subdivision of the State of California, hereinafter referred to as "COUNTY", and **MENTAL HEALTH SYSTEMS, INC.** a California private non-profit corporation, whose address is 9465 Farnham Street, San Diego, CA 92123, hereinafter referred to as "CONTRACTOR".

WITNESSETH:

WHEREAS, COUNTY, through its Department of Behavioral (DBH), Substance Abuse Services has determined there is a need for substance abuse treatment services for adolescents incarcerated at COUNTY's Juvenile Hall; and

WHEREAS, COUNTY has determined there is a need for intensive outpatient services for adolescents upon release from Juvenile Hall; and

WHEREAS, COUNTY is authorized to contract with privately operated agencies for the provision of alcohol/drug free treatment services to Medi-Cal and non-Medi-Cal clients, pursuant to parts of Title 9 and 22 of the California Code of Regulations and the California Welfare and Institutions Code; and

WHEREAS, CONTRACTOR is willing and able to provide services required by COUNTY, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of their mutual covenants and conditions, the parties hereto agree as follows:

1. SERVICES

A. CONTRACTOR shall perform all services and fulfill all responsibilities for the provision of substance abuse treatment services, as it pertains to adolescents incarcerated at COUNTY's juvenile hall and as it pertains to outpatient drug free treatment services for adolescents in juvenile drug court, in a manner consistent with Exhibit A, which is attached hereto and incorporated herein by reference.

B. CONTRACTOR shall maintain, at CONTRACTOR's cost, a computer system compatible with COUNTY's DBH Substance Abuse Information System (SAIS) for the provision of

1 submitting information required under the terms and conditions of this Agreement. Registrations and
2 admissions must be complete within one (1) business day of entry into the program and discharges
3 within one (1) business day of program completion or dismissal.

4 C. CONTRACTOR's administrative level agency representative, who is duly
5 authorized to act on behalf of CONTRACTOR, shall attend, as determined necessary by COUNTY's
6 HSS Director, or designee regularly scheduled (monthly) Alcohol and Drug Advisory Board meetings.

7 D. CONTRACTOR shall perform substance abuse treatment services at
8 COUNTY's juvenile detention facility accordance to Exhibit B No Hostage Facility, which is attached
9 hereto and incorporated herein by reference.

10 E. CONTRACTOR shall perform its post release outpatient services at 3122 North
11 Milbrook Avenue, Suite A, Fresno, CA 93703. Addition or deletion of service sites may be made
12 with the written approval of COUNTY's DBH Director or designee. CONTRACTOR may add or
13 delete service sites with thirty (30) days advance written notice to COUNTY's DBH Director or
14 designee. It is understood that all new service sites must be licensed or certified by the State Alcohol
15 and Drug Programs (ADP) prior to being added to this Agreement and before CONTRACTOR
16 receives referrals.

17 **2. TERM**

18 This Agreement shall become effective on the 1st day of July 2006 and shall terminate
19 on the 30th day of June 2007.

20 This Agreement shall automatically be extended for two (2) additional twelve (12)
21 month periods upon the same terms and conditions herein set forth, unless written notice of non-
22 renewal is give by CONTRACTOR or COUNTY or COUNTY's DBH Director, or designee, no later
23 than sixty (60) days prior to the renewal period.

24 **3. TERMINATION**

25 A. Non-Allocation of Funds - The terms of this Agreement, and the services to be
26 provided thereunder, are contingent on the approval of funds by the appropriating government agency.
27 Should sufficient funds not be allocated, the services provided may be modified, or this Agreement
28 terminated at any time by giving CONTRACTOR thirty (30) days advance written notice.

1 B. Breach of Contract - COUNTY may immediately suspend or terminate this
2 Agreement in whole or in part, where in the determination of COUNTY there is:

- 3 1) An illegal or improper use of funds;
4 2) A failure to comply with any term of this Agreement;
5 3) A substantially incorrect or incomplete report submitted to COUNTY;
6 4) Improperly performed service.

7 In no event shall any payment by COUNTY constitute a waiver by COUNTY of
8 any breach of this Agreement or any default which may then exist on the part of CONTRACTOR.
9 Neither shall such payment impair or prejudice any remedy available to COUNTY with respect to the
10 breach or default. COUNTY shall have the right to demand of CONTRACTOR the repayment to
11 COUNTY of any funds disbursed to CONTRACTOR under this Agreement, which in the judgment of
12 COUNTY were not expended in accordance with the terms of this Agreement. CONTRACTOR shall
13 promptly refund any such funds upon demand, or at COUNTY's option, such repayment shall be
14 deducted from future payments owing to CONTRACTOR under this Agreement.

15 C. Without Cause - Under circumstances other than those set forth above, this
16 Agreement may be terminated by CONTRACTOR or COUNTY or COUNTY's DBH, or designee
17 upon the giving of sixty (60) days advance written notice of an intention to terminate.

18 4. FUNDING

19 A. Compensation - For the provision of in-custody treatment at Juvenile Hall,
20 COUNTY agrees to pay CONTRACTOR and CONTRACTOR agrees to accept Fifty Three and
21 39/100 Dollars (\$53.39) per unit slot day, for up to forty (40) slots per day serving up to sixty-five (65)
22 unduplicated adolescents and their families annually. For the provision of post release outpatient
23 services, COUNTY agrees to pay CONTRACTOR and CONTRACTOR agrees to accept Twelve and
24 50/100 Dollars (\$12.50) per unit slot day, for up to twenty (20) slots per day serving up to forty (40)
25 unduplicated adolescents and their families annually. In addition, for the provision of intensive
26 outpatient drug free substance abuse treatment services to adolescents and their families referred to
27 Juvenile Drug Court by COUNTY, COUNTY agrees to pay CONTRACTOR and CONTRACTOR
28 agrees to accept Twelve and 50/100 Dollars (\$12.50) per unit slot day, for up to thirty (30) slots per

1 day serving up to ninety (90) unduplicated adolescents and their families annually.

2 Services and funding shall be in accordance with the budget identified as Exhibit
3 C, which is attached hereto and incorporated herein by reference and made part of this Agreement. In
4 no event shall the maximum compensation for said services performed under this Agreement be in
5 excess of Four Hundred Seventy Thousand and No/100 Dollars (\$470,000.00) during each twelve (12)
6 month period of this Agreement.

7 CONTRACTOR's reimbursement for the substance abuse treatment services
8 provided under this Agreement shall be reconciled at the end of the fiscal year to reflect the lower of
9 CONTRACTOR's actual cost or contract maximum, whichever is less. Within forty-five (45) days of
10 the reconciliation by COUNTY, CONTRACTOR shall make payment to COUNTY or COUNTY
11 shall reimburse CONTRACTOR as appropriate.

12 Payment by COUNTY shall be in arrears, based on CONTRACTOR's monthly
13 invoice submitted for services provided during the preceding month, within forty-five (45) days after
14 receipt and verification of CONTRACTOR's monthly invoices and monthly Outcome Evaluation
15 reports. If CONTRACTOR should fail to comply with any provision of this Agreement, COUNTY
16 shall be relieved of its obligation to further compensation.

17 The parties hereto have agreed that the compensation budgeted herein and to be
18 paid by COUNTY pursuant to this Agreement, is based upon the amount of services represented by
19 CONTRACTOR to be provided under this Agreement. CONTRACTOR shall follow COUNTY
20 established standards for monitoring to account for variations in the provision of services represented
21 to be provided herein.

22 As determined by COUNTY, for the provision of services identified herein, if
23 there is a variance of more than five percent (5%) below or above the minimum allowable number of
24 services within a month or if there is a variance between the minimum allowable number of services
25 from that as stated herein, COUNTY's DBH Director, or designee and CONTRACTOR shall meet
26 and confer regarding the variance. If the variance is below the minimum allowable number of
27 services, COUNTY reserves the unilateral right to reduce compensation payable to reflect the actual
28 number of services, or, if the variance is above the minimum allowable number of services, COUNTY

1 reserves the unilateral right to reduce compensation payable to ensure the provision of services
2 identified herein, are provided throughout the entire period of this Agreement. If said variance
3 continues for a period of sixty (60) days, COUNTY may terminate this Agreement on thirty (30) days
4 written notice if CONTRACTOR cannot justify to the satisfaction of COUNTY's DBH Director, or
5 designee, that said variance in services or expenditures were required for the provision of substance
6 abuse prevention and treatment services, as set forth in this Agreement.

7 For services rendered herein, CONTRACTOR shall assure that an on-going
8 quality assurance component is in place and is occurring. CONTRACTOR shall assure that clinical
9 records for each participant are of such detail and length that a review of said record will verify that
10 appropriate services were provided. If the record is unclear, incomplete, and/or indicates that
11 appropriate services were not provided, COUNTY reserves the right to withhold payment for the
12 applicable unit(s) of service.

13 It is understood that all expenses incidental to CONTRACTOR's performance of
14 services under this Agreement shall be borne by CONTRACTOR. If CONTRACTOR should fail to
15 comply with any provision of this Agreement, COUNTY shall be relieved of its obligation for further
16 compensation. CONTRACTOR's and COUNTY's obligations under this section shall survive the
17 termination of this Agreement with respect to services provided during the term of this Agreement
18 without regard to the cause of termination of this Agreement.

19 B. Public Information - CONTRACTOR shall disclose its funding source in all
20 public information, however, this requirement of disclosure of funding source shall not be required in
21 spot radio or television advertising.

22 C. Lobbying Activity - CONTRACTOR shall not directly or indirectly use any of
23 the funds provided under this Agreement for publicity, lobbying, or propaganda purposes designed to
24 support or defeat legislation pending before the Congress of the United States or the Legislature of the
25 State of California.

26 D. Political Activity - CONTRACTOR shall not directly or indirectly use any of
27 the funds under this Agreement for any political activity or to further the election or defeat of any
28 candidate for public office.

1 E. Supplemental Sources - Any direct or indirect service provided by
2 CONTRACTOR as part of its overall alcohol and drug abuse program may be partially supported by
3 revenues or in-kind contributions generated by CONTRACTOR. Said direct and indirect services
4 provided under this Agreement may be partially supported by private or agency contributions.

5 It shall be the obligation of CONTRACTOR to determine and claim all revenue
6 possible from private pay sources and third party payers. CONTRACTOR shall not use any funds
7 under this Agreement to the extent that a participant is eligible for Medi-Cal reimbursement for
8 services rendered.

9 Notwithstanding the above, any revenues generated in excess of the amounts
10 budgeted in this Agreement, must be used to expand/enhance the services during the fiscal year (July
11 through June) in which those revenues were collected or in the following fiscal year (July through
12 June). Additional revenues will be considered separate and distinct from COUNTY's payment to
13 CONTRACTOR. The manner and means of service expansion/enhancement shall be subject to the
14 prior written approval of the COUNTY's DBH Director, or designee. CONTRACTOR shall disclose
15 all sources of revenue to COUNTY. Under no circumstances will COUNTY funded staff time be used
16 for fund-raising purposes.

17 **5. INVOICING**

18 CONTRACTOR shall invoice COUNTY in arrears with the County-approved format by
19 the twentieth (20th) of each month via electronic mail (Email), for actual services rendered in the
20 previous month, to:

21 sas@co.fresno.ca.us

22 Invoices shall be accompanied by the Outcome Evaluation monthly report reflecting
23 services supported by the invoiced expenditures and be in a form and in such detail as acceptable to
24 COUNTY's DBH Financial Services Officer. No reimbursement for services shall be made until the
25 invoice and the Outcome Evaluation monthly report are received, reviewed, and approved by
26 COUNTY.

27 If an invoice is incorrect or is otherwise not in proper form or substance, COUNTY shall
28 have the right to withhold payment as to only that portion of the invoice that is incorrect or improper

1 after five (5) days prior notice to CONTRACTOR. CONTRACTOR agrees to continue to provide
2 services for a period of ninety (90) days after notification of an incorrect or improper invoice. If after
3 said ninety (90) day period said invoice(s) is still not corrected to COUNTY's satisfaction, COUNTY
4 may elect to terminate this Agreement, pursuant to the termination provisions stated in Paragraph
5 Three (3) of this Agreement.

6 **6. INDEPENDENT CONTRACTOR**

7 In performance of the work, duties, and obligations assumed by CONTRACTOR under
8 this Agreement, it is mutually understood and agreed that CONTRACTOR, including any and all of
9 CONTRACTOR's officers, agents, and employees will at all times be acting and performing as an
10 independent contractor, and shall act in an independent capacity and not as an officer, agent, servant,
11 employee, joint venturer, partner, or associate of COUNTY. Furthermore, COUNTY shall have no
12 right to control or supervise or direct the manner or method by which CONTRACTOR shall perform
13 its work and function. However, COUNTY shall retain the right to administer this Agreement so as to
14 verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions
15 thereof. CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the
16 rules and regulations, if any, of governmental authorities having jurisdiction over matters which are
17 directly or indirectly the subject of this Agreement.

18 Because of its status as an independent contractor, CONTRACTOR shall have
19 absolutely no right to employment rights and benefits available to COUNTY employees.
20 CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, its employees
21 all legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and
22 save COUNTY harmless from all matters relating to payment of CONTRACTOR's employees,
23 including compliance with Social Security, withholding, and all other regulations governing such
24 matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be
25 providing services to others unrelated to COUNTY or to this Agreement.

26 **7. CONFLICT OF INTEREST**

27 No officer, agent, or employee of COUNTY who exercises any function or
28 responsibility for planning and carrying out the services provided under this Agreement shall have any

1 direct or indirect personal financial interest in this Agreement. In addition, no employee of COUNTY
2 shall be employed by CONTRACTOR to fulfill any contractual obligations with COUNTY.
3 CONTRACTOR shall comply with all Federal, State of California, and local conflict of interest laws,
4 statutes, and regulations, which shall be applicable to all parties and beneficiaries under this
5 Agreement and any officer, agent, or employee of COUNTY.

6 **8. MODIFICATION**

7 A. Any matters of this Agreement may be modified from time to time by the written
8 consent of all the parties without, in anyway, affecting the remainder.

9 B. However, minor changes to the services, set forth under Paragraph One (1) and
10 Exhibit A of this Agreement, or line item changes in the budget attached hereto as Exhibit C, may be
11 made with the mutual written approval of COUNTY's DBH Director, or designee and
12 CONTRACTOR. Minor changes or modifications approved by COUNTY's DBH Director or
13 designee may include, but are not limited to minor changes that will not significantly alter the services
14 identified in Paragraph One (1), Exhibit A, and changes in addresses to which notices or invoices are
15 to be sent. Any minor changes or modifications to services approved by COUNTY's DBH Director or
16 designee shall not result in any change to the maximum compensation as stated herein. Line item
17 changes to Exhibit C which may reduce the maximum compensation amount payable under this
18 Agreement may be approved by COUNTY's DBH Director or designee. Line item changes to Exhibit
19 C shall not result in an increase in the maximum compensation as stated herein.

20 C. CONTRACTOR hereby agrees to any amendments in funding to reflect a
21 reduction in funds from State of California and Federal sources. In addition, this Agreement is subject
22 to any restrictions, limitations, or enactments of all legislative bodies which affect the provisions,
23 term, or funding of this Agreement in any manner.

24 **9. NON-ASSIGNMENT**

25 Neither party shall assign or transfer this Agreement nor their rights or duties under this
26 Agreement without the prior written consent of the other party.

27 **10. HOLD HARMLESS**

28 CONTRACTOR agrees to indemnify, save, hold harmless, and at COUNTY's request,

1 defend COUNTY, its officers, agents and employees from any and all costs and expenses, including
2 attorney fees and court costs, damages, liabilities, claims and losses occurring or resulting to
3 COUNTY in connection with the performance, or failure to perform, by CONTRACTOR, its officers,
4 agents or employees under this Agreement, and from any and all costs and expenses, including
5 attorney fees and court costs, damages, liabilities, claims and losses occurring or resulting to any
6 person, firm or corporation who may be injured or damaged by the performance, or failure to perform,
7 of CONTRACTOR, its officers, agents or employees under this Agreement.

8 In addition, CONTRACTOR agrees to indemnify COUNTY for Federal, State of California and/or
9 local audit exceptions resulting from noncompliance herein on the part of CONTRACTOR.

10 **11. INSURANCE**

11 Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR
12 or any third parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect the
13 following insurance policies throughout the term of this Agreement:

14 A. Commercial General Liability

15 Commercial General Liability Insurance with limits of not less than One Million
16 Dollars (\$1,000,000) per occurrence and an annual aggregate of Two Million
17 Dollars (\$2,000,000). This policy shall be issued on a per occurrence basis.
18 COUNTY may require specific coverage including completed operations,
19 product liability, contractual liability, Explosion, Collapse, and Underground
(XCU), fire legal liability or any other liability insurance deemed necessary
because of the nature of the Agreement.

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21 B. Automobile Liability

22 Comprehensive Automobile Liability Insurance with limits for bodily injury of
23 not less than Two Hundred Fifty Thousand Dollars (\$250,000) per person, Five
24 Hundred Thousand Dollars (\$500,000) per accident and for property damages of
25 not less than Fifty Thousand Dollars (\$50,000), or such coverage with a
26 combined single limit of Five Hundred Thousand Dollars (\$500,000). Coverage
should include owned and non-owned vehicles used in connection with this
27 Agreement.

28 C. Professional Liability

If CONTRACTOR employs licensed professional staff (e.g. Ph.D., R.N.,

1 L.C.S.W., M.F.T.) in providing services, Professional Liability Insurance with
2 limits of not less than One Million Dollars (\$1,000,000) per occurrence, Three
3 Million Dollars (\$3,000,000) annual aggregate.

4 D. Worker's Compensation

5 A policy of Worker's Compensation Insurance as may be required by the
6 California Labor Code.

7 CONTRACTOR shall obtain endorsements to the Commercial General Liability
8 insurance naming the County of Fresno, its officers, agents, and employees, individually and
9 collectively, as additional insured, but only insofar as the operations under this Agreement are
10 concerned. Such coverage for additional insured shall apply as primary insurance and any other
11 insurance, or self-insurance, maintained by the COUNTY, its officers, agents and employees shall be
12 excess only and not contributing with insurance provided under the CONTRACTOR's policies herein.
13 This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance
14 written notice given to COUNTY.

15 Within thirty (30) days from the date CONTRACTOR signs this Agreement,
16 CONTRACTOR shall provide certificates of insurance and endorsements as stated above for all of the
17 foregoing policies, as required herein, to the County of Fresno, 515 South Cedar Avenue, Fresno,
18 California, 93702, Attention: Principal Staff Analyst, stating that such insurance coverages have been
19 obtained and are in full force; that the County of Fresno, its officers, agents and employees will not be
20 responsible for any premiums on the policies; that such Commercial General Liability insurance
21 names the County of Fresno, its officers, agents and employees, individually and collectively, as
22 additional insured, but only insofar as the operations under this Agreement are concerned; that such
23 coverage for additional insured shall apply as primary insurance and any other insurance, or self-
24 insurance, maintained by the COUNTY, its officers, agents and employees, shall be excess only and
25 not contributing with insurance provided under the CONTRACTOR's policies herein; and that this
26 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written
27 notice given to COUNTY.

28 In the event CONTRACTOR fails to keep in effect at all times insurance coverage as

1 herein provided, the COUNTY may, in addition to other remedies it may have, suspend or terminate
2 this Agreement upon the occurrence of such event.

3 All policies shall be with admitted insurers licensed to do business in the State of
4 California. Insurance purchased shall be from companies possessing a current A.M. Best, Inc. rating
5 of A FSC VII or better.

6 **12. RECORDS**

7 A. Record Establishment and Maintenance - CONTRACTOR shall establish and
8 maintain records in accordance with those requirements prescribed by COUNTY with respect to all
9 matters covered by this Agreement. Records of unemancipated minors shall be retained at least one
10 (1) year after such minor has reached the age of eighteen (18) years and in any case not less than the
11 retention requirement for other records. Except as otherwise authorized by COUNTY,
12 CONTRACTOR shall retain all other records for a period of five (5) years after receiving the final
13 payment under this Agreement or the earlier termination of this Agreement, or until State of California
14 and/or Federal audit findings applicable to such services are resolved, whichever is later.

15 B. Documentation - CONTRACTOR shall maintain a complete daily census of all
16 clients served, data collection and all statistical information required by COUNTY's DBH Director, or
17 designee, the California Department of Alcohol and Drug Programs. CONTRACTOR shall maintain
18 adequate records on each individual client which shall include diagnostic studies, individual treatment
19 plan, and records of services provided by the various program staff in sufficient detail to make
20 possible an evaluation of services, and contain all the data necessary in reporting to the State of
21 California, including records of client interviews and progress notes. All client records shall be
22 maintained pursuant to applicable State of California and Federal requirements concerning
23 confidentiality.

24 C. Reports - CONTRACTOR shall submit to COUNTY monthly fiscal and
25 Outcome Evaluation reports within twenty (20) days of the end of each month. CONTRACTOR shall
26 submit a complete and accurate year-end cost report for each fiscal year (July through June) affected
27 by this Agreement, no later than forty-five (45) days following the end of each fiscal year affected by
28 this Agreement. If the cost report indicates an amount due COUNTY, CONTRACTOR shall submit

1 payment with the report. If an amount is due CONTRACTOR, COUNTY shall reimburse
2 CONTRACTOR within forty-five (45) days of receiving and accepting the year-end cost report.
3 CONTRACTOR shall also furnish to COUNTY such statements, records, reports, data, and
4 information as COUNTY may request pertaining to matters covered by this Agreement. All reports
5 submitted by CONTRACTOR to COUNTY must be typewritten. CONTRACTOR shall also submit
6 the monthly Outcome Evaluation reports detailing outcomes accomplished during the subsequent
7 reporting period, and problems, existing or anticipated, which should be brought to the attention of
8 COUNTY. Monthly Outcome Evaluation reports shall be submitted with monthly invoices, via
9 electronic mail to:

10 sas@co.fresno.ca.us

11 D. Suspension of Compensation - In the event that CONTRACTOR fails to
12 provide reports specified in this Agreement, it shall be deemed sufficient cause for COUNTY to
13 withhold payments until there is compliance.

14 E. Client Confidentiality - CONTRACTOR shall conform to and COUNTY shall
15 monitor compliance with all State of California and Federal statutes and regulations regarding
16 confidentiality, including but not limited to confidentiality of information requirements at 42 Code of
17 Federal Regulations § 2.1 *et seq.*, Welfare and Institutions Code §§ 5328, 10850 and 14100.2, Health
18 and Safety Code §§ 11977 and 11812 Civil Code, Division 1, Part 2.6, 22 California Code of
19 Regulations § 51009.

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21 13. **SUBCONTRACTS**

22 CONTRACTOR shall be required to assume full responsibility for all services and
23 activities covered by this Agreement, whether or not CONTRACTOR is providing services directly.
24 Further, COUNTY shall consider CONTRACTOR to be the sole point of contact with regard to
25 contractual matters, including payment of any and all charges resulting from this Agreement.

26 If CONTRACTOR should propose to subcontract with one or more third parties to carry
27 out a portion of services covered by this Agreement, any such subcontract shall be in writing and
28 approved as to form and content by COUNTY's DBH Director, or designee prior to execution and

1 implementation. COUNTY's DBH Director, or designee, shall have the right to reject any such
2 proposed subcontract. Any such subcontract together with all activities by or caused by
3 CONTRACTOR shall not require compensation greater than the total budget contained herein. An
4 executed copy of any such subcontract shall be received by COUNTY before any implementation and
5 shall be retained by COUNTY. CONTRACTOR shall be responsible to COUNTY for the proper
6 performance of any subcontract. Any subcontractor shall be subject to the same terms and conditions
7 that CONTRACTOR is subject to under this Agreement.

8 It is expressly recognized that CONTRACTOR cannot engage in the practice of
9 medicine. If any medical services are to be provided in connection with the services under this
10 Agreement, such medical services shall be performed by an independent contract physician. In this
11 instance, the requirements of the Confidential Medical Information Act (Civil Code 56 *et seq.*) shall be
12 met.

13 If CONTRACTOR hires an independent contract physician, CONTRACTOR shall
14 require and ensure that such independent contract physician carries Professional Liability (Medical
15 Malpractice) Insurance, with limits of not less than One Million Dollars (\$1,000,000.00) per
16 occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

17 **14. LICENSES**

18 CONTRACTOR shall throughout the term of this Agreement, maintain all necessary
19 licenses, permits, approvals, certificates, waivers and exemptions necessary for the provision of the
20 services hereunder and required by the laws and regulations of the United States, State of California,
21 COUNTY and any other applicable governmental agencies. CONTRACTOR shall notify COUNTY
22 immediately in writing of its inability to obtain or maintain all necessary licenses, permits, approvals,
23 certificates, waivers and exemptions, irrespective of the pendency of any appeal related thereto.
24 Additionally, CONTRACTOR shall comply with all other applicable laws, rules or regulations, as any
25 may now exist or be hereafter changed.

26 **15. CONFIDENTIALITY**

27 All services performed by CONTRACTOR under this Agreement shall be in strict
28 conformance with all applicable Federal, State of California and/or local laws and regulations relating

1 to confidentiality, including but not limited to, California Civil Code section 56 *et seq.*, California
2 Welfare and Institutions Code sections 5328, 10850 and 14100.2, Health and Safety Code sections
3 11977 and 11812, 22 California Code of Regulations section 51009, and 42 Code of Federal
4 Regulations, sections 2.1 *et seq.* CONTRACTOR shall submit to COUNTY's monitoring of said
5 compliance with all State of California and Federal statutes and regulations regarding confidentiality.
6 CONTRACTOR shall ensure that no list of persons receiving services under this contract is published,
7 disclosed, or used for any other purpose except for the direct administration of the program or other
8 uses authorized by law that are not in conflict with requirements for confidentiality.

9 **16. NON-DISCRIMINATION**

10 A. Eligibility for Services - CONTRACTOR shall prepare, prominently post in its
11 facility, and make available to COUNTY's DBH Director, or designee and to the public all eligibility
12 requirements to participate in the program funded under this Agreement. CONTRACTOR shall not
13 unlawfully discriminate in the provision of services because of race, color, creed, national origin, sex,
14 age, or physical or mental disability as provided by State of California and Federal law, including Title
15 IV of the Civil Rights Act of 1964 (42 USC section 2000(d)); Age Discrimination Act of 1975 (42
16 USC section 1681); Rehabilitation Act of 1973 (29 USC section 794); Education Amendments of
17 1972 (20 USC section 1681); Americans with Disabilities Act of 1990 (42 USC section 12132); Title
18 45, Code of Federal Regulations, Part 84; provisions of the Fair Employment and Housing Act
19 (California Government Code section 12900 *et. seq.*); and regulations promulgated thereunder (Title 2,
20 CCR, section 7285.0); Title 2, Division 3, Article 9.5 of the California Government Code commencing
21 with section 11135 *et. seq.*; and Title 9, Division 4, Chapter 6 of the California Code of Regulations
22 commencing with section 10800 *et. seq.*

23 B. Equal Opportunity - CONTRACTOR shall comply with California Government
24 Code, section 12990 and California Code of Regulations, Title II, Division 4, Chapter 5, in matters
25 related to the development, implementation, and maintenance of a nondiscrimination program.
26 CONTRACTOR shall not discriminate against any employee or applicant for employment because of
27 race, religion, color, national origin, physical or mental disability, marital status, sex, or age. Such
28 practices include retirement, recruitment, advertising, hiring, layoff, termination, upgrading, demotion,

1 transfer, rates of pay or other forms of compensation, use of facilities, and other terms and conditions
2 of employment. CONTRACTOR agrees to post in conspicuous places, notices available to all
3 employees and applicants for employment setting forth the provisions of the Equal Opportunity Act
4 (42 USC section 2000(e)) in conformance with Federal Executive Order No. 11246. CONTRACTOR
5 agrees to comply with the provisions of the Rehabilitation Act of 1973 (29 USC section 794).

6 C. Suspension of Compensation - If an allegation of discrimination occurs,
7 COUNTY may withhold all further funds, until CONTRACTOR can show by clear and convincing
8 evidence to the satisfaction of COUNTY that funds provided under this Agreement were not used in
9 connection with the alleged discrimination.

10 D. Nepotism - Except by consent of COUNTY's DBH Director, or designee no
11 person shall be employed by CONTRACTOR who is related by blood or marriage to or who is a
12 member of the Board of Directors or an officer of CONTRACTOR.

13 E. New Facilities and Disability Access - New facilities shall be wheelchair
14 accessible and provide access to the disabled, consistent with Title 9, California Code of Regulations,
15 section 10820. If a new facility will be utilized, a plan ensuring accessibility to the disabled must be
16 developed. COUNTY shall assess, monitor, and document CONTRACTOR's compliance with the
17 Rehabilitation Act of 1973 and Americans with Disabilities Act of 1990 to ensure that
18 recipients/beneficiaries and intended recipients/beneficiaries of services are provided services without
19 regard to physical or mental disability and that CONTRACTOR has provided a facility accessible to
20 the physically disabled.

21 17. EVALUATION

22 COUNTY's DBH Director, or designee, shall monitor and evaluate the performance of
23 CONTRACTOR under this Agreement to determine to the best possible degree the success or failure
24 of the services provided under this Agreement. At the discretion of COUNTY, a subcontractor may be
25 obtained by COUNTY to independently evaluate and monitor the performance of CONTRACTOR.
26 CONTRACTOR shall participate in the evaluation of the program at least quarterly or more
27 frequently, or as needed, at the discretion of COUNTY. CONTRACTOR shall participate in a
28 program review of the program at least yearly or more frequently, or as needed, at the discretion of

COUNTY. CONTRACTOR agrees to supply all information requested by COUNTY and/or the subcontractor during the program evaluation, monitoring, and/or review.

18. COMPLIANCE WITH LAWS/POLICIES

CONTRACTOR shall comply with all applicable rules and regulations set forth in Titles 9 and 22 of the California Code of Regulations, and California Health and Safety Code section 11750 *et seq.* CONTRACTOR shall comply with any other Federal and State of California laws or guidelines applicable to CONTRACTOR's performance under this Agreement or any local ordinances, regulations, or policies applicable. Such provisions include, but are not restricted to:

A. CONTRACTOR agrees to limit administrative cost to a maximum of fifteen percent (15%) of the total program budget and to limit employee benefits to a maximum of twenty percent (20%) of total salaries for those employees working under this Agreement during the term of this Agreement. Failure to conform to this provision will be grounds for contract termination at the option of COUNTY.

B. CONTRACTOR shall provide that each client's ability to pay for services is determined by the use of the method approved by COUNTY.

C. CONTRACTOR shall establish and use COUNTY's approved method of determining and collecting fees from clients.

D. CONTRACTOR shall furnish client records in accordance with the applicable Federal and State of California regulations, and with the Standards for Alcohol and Drug Treatment Programs set forth by the State Department of Alcohol and Drug Programs, including in such records a treatment plan for each client, and evidence of each service rendered.

E. CONTRACTOR shall submit accurate, complete and timely claims and cost reports, reporting only allowable costs.

F. CONTRACTOR shall comply with statistical reporting and program evaluation systems as provided in State of California regulations and in this Agreement.

19. COMPLIANCE WITH STATE REQUIREMENTS

CONTRACTOR recognizes that COUNTY operates its alcohol and drug program under an agreement with the State of California Department of Alcohol and Drug Programs, and that under

1 said agreement the State of California imposes certain requirements on COUNTY and its
2 subcontractors. CONTRACTOR shall adhere to the State of California requirements identified as
3 Exhibit D, attached hereto and by this reference incorporated herein.

4 **20. COMPLIANCE WITH FEDERAL REQUIREMENTS**

5 CONTRACTOR recognizes that COUNTY operates its alcohol and drug program with
6 use of Federal funds, and that the use of these funds imposes certain requirements COUNTY and its
7 subcontractors. CONTRACTOR shall adhere to the Federal requirements identified as Exhibit E,
8 attached hereto and by this reference incorporated herein.

9 **21. PROPERTY OF COUNTY**

10 CONTRACTOR shall submit purchase invoices, for the purchase of any fixed assets,
11 with their monthly invoices. All purchases over Five Thousand and No/100 Dollars (\$5,000.00), and
12 certain purchases under Five Thousand and No/100 Dollars (\$5,000.00) such as fans, calculators,
13 cameras, VCRs, DVDs and other sensitive items as determined by COUNTY's DBH Director, or
14 designee, made during the life of this Agreement shall be identified as fixed assets with an assigned
15 COUNTY Accounting Inventory Number. These fixed assets shall be retained by COUNTY, as
16 COUNTY property, in the event this Agreement is terminated or upon expiration of this Agreement.
17 CONTRACTOR agrees to participate in an annual inventory of all COUNTY fixed assets and shall be
18 physically present when fixed assets are returned to COUNTY's possession at the termination or
19 expiration of this Agreement. CONTRACTOR is responsible for returning to COUNTY all
20 COUNTY owned fixed assets, or the monetary value of said fixed assets if unable to produce the fixed
21 assets at the expiration or termination of this Agreement.

22 **22. DRUG-FREE WORKPLACE**

23 CONTRACTOR shall comply with the requirements of the Drug-Free Work Place Act
24 of 1990 (California Government Code section 8350 *et. seq.*).

25 **23. CONTROL REQUIREMENTS**

26 Performance under this Agreement is subject to all applicable Federal and State of
27 California laws, regulations and standards. In accepting the State of California drug and alcohol
28 combined program allocation pursuant to California Health and Safety Code section 11757,

1 CONTRACTOR shall establish written accounting procedures consistent with applicable Federal and
2 State of California laws, regulations and standards, and shall be held accountable for audit exceptions
3 taken by the State of California or COUNTY for failure to comply with these requirements. These
4 requirements include, but may not be limited to, those set forth in Exhibit C and Exhibit D to this
5 Agreement, and:

- 6 A. California Health and Safety Code, Division 10.5
- 7 B. Title 9, California Code of Regulations (CCR), Division 4
- 8 C. California Government Code, Article 1.7, Chapter 2, Part 2, Division 4, Title 2,
9 commencing at section 16366.1
- 10 D. California Government Code, Article 7, Chapter 1, Part 1, Division 2, Title 5,
11 commencing at section 53130
- 12 E. Title 42, United States Code (USC), section 300x-5
- 13 F. Public Law 102-321 (Title 42, USC commencing at section 101)
- 14 G. Single Audit Act of 1984 (Public Law 98-502) and the Single Audit Act
15 Amendments of 1996 (Public Law 104-156) and corresponding OMB Circular A-133 (Revised June
16 30, 1997)
- 17 H. Title 45 Code of Federal Regulations (CFR), Part 96, Subparts B, C, and L
- 18 I. Title 21, Code of Federal Regulations (CFR), Part 291
- 19 J. Title 21, Code of Federal Regulations (CFR), Part 1300

20 CONTRACTOR shall submit, if applicable, a copy of its single audit report and
21 management letter, performed in accordance to the Single Audit Act of 1984 (31 USC section 7502)
22 and subject to the terms of OMB A-133 to the County of Fresno. A single audit report is not
23 applicable if all CONTRACTOR's Federal contracts do not exceed Five Hundred Thousand and
24 No/100 Dollars (\$500,000.00) or CONTRACTOR's only funding is through Drug related Medi-Cal.
25 If a single audit is not applicable, a program audit must be performed and a program audit report with
26 management letter will be required to be submitted. Such audit report shall be delivered to
27 COUNTY's Human Services Finance Office for review no later than nine (9) months after the close of
28 the subrecipient's fiscal year in which the funds supplied through this Agreement are expended.

1 Failure to comply with this Act may result in COUNTY performing the necessary audit tasks or
2 contracting with a qualified accountant to perform this audit. All audit costs related to this Agreement
3 are the sole responsibility of CONTRACTOR who agrees to take corrective action to eliminate any
4 material noncompliance or weakness found as a result of such audit. Audit work performed by
5 COUNTY under this paragraph shall be billed to CONTRACTOR at COUNTY cost as determined by
6 COUNTY's Auditor-Controller/Treasurer-Tax Collector. To maintain the integrity of the audits,
7 CONTRACTOR is required to change their auditor (Certified Public Accountant) at least every three
8 (3) years.

9 **24. CHILD ABUSE REPORTING**

10 CONTRACTOR shall utilize a procedure acceptable to COUNTY to ensure that all of
11 CONTRACTOR's employees, volunteers, consultants, subcontractors or agents performing services
12 under this Agreement shall report all known or suspected child abuse or neglect to one or more of the
13 agencies set forth in Penal Code section 11165.9. This procedure shall include having all of
14 CONTRACTOR's employees, volunteers, consultants, subcontractors or agents performing services
15 under this Agreement sign a statement that he or she knows of and will comply with the reporting
16 requirements set forth in Penal Code section 11166. The statement to be utilized by CONTRACTOR
17 is set forth in Exhibit F, Notice of Child Abuse Reporting Law, attached hereto and by this reference
18 incorporated herein.

19 **25. AUDITS AND INSPECTIONS**

20 CONTRACTOR shall at any time during business hours, and as often as COUNTY may
21 deem necessary, make available to COUNTY for examination all of its records and data with respect
22 to the matters covered by this Agreement. CONTRACTOR shall, upon request by COUNTY, permit
23 COUNTY to audit and inspect all such records and data necessary to ensure CONTRACTOR's
24 compliance with the terms of this Agreement. CONTRACTOR agrees that COUNTY shall have the
25 right to review, obtain, and copy all records pertaining to the performance of this Agreement.
26 CONTRACTOR agrees to provide COUNTY with any and all relevant information required.

27 If this Agreement exceeds Ten Thousand and No/100 Dollars (\$10,000.00),
28 CONTRACTOR shall be subject to the examination and audit of the State Auditor General for a

1 period of three (3) years after final payment under contract (California Government Code section
2 8546.7).

3 Notwithstanding the term provisions stated in Paragraph Two (2) of this Agreement, it is
4 acknowledged by the parties hereto that this Agreement shall continue in full force and effect until all
5 audit procedures and requirements as stated in this Agreement have been completed to the review and
6 satisfaction of COUNTY. CONTRACTOR shall bear all costs in connection with or resulting from
7 any audit and/or inspections including, but not limited to, actual costs incurred and the payment of any
8 expenditures disallowed by either COUNTY, State of California or Federal governmental entities,
9 including any assessed interest and penalties.

10 **26. NOTICES**

11 The persons having authority to give and receive notices under this Agreement and their
12 addresses include the following:

13 **COUNTY**

14 Director, Fresno County
15 Department of Behavioral Health
16 4441 E. Kings Canyon Road
Fresno, CA 93702

CONTRACTOR

Executive Director
Mental Health Systems, Inc.
9465 Farnham Street
San Diego, CA 92123

17 Any and all notices between COUNTY and CONTRACTOR provided for or permitted
18 under this Agreement, or by law, shall be in writing and shall be deemed duly served when personally
19 delivered to one of the parties, or in lieu of such personal service, when deposited in the United States
20 Mail, postage prepaid, addressed to such party. Within fourteen (14) days of any change in
21 administrative and/or management staff positions including, but not limited to changes to, the Board
22 of Directors, Executive Director, Clinical Director, Program Manager and/or Program Coordinators,
23 CONTRACTOR shall notify COUNTY in writing of that change.

24 **27. GOVERNING LAW**

25 The parties agree, that for the purposes of venue, performance under this Agreement is
26 to be in Fresno County, California.

27 The rights and obligations of the parties and all interpretation and performance of this
28 Agreement shall be governed in all respects by the laws of the State of California.

1 **28. ENTIRE AGREEMENT**

2 This Agreement, including all Exhibits, constitutes the entire agreement between
3 CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes all previous
4 agreement negotiations, proposals, commitments, writings, advertisements, publications, and
5 understandings of any nature whatsoever unless expressly included in this Agreement.

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1 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of
2 the day and year first hereinabove written.

3 ATTEST:

4 **CONTRACTOR:**
5 **MENTAL HEALTH SYSTEM, INC.**

COUNTY OF FRESNO

6
7 By Bill Eastwood

By Philip Larson
Chairman, Board of Supervisors

8
9 Print Name: Bill Eastwood

10 Title: Executive Director
11 Chairman of the Board, or
12 President, or any Vice President

Date: JUN 13 2006

13 Date: May 9, 2006

BERNICE E. SEIDEL, Clerk
Board of Supervisors

14 By M. Hawkey

15
16 Print Name: Michael Hawkey

By Janice Flores

17 Title: Chief Financial Officer
18 Secretary (of Corporation), or
19 any Assistant Secretary, or
20 Chief Financial Officer, or
21 any Assistant Treasurer

Date: JUN 13 2006

22 Date: May 9, 2006

**PLEASE SEE ADDITIONAL
SIGNATURE PAGE ATTACHED**

23 Tax I.D. No.: 95-3302967

24 Mailing Address:

25 9465 Farnham Street
26 San Diego, CA 92123
27 Phone No.: (858) 573-2600
28 Contact: Executive Director

1 APPROVED AS TO LEGAL FORM:
2 DENNIS A. MARSHALL, COUNTY COUNSEL

3
4 By A. Wille

Date: 5/19/06

5 APPROVED AS TO ACCOUNTING FORM:
6 VICKI CROW, C.P.A., AUDITOR-CONTROLLER/
7 TREASURER-TAX COLLECTOR

8
9 By V. Crow

Date: 5/23/06

10 REVIEWED AND RECOMMENDED FOR
11 APPROVAL:

12
13 By G. T. Nguyen
14 Giang T. Nguyen, RN, MSN, Director
15 Department of Behavioral Health

Date: 17 May 2006

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20 Fund/Subclass: 0001/10000
21 Organization: 56022081 (\$470,000)
22 Account/Program: 7294/0

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26 mas
27 1259adx
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MENTAL HEALTH SYSTEMS, (MHS) JUVENILE JUSTICE SERVICES

1. **Juvenile Drug Court:** In addition to the program components described in item 4 of this section, the Juvenile Drug Court Outpatient Drug-Free program will include:

- Treatment plans that comply with Title 22.
- Family counseling/psycho-educational groups on a bi-weekly basis.
- Parent Advisory Group. Effective programs have strong parent involvement which support other parents and youth in their recovery.
- Education and prevention classes utilizing "Youth Cannabis Project" and EMPACT" curricula.
- Groups will comply with Title 22 participant standards, 4 minimum and 10 maximum.
- Co-location with the MHS Family and Youth Alternatives allows access to services for co-occurring disorders for eligible youth and their families.
- Volunteer Services: MHS believes that adolescents can benefit greatly by participating in voluntary services as an integral part of treatment goals. These activities result in youth experiencing the feelings of contributing to their community.

2. **In-custody treatment** services will include all services shown in item 4 in this section, as well as a full range of additional, high-intensity treatment and support services, integrated into a comprehensive continuum of care. The proposed services described below, designed specifically for adolescents in the Substance Abuse Unit in Juvenile Hall, are based on the multi-faceted nature of serious substance abuse issues.

A significant challenge for clients participating in an in-custody program is the eventual need to transition back into the community. Moving from a highly structured, secure setting like Juvenile Hall to an environment that supports addiction and delinquent behavior can be stressful and highly problematic. Many times youths return to homes in which family members are engaged in behaviors that the youth is trying to avoid, or to gang activities that do not foster newly developing healthy, crime-free lifestyles.

MHS believes that discharge planning begins at admission. To help assure post-release stability, in-custody treatment services are designed to help adolescents build and internalize skill sets that will sustain their commitment to sobriety during and after the transition phase. MHS will address this concept through a variety of services, program structure and proven interventions:

- **Therapeutic Community (TC):** True recovery is a **process** that occurs within a "healing community". This approach puts participants in a setting that teaches, rewards, and reinforces the

pro-social skills and attitudes necessary for successful reintegration into society. It also addresses negative attitudes and behaviors by a series of interventions, learning experiences and possible disciplinary measures including temporary exclusion from the community, depending on the severity of the conduct. The SAU in-custody program will combine strong and intensive treatment with the tools of the TC to affect cognitive, emotional, and behavioral restructuring of participating adolescents. Only by such a complete restructuring of beliefs, attitudes, and behaviors will it be possible to avoid relapse and recidivism.

MHS combines the most effective aspects of a Therapeutic Community with a curriculum proven effective with incarcerated substance abusers. MHS has been providing “coerced” and “voluntary” treatment to offenders for more than a decade. That experience demonstrates that this approach to in-custody treatment is effective. However, regardless of the technique used in any substance abuse program, there needs to be a *genuine and empathic* treatment and recovery environment...*even if that environment occurs in custody.*

Most incarcerated youth have only known negative relationships. There are countless examples of youths who will join a gang rather than feel as if they don't belong. Others are involved in abusive relationships in order to feel “in control.” These facts are fundamentally important in a therapeutic community because most adolescents entering the program will have had many negative influences and relationships, but few, if any, positive or healthy relationships. Thus, they will have belonged only to negative communities, such as gangs, and social circles where crime and drug abuse were the norm. The primary function of a therapeutic community is to change these past behaviors by teaching participants to identify, build, and maintain healthy, positive relationships.

Community is what helps engage the participant from intake through release, and provides the motivation to be successful. Both individually, and as a group, empowerment is learned through changing one's thinking from anti-social to pro-social; by changing self-destructive thoughts and behaviors into constructive and responsible behaviors; and by converting self-pity and hopelessness into self-respect and hope. The objective is to use the therapeutic community methodology to create a truly recovering community. MHS' experience and research support the effectiveness of strengths-based, family-focused treatment in the context of such a Community, using peer pressure to encourage and reinforce personal change. Because adolescents are more responsive to positive peer pressure than to lectures from adults, this modality fosters motivation and participation. Youth also learn how to develop positive relationships supportive of a drug-free, crime-free lifestyle during the in-custody phase of treatment, and they take those skills to their post release outpatient program services.

- **Screening and Assessment:** The Substance Abuse Unit will continue to use the Youth Assessment of Severity Index (Y-ASI) for youth admitted to the program. In collaboration with Fresno's Juvenile Court, SAU performs this screening to expedite availability of the information. The Y-ASI would also be used to assess Drug Court adolescents.
- **Standardized Admission and Placement Criteria:** The program has in place and will continue to use Admission and Readmission Criteria that meet Alcohol Drug Program certification standards.
- **Dual Services Team:** Each group of 8 – 10 minors in the SAU will have a professional team composed of a Fresno County mental health clinician and MHS Substance Abuse Counselor. They will provide coordinated treatment and case management during the in-custody phase of the program. The staff will lead therapy groups that address substance abuse and mental health issues.
- **Treatment Team:** The team will consist of individuals significantly involved in the youth's treatment, including the youth, family, mental health and substance abuse counselors, probation officer, juvenile hall and education staff, and others who may be involved in the youth's aftercare plan. The treatment team will approve the treatment plan within thirty days of admission and review and modify the plan every ninety days or as needed. The treatment team will review progress in the program on a bi-weekly basis.
- **Treatment Plan:** The initial treatment plan will be developed by the youth, youth's family, and counselors within the first 30 days of admission. The plan will be reviewed by the full treatment team for approval. It will include a description of problems, define goals, and specify an action plan for the attainment of goals. The plan will address areas of family discord, education, housing, family financial status, physical health of the youth and family, and other areas which impact the youth's treatment. The plan will also specify the start and end dates of the intervention and goal attainment, and will be updated as needed or at least every ninety days.
- **Treatment Services:** Treatment components will include process and community groups, individual therapy (for substance abuse issues and for co-occurring disorders), multi-family groups, psycho-education, and case management. Specialized groups may include process groups, Alcohol Other Drug education, Life Skills, Anger Management, Recreation Therapy, Art Therapy, Gender specific activities, support groups, and additional groups as indicated for client population demographics.

Individual Counseling. Individual counseling is available to in-custody youth as needed, but at least one-half hour per week. The youth is encouraged to discuss recovery related issues in the group and community meetings to fully benefit from the therapeutic community. However, some

may find certain issues too sensitive or emotionally overwhelming to divulge to the community, but may be able to effectively work on these problems in individual counseling.

Process groups will address issues of personal responsibilities, such as journals, daily self-responsibility, behavior on the unit, and progress toward goals. They will also deal with evaluations, level advancement, and disciplinary actions. Group size will be eight to twelve youth, depending on the nature of the group.

Community groups, which includes everyone on the unit, allow youths to have an active voice in the treatment community. They can discuss concerns or make suggestions during the meeting. Youth are encouraged to address peer behaviors that are not supportive of the community or healthy living as a group, with staff oversight. Participants come together to resolve shared problems, plan activities, give and receive feedback to shape pro-social behavior, and share successes and failures.

Family Counseling/Psycho-educational Groups: Family group counseling will be provided weekly in a multi-family group setting. During the initial phase of the program, families will be informed of the support group and invited to participate. Any family member can speak with the substance abuse specialist at any time. Group size will vary according to attendance but is generally limited to twelve families.

Psycho-educational Groups: The program consists of AOD education groups and process groups. An effective adolescent AOD program must address four principal areas: 1) symptoms and patterns of behavior common to all addictive diseases; 2) issues specific to adolescents; 3) unique issues directly related to culture or ethnicity; and 4) issues related to family dynamics. The program's educational component addresses issues using age-appropriate methods that educate youth in a manner relevant to their lives. Exercises from the curriculum workbook are incorporated in adolescent groups. A final curriculum will be available to the County prior to the initiation of services.

The curriculum workbooks, "A New Direction," combine years of experience between two organizations, the Hazelden Foundation and the Minnesota Department of Corrections. The cognitive/behavioral treatment curriculum maps a life of recovery and freedom for chemically dependent offenders. Assignments are step by step through intake and orientation, criminal and addictive thinking, drug and alcohol education, socialization, relapse prevention, and release and reintegration preparation.

The curriculum is designed to help clients see how thought processes lock in destructive behaviors, recognize links between addiction and criminal activity, develop healthier ways of relating to others, and learn to keep recovery strong. Techniques relating to other are

incorporated into treatment plans based on the individual's strengths, and supported through workbook study groups, peer discussions, school activities, individual check-ins with counselors, and a self-monitored system to encourage individual responsibility. Workbook completion is part of the program requirements for successful graduation and serves as a concrete, visual measurement for clients and an outcome measurement tool for the program.

Family Group Psycho-Educational Sessions focus on prevention topics and allow families to share experiences. Many families fear talking about "family secrets." Some "secrets" include other members using drugs, violence in the home, financial struggles, judicial problems, and fears of losing their children. The group is designed to allow members to speak freely, and fosters mutual identification of possible solutions to common problems. Many issues, such as domestic violence/incest, are referred for further assistance to appropriate resources. Family members are asked to sign information release forms when using outside resources, to allow communication between agencies and maximize support for the client(s).

Self-Help Group Participation (12-Step Programs): Twelve-step meetings are an important adjunct support system and are a requirement of each treatment plan. Clients learn about the program via workbooks and guest speakers sharing their experiences, strength, and hope. The program has an established twelve-step meeting in the Hall to give youth opportunities to get comfortable with the format. Many youth that are reluctant to attend outside meetings find that they get comfortable enough to seek other meetings. While most choose Twelve-step groups, MHS also encourages exploration of other self-help networks, and provides referrals.

- **Education:** Most youth in the juvenile justice system have histories of academic failure that increases their risk of substance abuse, delinquency, and violence. In most cases the reason for failure is not for lack of ability, but rather the experience of failure itself. MHS believes that youth must not be allowed to fail, and will work with the youth and educational system to ensure success. During the youth's time in the program, this may mean specialized tutoring, incentive programs, advocating for diagnostic educational assessment for learning disabilities, or shadowing the youth in the classroom. Academic success is a key predictor for maintaining a drug and crime free life and, as such, is a key component of the youth's discharge and outpatient treatment plan. The substance abuse counselor will coordinate school placement at discharge, arrange mentoring/tutoring, and other support services as necessary.

- **Discharge Plan:** Discharge planning begins at intake and is revised during the treatment phase with input from the treatment team. The discharge plan will recommend the level of care required, describe AOD outpatient care, mental health follow-up, educational and/or vocational

plan, and necessary services and referrals for the family to support recovery. Random drug testing will be part of the plan for youth returning to the community.

- **Case Management:** The substance abuse counselor will provide case management services for the youth and his/her family. This will include coordination of services from various agencies, collaboration on discharge planning to ensure youth and family have a complete and appropriate plan, access to outpatient services that address language and cultural needs, and identification of barriers to obtaining services.
- **AOD-Free Recreational and Social Activities:** Drug-free, organized, interactive social and recreational activities are a key feature and are built into the program structure. Such activities help the participants so they can have fun without the influence of substances. Progress is monitored and documented by the counselor. Supervised activities may include basketball, flag football, baseball, aerobics, and yoga, and social events such as holiday celebrations. The program will seek volunteers to demonstrate various sport and recreational opportunities, such as martial arts, dance, yoga, make-up skills, camping, and backpacking. Youth will be encouraged to attend sober and clean social and recreational events during all phases of treatment.

In-Custody Program Levels and Phases

As youth progress through the treatment program they learn pro-social roles and adaptive skills. During orientation, members will be exposed to new roles as they learn to hold each other accountable and provide peer support in groups. Each adolescent will be assigned tasks in the community, with increasing responsibility as he/she progresses through the program. The SAU therapeutic community promotes the “Six Pillars of Character” values of trustworthiness, respect, caring, citizenship, responsibility, and fairness. The goal is to provide a safe, sober, supportive and positively structured environment for adolescents to work a program of recovery in all areas of life, including school, work, home, social relationships, leisure and play, promoting personal responsibility for one’s own behaviors.

Orientation: Before entering the SAU program, the youth completes a thorough assessment that includes the Addiction Severity Index (ASI) and a bio-psychosocial assessment. After assessment, the client is assigned to a treatment team consisting of an MHA substance abuse counselor and County mental health staff, taking into consideration the language and cultural needs of the youth and family. The youth and family are oriented to the program and participate in treatment plan development. Youth will be assigned “buddies” to help during their adjustment to the program. If there is no involved parent to assist the youth and contribute to recovery, program staff will assist in choosing another individual to serve as a “family member.”

Level I: Clients advance to Level I by a decision of their peers based on whether they know and understand group process and rules well enough to have the privilege of voting on group issues. Youth are expected to attend all components of the daily program. During this intensive treatment phase the clients attend gender specific groups, life skills, anger management, art therapy, recreational therapy, community meetings, psycho-educational groups, process groups, individual counseling, activity groups, 12-step meetings, and family counseling as indicated. Clients are expected to be active group members, begin to take risks, express feelings, and to be accountable for their own behavior. Clients learn how their substance abuse relates to being incarcerated and how substance abuse affected them at school and at home. Clients and families establish goals for what they want to accomplish while in SAU. ***Level I is devoted to overcoming denial, and building a sense of trust and safety.***

Level II: This Level requires accepting greater responsibility within the community. For example, a participant may take a leadership role in TC government. They expand on tools to manage anger and frustration, recognize and respect boundaries (their own and those of others), and identify relapse triggers. Each new skill is reinforced during group sessions and practiced and modeled in the TC. Clients work to be honest about their own feelings and in their feedback to others, and to not condone negative behavior. Clients evaluate their family's involvement and participation and develop a "Plan of Recovery." It becomes a living document during the next level of treatment. ***Level II has goals of broaching honesty, accountability, and responsibility.***

Level III: Clients at this level of treatment solidify the gains they've made and serve as leaders and role-models for the community. They use group process through acknowledgement of their own problems and ability to give and take feedback. By publicly practicing these healthy lifestyles and receiving support from the community, these behaviors begin to be internalized. Clients refine their "Plan for Recovery" and focus on plans to deal with problems substance abuse has caused in their life and the lives of those close to them.

Level IV: Clients practice their new skills and strengthen their own commitment by teaching these skills to others. The focus is finalizing their Continuing Care Plan to identify potential problem areas and solution alternatives. Each youth meets with his/her substance abuse and mental health counselors to finalize the Plan. Each young person's plan contains detailed strategies for remaining clean and sober during the six-month outpatient drug-free period. Topics include relapse prevention, positive family and peer interaction, education, employment, and supportive social activities. The family participates in plan development to include support

activities for parents or other significant adults in the young person's life. The full treatment team, including the youth, family and professional staff discuss and agree upon the Plan.

Graduation: Movement from one level to the next requires passing milestones, including peer panel interviews. This ensures that the youth feels that he/she has earned the promotion, and that his/her achievements have been acknowledged. Successful completion of the program is finalized with a graduation ceremony, a positive, re-affirming event that includes family members, the treatment team, and others in the youth's community.

From Discharge to Post-Release Outpatient Services (PROPS): This final phase of treatment begins at discharge, but planning began at intake. MHS recognizes that individual and family recovery is a lifetime process. The program supports this belief by providing ongoing outpatient services as part of the regular curriculum and program goals, and family educational and referral services on a long-term basis.

3. Post-Release Outpatient Services: In addition to the range of services described in item 4 below, the PROPS program will include:

- Three-hour groups for clients, three times per week for six to eight months;
- Daily attendance at Ashjian School, in a classroom designated for all post-release clients. Curriculum is based on "A New Direction," the same curriculum used in the in-custody phase of treatment. The workbook includes concrete tools/resources, and an action plan that includes warning signs of relapse, social triggers, danger zones, twelve-step meetings, educational goals, family relationships, drug free social activities, employment, and coping with relapse;
- Group discussions include experiences in recovery such as dating, working, reentering school, and family life changes;
- PROPS includes other process and family groups, ancillary referrals, educational/vocational assistance, life skills curriculum, coordination of clean and sober activities, educational forums, and family centered activities;
- Co-location with the MHS Family and Youth Alternatives allows access to services for co-occurring disorders for eligible youth and their families; and
- Volunteer services. MHS believes that adolescents can benefit by contributing to community services as an integral part of treatment goals. These types of activities result in youth experiencing the feelings of contributing to their community.

4. In addition to the services described above that are specific to Juvenile Drug Court, In-Custody Treatment, and Post-Release Outpatient Services, the entire range of comprehensive services described below will be available to all youth and families. Those services include:

- Individual counseling on an as-needed basis.
- Treatment teams - staff, family, youth, and individuals with significant relationships.
- MHS substance abuse counselors will provide coordinated case management.

- Specific groups focused on peer “refusal skills” and gang involvement to reinforce newly learned behaviors. Group support for refusal skills is critical.
- Established, measurable achievement goals required to advance to graduation.
- Development of a youth advisory group consisting of program graduates and alumni. Youth are more committed to a program in which they have a voice and can assume a sense of ownership.
- Relapse prevention education, which begins prior to graduating the in-custody program and is reinforced throughout post release outpatient program services and drug court outpatient treatment.
- Information and referral to community-based 12-step programs.
- Opportunities for community service work.
- Clean and sober social and recreational activities.

OUTCOME EVALUATION FRAMEWORK

Program: Substance Abuse Unit/Post Release Outpatient Services

FY: 06/07

Outcome	Indicator(s) (may be more than one per outcome)	Data Source	Data Collection Method
Participants will maintain a drug free lifestyle	<ul style="list-style-type: none"> • Number of participants who reach six months marker • Number clean during last three months • Number clean at six months 	<ul style="list-style-type: none"> • Follow-up telephone contact • Records(Urinalysis results) contained in Probation data system 	<ul style="list-style-type: none"> • SA Counselor to ask or telephone client and record response • Obtain special report from Probation Data system
Participants will lead crime free lifestyle	<ul style="list-style-type: none"> • No new convictions after completing 6 month in custody program after six months 	<ul style="list-style-type: none"> • Follow-up telephone contact • Records (arrests)contained in Probation data system 	<ul style="list-style-type: none"> • SA Counselor to ask or telephone client and record response • Obtain special report from Probation Data system
Participants will be attending school, working, or in a vocational program.	<ul style="list-style-type: none"> • Number of youth working, in school, or vocational program at six months 	<ul style="list-style-type: none"> • Follow-up telephone contact • Collaboration with teacher • School/Employment records 	Telephone call or direct contact if in program

Program Milestones

Objective: Drug-free Lifestyle
 Crime free lifestyle
 Educational /Vocational

Program: Substance Abuse Unit/
Post Release Outpatient Services

Program Activity	Client Milestones	Number	Days to Achieve	Verification Measure
In Custody Substance Abuse Unit				
1. Agency screening/program staff meets with consumer	Makes initial contact with program and agrees to participation	90	1	Intake Assessment
2.				
a) Curriculum journal materials, process groups, psycho-education, family groups	a) Admit to peer group how SA has effected them and their family	a)80	a) 100-120	a) Advancement to Level III
b) Groups focused on values, goal setting, positive lifestyle, positive peer pressure, family groups	b) Model positive behaviors and be a "role model" to new youth in program	b)70	b) 100-120	b) Maintain 80 points per day average
c) Family outreach activities	c) Family attends Family Awareness or Family Support Group at least once	c)80	c) 30	c) Program attendance records
d) Value focused groups, rewards for school achievement, therapeutic milieu	d) Attend school 90% of time making academic progress for four consecutive weeks	d)80	d) 45-100	d) School report card and attendance records

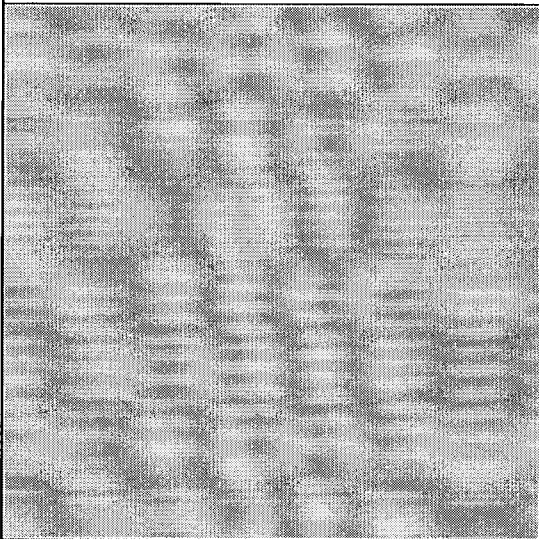
3.	<p>a) Curriculum journal materials, specialized groups (eg., anger management, relapse prevention), individual counseling</p> <p>b) Increased emphasis on leadership in milieu, groups focused on values and goal setting, therapeutic milieu, individual counseling</p> <p>c) Family counseling/support activities.</p> <p>d) Rewards for school achievement, goal setting groups/individual sessions</p>	<p>a) Youth publicly (to peers) supports drug free life style</p> <p>b) Youth publicly (to peers) supports a crime free lifestyle</p> <p>c) Family participation/attendance in groups at least once per month</p> <p>d) Academic gains of greater than time in program (i.e., 4-6 month gain)</p>	<p>a) 80</p> <p>b) 70</p> <p>c) 75</p> <p>d) 70</p>	<p>a) 120-180</p> <p>b) 120-180</p> <p>c) 120-180</p> <p>d) 120-180</p>	<p>a) Staff observe public presentation in group of peers and acceptance by vote to next level</p> <p>b) Staff observe public presentation in group of peers and acceptance by vote to next level</p> <p>c) Attendance roster for youth's family</p> <p>d) Pre-post academic testing by school</p>
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Graduation from in custody program Transferred to Post Release Outpatient Services

Post Release Outpatient Services

1.	<ul style="list-style-type: none"> a) Post release outpatient services process groups, transportation assistance b) Family groups/telephone contact c) Reinforce positive achievement in school /vocational efforts d) Group support for crime free life style 	<ul style="list-style-type: none"> a) Youth attends post release outpatient services after in custody discharge b) Family attends group in post release outpatient services at least once c) Youth attends a school/vocational program after discharge d) No arrests 	<ul style="list-style-type: none"> a) 60 b) 60 c) 60 d) 60 	<ul style="list-style-type: none"> a) 120-220 b) 120-220 c) 120-220 d) 120-220 	<ul style="list-style-type: none"> a) Attendance roster b) Log of family contact/attendance roster c) Probation records of school attendance d) Probation record
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Graduation from Post Release Outpatient Services

	Performance Target: <ul style="list-style-type: none"> 1. Clients will be drug free at completion of the program. 2. Clients will have no convictions during first six months of discharge from completion of in-custody program. 3. Clients are in school, working, or in vocational program six months after leaving the in-custody program. 		35	180-365	<ul style="list-style-type: none"> 1. No positive drug test past 60 days 2. Probation record indicating no arrests 3. Probation records of attendance or phone contact with youth/family
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Program Milestones

Objective: Drug-Free Lifestyle
 Crime Free Lifestyle
 Educational /Vocational

Program: Juvenile Drug Court

Program Activity	Client Milestones	Number	Days to Achieve	Verification Measure
1. Agency screening/program staff meets with consumer	Makes initial contact with program and agrees to participation	60	1	Intake Assessment
2.				
a) Curriculum journal materials, process groups, psycho-education, family groups	a) Admit to peer group how SA has effected them and their family	a)40	a) 100-120	a) Advancement to Level III
b) Groups focused on values, goal setting, positive lifestyle, positive peer pressure, family groups	b) Model positive behaviors and be a "role-model" to new youth in program	b)40	b) 80-120	b) Primary counselor and peer group report
c) Family outreach activities	c) Family attends Family Awareness or Family Support group at least once	c)35	c) 30	c) Program attendance records
d) Value focused groups, rewards for Juvenile Drug Court attendance, therapeutic milieu	d) Attend Juvenile Drug Court and demonstrate significant progress towards treatment goals	d)40	d) 45-100	d) Probation and counselor report to the court, random drug test results

<p>3.</p> <p>a) Curriculum journal materials, specialized groups (eg., anger management, relapse prevention), individual counseling</p> <p>b) Increased emphasis on leadership in milieu, groups focused on values and goal setting, therapeutic milieu, individual counseling</p> <p>c) Family counseling/support activities.</p>	<p>a) Youth publicly (to peers) supports drug free life style</p> <p>b) Youth publicly (to peers) supports a crime free lifestyle</p> <p>c) Family participation/attendance in groups at least once per month</p>	<p>a) 35</p> <p>b) 35</p> <p>c) 25</p>	<p>a) 120-180</p> <p>b) 120-180</p> <p>c) 120-180</p>	<p>a) Staff observe public presentation in group of peers and acceptance by vote to next level</p> <p>b) Staff observe public presentation in group of peers and acceptance by vote to next level</p> <p>c) Attendance roster for youth's family</p>
<p>4.</p> <p>a) Reinforce positive achievement in school /vocational efforts</p> <p>b) Group support for crime free life Style</p> <p>c) Progress in school/vocation</p> <p>d) Youth Lives a crime free life style</p>	<p>a) Attends Juvenile Drug Court services greater than 80% of planned time.</p> <p>b) Family contact occurs at least once a month</p> <p>c) Attend school/ voc. program 90% of time</p> <p>d) No re-arrests</p>	<p>a) 30</p> <p>b) 30</p> <p>c) 30</p> <p>d) 30</p>	<p>a) 181</p> <p>b) 181</p> <p>c) 181</p> <p>d) 181</p>	<p>a) Attendance roster</p> <p>b) Log of family contact/attendance roster</p> <p>c) Probation records of school attendance</p> <p>d) Probation record</p>

		<p>Performance Target:</p> <ol style="list-style-type: none"> 1. Clients will be drug free at completion of the program. 2. Clients will have no convictions during first six months of discharge from completion of in-custody program. 3. Clients are in school, working, or in vocational program six months after leaving the in-custody program. 	<p>a) 20</p> <p>b) 20</p> <p>c) 20</p> <p>d) 20</p>	<p>a)181</p> <p>b)181</p> <p>c)181</p> <p>d)181</p>	<p>Youth will Successfully Graduate Juvenile Drug Court</p>
			20	181	<ol style="list-style-type: none"> 1. No positive drug test past 60 days 2. Probation record indicating no arrests 3. Probation records of attendance or phone contact with youth/family

NO HOSTAGE FACILITY

SECURITY: County of Fresno Juvenile Hall, Elkhorn Boot Camp, Fresno County South Annex Jail, Fresno County North Annex Jail, Fresno County Main Jail, Fresno County Satellite Jail and Claremont Custody Center are no hostage facilities operated by the County's Sheriff and Probation Departments.

The security of each Detention Facility is paramount and takes precedence over all processes. Before the start of any work, the Contractor and any subcontractors shall review with a representative of the Sheriff's Department, Probation Department and County Coordinator, the proposed process and how his work will interface with the respective Detention Facility's operations. The Detention Facility's operations shall take precedence. Contractor shall perform his work in accordance with the procedures established by the Sheriff's and Probation Departments. Should any revisions to any procedures become necessary, such revisions shall be reviewed and approved by Sheriff's Department or Probation Department and the County Coordinator before execution of such revisions. Exit facilities, distress warning devices and similar devices and equipment shall remain operable at all times in accordance with regulations of the State Fire Marshall.

The Contractor shall plan and execute his work in such a manner so as to prevent a breach of the Detention Facilities' Security or allowing an inmate to escape. This maintenance of security shall remain in effect for the duration of the project.

The Contractor shall be responsible for preventing the introduction of any material or equipment into the facility that could be deemed contraband. Such contraband shall include, but not be limited to tools, equipment, supplies, construction waste, and construction materials.

Only tools, supplies and equipment necessary to complete a given task shall be taken into an inmate occupied space. Such tools, supplies, and material shall be inventoried in and out of the secured area by the Contractor. Any discrepancy shall be called to the attention of the Sheriff's Department or Probation Department representative immediately.

The Sheriff's Department or Probation Department may want to limit the number of workmen in any one area at one time. Only workmen with proper identification as issued by the Sheriff's Department shall be allowed into the work area within the Detention Facilities. The appropriate identification will be issued on an as needed basis.

The Detention Facilities have no "Off Hours". The Contractor shall confer with the Sheriff's Department's representative and County Coordinator on a case by case basis for all work to be performed outside normal hours.

Any violations of security procedures which result in extraordinary man hour expenditures by the County, such as for unscheduled searches to retrieve contraband or man hour costs expended to report and/or recapture an escapee, will be the responsibility of the Contractor.

**FRESNO COUNTY
FY 2006-2007 BUDGET**

Fiscal Year: FY 2006-2007
 Provider Name: Mental Health Systems, Inc.
 Program: Juvenile Justice Services
 Mailing Address: 9465 Farnham Street
 Street Address: 9465 Farnham Street
 Phone Number: 868 673-2600

Submitted by: Marc LeMieux
 Date: April 4, 2006
 Approved by: Harvey Smith
 Signature: _____
 Date: April 4, 2006
 Fax Number: 868 673-2602
 E-Mail Address: hsmith@mhinc.org

No. of Budgeted FTE Administration: 4.40 Direct Service: 6.70

Budget Categories-- Line Item Description (Must be Itemized)		Annual (12-Month) Salary	% of FTE dedicated to this program		% Time dedicated to services		Proposed Program Budget											
							County Funding		Post-Release		Drug Court		In-Custody		Total Proposed Budget			
					Admin.	Direct	Admin.	Direct	Admin.	Direct	Admin.	Direct	Admin.	Direct	Admin.	Direct		
PERSONNEL/SALARIES	Program Manager	\$48,547	100%	95%	\$46,120	\$2,427	\$4,855				\$4,855			\$36,410	\$2,427	\$46,120	\$2,427	
	Program Assistant	\$32,552	100%	100%	\$32,552		\$8,138				\$8,138			\$16,276		\$32,552		
	Clinical Supervisor	\$54,558	100%	85%	\$46,374	\$8,184	\$6,001	\$8,184			\$2,728			\$37,645	\$37,172	\$46,374	\$8,184	
	Substance Abuse Counselor (In-Custody)	\$37,172	100%	100%	\$37,172												\$37,172	
	Substance Abuse Counselor (In-Custody)	\$34,704	100%	100%	\$34,704												\$34,704	
	Substance Abuse Counselor (In-Custody)	\$30,576	100%	50%	\$30,576												\$30,576	
	Program Supervisor	\$35,360	100%	100%	\$17,680	\$17,680		\$8,840	\$8,840						\$17,680		\$17,680	
	Substance Abuse Counselor (DC&PR)	\$35,360	100%	100%	\$33,280	\$33,280		\$16,640	\$16,640								\$33,280	
	Substance Abuse Counselor (In-Custody)	\$32,240	100%	100%	\$32,240												\$32,240	
	Northern Region Admin Coordinator	\$4,051	10%	10%	\$410		\$1,340				\$1,340			\$1,380		\$4,060		
	Billing Clerk	\$29,120	100%	100%	\$29,120		\$9,610				\$5,824			\$13,686		\$29,120		
	SALARIES TOTAL					\$172,266	\$231,623	\$38,784	\$61,344	\$31,728	\$43,180	\$105,397	\$137,119	\$175,908		\$231,623		
	PAYROLL TAXES	State Unemployment Insurance				\$2,498	\$3,359	\$562	\$744	\$460	\$626	\$1,528	\$1,988	\$2,550		\$3,359		
F.I.C.A./O.A.S.D.I.					\$13,178	\$17,719	\$2,967	\$3,928	\$2,427	\$3,302	\$8,063	\$10,490	\$13,457		\$17,720			
State Disability Insurance																		
Workers' Compensation Insurance					\$3,445	\$4,632	\$776	\$1,027	\$635	\$863	\$2,108	\$2,742	\$3,519		\$4,632			
PAYROLL TAXES TOTAL					\$19,121	\$26,710	\$4,306	\$5,699	\$3,522	\$4,791	\$11,699	\$15,220	\$19,528		\$26,710			
EMPLOYEE BENEFITS	Health Insurance				\$11,024	\$14,824	\$2,482	\$3,286	\$2,030	\$2,762	\$6,745	\$8,776	\$11,257		\$14,824			
	Life Insurance																	
	Retirement				\$6,890	\$9,265	\$1,551	\$2,054	\$1,269	\$1,726	\$4,216	\$5,485	\$7,036		\$9,265			
	Benefits Other - Specify																	
EMPLOYEE BENEFITS TOTAL					\$17,914	\$24,089	\$4,033	\$5,340	\$3,299	\$4,488	\$10,961	\$14,261	\$18,293		\$24,089			

**FRESNO COUNTY
FY 2006-2007 BUDGET**

Fiscal Year: FY 2006-2007
 Provider Name: Mental Health Systems, Inc.
 Program: Juvenile Justice Services
 Date: April 4, 2006

Approved by: Harvey Smith
 Date: April 4, 2006

Budget Categories-Line Item Description (Must Be Itemized)	Current Agency Budget	Post-Release Budget	Drug Court Budget	In-Custody Budget	Proposed Budget
SALARY, PAYROLL TAX, AND EMPLOYEE BENEFITS TOTAL	\$29,056,833	\$109,505	\$90,985	\$294,657	\$495,147
INSURANCE					
0251 Worker's Compensation Insurance					
0252 Liability Insurance	\$868,017	\$8,199	\$3,213	\$27,504	\$38,916
0253 Insurance Other-Specify					
INSURANCE TOTAL	\$868,017	\$8,199	\$3,213	\$27,504	\$38,916
COMMUNICATIONS					
0301 Telecommunications/data lines					
0302 Answering Service	\$706,811	\$1,625	\$875		\$2,500
COMMUNICATIONS TOTAL	\$706,811	\$1,625	\$875		\$2,500
OFFICE EXPENSE					
0351 Office Supplies	\$526,796	\$2,317	\$908	\$7,775	\$11,000
0352 Soc Rec., Workbooks	\$81,957	\$632	\$248	\$2,120	\$3,000
0353 Printing/Reproduction	\$119,655	\$527	\$206	\$1,767	\$2,500
0354 Publications	\$40,143	\$211	\$83	\$706	\$1,000
0355 Legal Notices/Advertising					
OFFICE EXPENSE TOTAL	\$768,551	\$3,687	\$1,445	\$12,368	\$17,500
EQUIPMENT					
0401 Purchase of Equipment	\$275,171	\$1,300	\$700		\$2,000
0402 Equipment Rent/Lease	\$199,112	\$1,300	\$700		\$2,000
0403 Equipment Maintenance	\$1,324	\$1,950	\$1,050		\$3,000
EQUIPMENT TOTAL	\$475,606	\$4,550	\$2,450		\$7,000
FACILITIES					
0451 Rent/Lease Building	\$2,737,379	\$20,150	\$10,850		\$31,000
0452 Facilities Maintenance	\$278,089	\$3,250	\$1,750		\$5,000
0453 Utilities	\$410,205	\$3,900	\$2,100		\$6,000
FACILITIES TOTAL	\$3,425,673	\$27,300	\$14,700		\$42,000
TRAVEL COSTS					
0501 Staff Mileage	\$414,053	\$632	\$1,500	\$868	\$3,000
0502 Staff Travel (Out of County)	\$221,249	\$632	\$1,500	\$868	\$3,000
0503 Staff Training/Registration	\$229,216	\$843	\$2,000	\$1,157	\$4,000
0504 Transportation		\$616	\$1,463	\$846	\$2,925
TRAVEL COSTS TOTAL	\$864,519	\$2,723	\$6,463	\$3,739	\$12,925

FRESNO COUNTY FY 2006-2007 BUDGET

Fiscal Year: FY 2006-2007
 Provider Name: Mental Health Systems, Inc
 Program: Juvenile Justice Services
 Date: April 4, 2006

Approved by: Harvey Smith
 Date: April 4, 2006

Budget Categories-Line Item Description (Must Be Itemized)	Current Agency Budget	Post-Release Budget	Drug Court Budget	In-Custody Budget	Proposed Program Budget
PROGRAM SUPPLIES					
0551 Program Supplies-Incentives	\$345,960	\$211	\$83	\$706	\$1,000
0552 Program Supplies-Educational		\$990	\$388	\$3,322	\$4,700
0553 Program Supplies-Urinalysis	\$758,589	\$211	\$83	\$706	\$1,000
PROGRAM SUPPLIES TOTAL	\$1,104,549	\$1,412	\$554	\$4,734	\$6,700
CONSULTANCY					
0601 Consultant Services	\$1,039,695				
0602 Contracted Services	\$23,384,377				
CONSULTANCY TOTAL	\$24,424,072				
FISCAL AND AUDITS					
0651 Accounting/Bookkeeping	\$66,775	\$21	\$8	\$71	\$100
0652 External Audit	\$85,166	\$21	\$8	\$71	\$100
FISCAL AND AUDITS TOTAL	\$151,941	\$42	\$16	\$142	\$200
OTHER COSTS					
0701 Indirect Costs	\$4,383,707	\$20,860	\$1,424	\$62,616	\$84,900
0749 Other Costs-Other Business Services		\$632	\$248	\$2,120	\$3,000
0749 Other Costs-Depreciation		\$632	\$248	\$2,120	\$3,000
OTHER COSTS TOTAL	\$4,383,707	\$22,124	\$1,920	\$66,856	\$90,900
TOTAL PROGRAM EXPENDITURES	\$66,230,278	\$181,167	\$122,621	\$410,000	\$713,788
REVENUE/MATCH					
3120 Fund Raising					
3130 State Grant					
3140 Private Donations		\$151,167	\$92,621		
3150 Medi-Cal					
REVENUE/MATCH TOTAL		\$151,167	\$92,621		\$243,788
NET PROGRAM BUDGET	\$66,230,278	\$30,000	\$30,000	\$410,000	\$470,000

**FRESNO COUNTY
FY 2006-2007 BUDGET**

Fiscal Year:

Provider Name:

Program:

Date:

FY 2006-2007

Mental Health Systems, Inc.

Juvenile Justice Services

April 4, 2006

Approved by: Harvey Smith

Date: April 4, 2006

Budget Categories-Line Item Description	Post-Release	Drug Court	In-Custody	Proposed Program Budget
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NET PROGRAM BUDGET	\$30,000	\$30,000	\$410,000	\$470,000
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Units of Service / Unit Cost	3,000	3,000	9,600	
Slot Days (From Exhibit II)	2,400	2,400	7,680	
Units of Service (From Exhibit II)				
Gross Unit Cost (From Exhibit II)	\$75.49	\$51.09	\$53.39	
Drug Medi-Cal Unit Cost	\$62.99	\$38.59	\$0.00	
County Unit Cost (From Exhibit II)	\$12.50	\$12.50	\$53.39	

1. **INDEMNIFICATION**

The CONTRACTOR agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this Agreement and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the CONTRACTOR in the performance of this Agreement.

2. **INDEPENDENT CONTRACTOR**

The CONTRACTOR and the agents and employees of CONTRACTOR, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of State of California.

3. **CONTROL REQUIREMENTS**

This Agreement is subject to all applicable Federal and State laws and regulations. The provisions of this Agreement are not intended to abrogate any provisions of law or regulation existing or enacted during the term of this Agreement.

4. **NONDISCRIMINATION PROVISION**

- A. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex..
- B. CONTRACTOR shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination.
- C. CONTRACTOR agrees to 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.
- D. CONTRACTOR shall ensure the treatment of program recipients shall be free of such discrimination.

5. **CONFIDENTIALITY OF RECORDS**

CONTRACTOR shall comply with all State and Federal statutes and regulations regarding confidentiality.

6. **REVENUE COLLECTION POLICY**

CONTRACTOR shall conform to all policies and procedures regarding revenue collection issued by the State under the provisions of the Health and Safety Code, Division 10.5.

7. **EXPENDITURE OF STATE GENERAL AND FEDERAL FUNDS**

CONTRACTOR agrees that all funds paid out by the State shall be used exclusively for providing alcohol and/or drug program services, administrative costs, and allowable overhead.

8. **ACCESS TO SERVICES**

CONTRACTOR shall provide accessible and appropriate services in accordance with Federal and State statutes and regulations to all eligible persons.

9. **REPORTS**

CONTRACTOR agrees to participate in surveys related to the performance of this Agreement and expenditure of funds and agrees to provide any such information in a mutually agreed upon format.

10. **AUDITS**

All State and Federal funds furnished the CONTRACTOR pursuant to this Agreement along with required COUNTY match, related patient and participant fees, third-party payments, or other related revenues and funds commingled with the foregoing funds are subject to audit by the State. The State may audit all alcohol and drug program revenue and expenditures contained in this Agreement for the purpose of establishing the basis for the subsequent year's negotiation.

11. **RECORDS MAINTENANCE**

- A. CONTRACTOR shall maintain books, records, documents, and other evidence necessary to monitor and audit this Agreement.
- B. CONTRACTOR shall maintain adequate program and fiscal records relating to individuals served under the terms of this Agreement, as required, to meet the needs of the State in monitoring quality, quantity, fiscal accountability, and accessibility of services. Information on each individual shall include, but not be limited to, admission records, patient and participant interviews and progress notes, and records of service provided by various service locations, in sufficient

detail to make possible an evaluation of services provided and compliance with this Agreement.

1. **SINGLE AUDIT CLAUSE**

As a subrecipient of Federal financial assistance, CONTRACTOR agrees to provide a copy of its audit report, performed in accordance with the requirements of the Single Audit Act of 1984 (31 USC section 7502) and subject to the terms of either OMB Circular A-133, to the County of Fresno. Such audit shall be delivered to COUNTY's Human Services Finance Services (to the attention of the program funding this Agreement) for review not later than nine (9) months after the close of the subrecipient's fiscal year in which the funds supplied through this Agreement are expended. Failure to comply with this Act may result in the COUNTY performing the necessary audit tasks or, at the COUNTY's option, in the COUNTY contracting with a qualified accountant to perform this audit. All audit costs related to this Agreement are the sole responsibility of CONTRACTOR who agrees to take corrective action to eliminate any material noncompliance or weakness found as a result of such audit. Audit work performed by the COUNTY under this paragraph shall be billed at COUNTY cost as determined by the Auditor-Controller/Treasurer-Tax Collector.

2. **FEDERAL CERTIFICATIONS**

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions.

- A. COUNTY and CONTRACTOR recognize that Federal assistance funds will be used under the terms of this Agreement. For purposes of this paragraph, CONTRACTOR will be referred to as the "prospective recipient".
- B. This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).
 - 1) The prospective recipient of Federal assistance funds certifies by entering this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
 - 2) The prospective recipient of funds agrees by entering this Agreement, that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Federal department or agency with which this transaction originated.

- 3) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Agreement.
- 4) The prospective recipient shall provide immediate written notice to COUNTY if at any time prospective recipient learns that its certification in this clause of this Agreement was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 5) The prospective recipient further agrees that by entering this Agreement, it will include a clause identical to this clause of this Agreement, and titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions", in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 6) The certification in this clause of this Agreement is a material representation of fact upon which reliance was placed by COUNTY when this transaction was entered into.

3. **AUDIT**

CONTRACTOR shall grant the COUNTY, State of California (if applicable), the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives access to any books, documents, papers, and records of the CONTRACTOR which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts and transactions. The CONTRACTOR must retain all such required records for three (3) years after COUNTY makes final payment and all other pending matters are closed.

4. **CLEAN AIR AND WATER**

In the event funding under this Agreement exceeds one hundred thousand dollars (\$100,000.00), the CONTRACTOR must comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), section 506 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR part 32).

5. **ENERGY EFFICIENCY**

The CONTRACTOR must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation

plan issued in compliance with Energy Policy and Conservation Act (Pub. L. 94-163).

6. REPORTING REQUIREMENTS, COPYRIGHT AND PATENTS

The awarding agency's reporting requirements are stated in this Agreement. The awarding agency's requirements and regulations pertaining to copyright and rights in data, and patent rights with respect to any discovery or invention which arise or is developed in the course of or under this Agreement (if any), are likewise stated in this Agreement.

7. NON-DISCRIMINATION PROVISION

- A. During the performance of this Agreement, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex.
- B. CONTRACTOR shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination.
- C. CONTRACTOR agrees to 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.
- D. CONTRACTOR shall ensure the treatment of program recipients shall be free of such discrimination.

NOTICE OF CHILD ABUSE REPORTING LAW

The undersigned hereby acknowledges that Penal Code section 11166 and the contractual obligations between County of Fresno (COUNTY) and Mental Health Systems, Inc. (CONTRACTOR) related to provision of substance abuse treatment services for the, require that the undersigned report all known or suspected child abuse or neglect to one or more of the agencies set forth in Penal Code (P.C.) section (§) 11165.9.

For purposes of the undersigned's child abuse reporting requirements, "child abuse or neglect" includes physical injury inflicted by other than accidental means upon a child by another person, sexual abuse as defined in P.C. §11165.1, neglect as defined in P.C. §11165.2, willful cruelty or unjustifiable punishment as defined in P.C. §11165.3, and unlawful corporal punishment or injury as defined in P.C. §11165.4.

A child abuse report shall be made whenever the undersigned, in his or her professional capacity or within the scope of his or her employment, has knowledge of or observes a child whom the undersigned knows or reasonably suspects has been the victim of child abuse or neglect. (P.C. §11166.) The child abuse report shall be made to any police department or sheriff's department (not including a school district police or security department), or to any county welfare department, including Fresno County Department of Children and Family Services' 24 Hour CARELINE. (See PC §11165.9.)

For purposes of child abuse reporting, a "reasonable suspicion" means that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing, when appropriate, on his or her training and experience, to suspect child abuse or neglect. The pregnancy of a child does not, in and of itself, constitute a basis for reasonable suspicion of sexual abuse. (P.C. §11166(a)(1).)

Substantial penalties may be imposed for failure to comply with these child abuse reporting requirements.

Further information and a copy of the law may be obtained from the department head or designee.

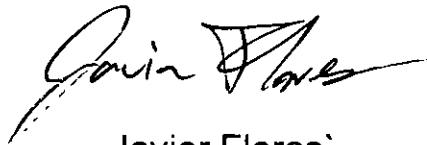
I have read and understand the above statement and agree to comply with the child abuse reporting requirements.

SIGNATURE

DATE

CERTIFICATE OF DELIVERY OF DOCUMENT

I am employed by the County of Fresno as a Deputy Clerk of the Board of Supervisors. On June 13, 2006, I delivered a copy of Agreement No. 06-172 to the Chairman of the Fresno County Board of Supervisors.

A handwritten signature in black ink, appearing to read "Javier Flores", with a stylized flourish at the end.

Javier Flores

Deputy Clerk