


** Natividad MEDICAL CENTER**  
**County of Monterey Agreement for Services**  
**(Not to Exceed \$100,000)**

This Agreement (hereinafter "Agreement") is made by and between the County of Monterey, a political subdivision of the State of California, on behalf of Natividad Medical Center, an acute care hospital (hereinafter, "NMC"), and Kirby Bates Associates hereinafter "CONTRACTOR (collectively, the County and CONTRACTOR are referred to as the "Parties.").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

**GENERAL DESCRIPTION OF SERVICES TO BE PROVIDED;** NMC hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in Exhibit A in conformity with the terms of the Agreement. The services are generally described as follows:  
Interim Leadership Services

**PAYMENTS BY NMC;** NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A, subject to the limitations set forth in this Agreement. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of 100,000.00.

**TERM OF AGREEMENT;** the term of this Agreement is from January 1, 2022 through December 31, 2022 unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and NMC and with NMC signing last and CONTRACTOR may not commence work before NMC signs this Agreement.

NMC reserves the right to cancel this Agreement, or any extension of this Agreement, without cause, with a thirty day (30) written notice, or with cause immediately.

**SCOPE OF SERVICES AND ADDITIONAL PROVISIONS/EXHIBITS;** the following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

**Exhibit A:** Scope of Services/Payment Provisions

**1. PERFORMANCE STANDARDS:**

- 1.1. CONTRACTOR warrants that CONTRACTOR and Contractor's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of NMC, or immediate family of an employee of NMC.
- 1.2. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.
- 1.3. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement.

CONTRACTOR shall not use NMC premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

**2. PAYMENT CONDITIONS:**

- 2.1. Prices shall remain firm for the initial term of the Agreement and, thereafter, may be adjusted annually as provided herein. NMC (Monterey County) does not guarantee any minimum or maximum amount of dollars to be spent under this Agreement.
- 2.2. Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the Agreement. Rate changes are not binding unless mutually agreed upon in writing by the County (NMC) and the CONTRACTOR.
- 2.3. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to NMC. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 2.4. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

**3. TERMINATION:**

- 3.1. During the term of this Agreement, NMC may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.
- 3.2. NMC may cancel and terminate this Agreement for good cause effective immediately upon written notice to Contractor. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If NMC terminates this Agreement for good cause, NMC may be relieved of the payment of any consideration to Contractor, and NMC may proceed with the work in any manner, which NMC deems proper. The cost to NMC shall be deducted from any sum due the CONTRACTOR under this Agreement.

**4. INDEMNIFICATION:**

- 4.1. CONTRACTOR shall indemnify, defend, and hold harmless NMC (hereinafter "County"), its officers, agents and employees from any claim, liability, loss injury or damage arising out of, or in connection with, performance of this Agreement by Contractor and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of personnel employed by the County. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the County. The CONTRACTOR shall reimburse the County for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the CONTRACTOR is obligated to indemnify, defend and hold harmless the County under this Agreement.

5. **INSURANCE:**

5.1. **Evidence of Coverage:**

Prior to commencement of this Agreement, the CONTRACTOR shall provide a “Certificate of Insurance” certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to NMC’s Contracts/Purchasing Department, unless otherwise directed. The CONTRACTOR shall not receive a “Notice to Proceed” with the work under this Agreement until it has obtained all insurance required and NMC has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

5.2. **Qualifying Insurers:** All coverage’s except surety, shall be issued by companies which hold a current policy holder’s alphabetic and financial size category rating of not less than A-VII, according to the current Best’s Key Rating Guide or a company of equal financial stability that is approved by NMC’s Contracts/Purchasing Director.

5.3. **Insurance Coverage Requirements:** Without limiting Contractor’s duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

5.4. **Commercial General Liability Insurance,** including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval)

5.5. **Business Automobile Liability Insurance,** covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$500,000 per occurrence.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval)

- 5.6. Workers' Compensation Insurance, If CONTRACTOR employs other in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval)

- 5.7. Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

*(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)*

Exemption/Modification (Justification attached; subject to approval)

## 6. Other Insurance Requirements:

- 6.1. All insurance required by this Agreement shall be with a company acceptable to NMC and issued and executed by an admitted insurer authorized to transact insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.
- 6.2. Each liability policy shall provide that NMC shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insured with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.
- 6.3. **Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional insureds with respect to liability arising out of the Contractor's work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the Contractor's insurance.**
- 6.4. Prior to the execution of this Agreement by NMC, CONTRACTOR shall file certificates of insurance with NMC's Contracts/Purchasing Department, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no



way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

- 6.5. CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by NMC, annual certificates to NMC's Contracts/Purchasing Department. If the certificate is not received by the expiration date, NMC shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles NMC, at its sole discretion, to terminate the Agreement immediately.

## **7. RECORDS AND CONFIDENTIALITY:**

- 7.1. Confidentiality: CONTRACTOR and its officers, employees, agents and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from NMC or prepared in connection with the performance of this Agreement, unless NMC specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to NMC any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.
- 7.2. NMC Records. When this Agreement expires or terminates, CONTRACTOR shall return to NMC any NMC records which CONTRACTOR used or received from NMC to perform services under this Agreement.
- 7.3. Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 7.4. Access to and Audit of Records: NMC shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess or \$10,000, the parties to this Agreement may be subject, at the request of NMC or as part of any audit of NMC, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
8. Royalties and Inventions: NMC shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize other to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of NMC.
9. Non-Discrimination: During the performance of this Agreement, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in Contractor's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, full comply with all

federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

10. Compliance with Terms of State or Federal Grant: If this Agreement has been or will be funded with monies received by NMC pursuant to a contract with the state or federal government in which NMC is the grantee, CONTRACTOR will comply with all the provisions of said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, NMC will deliver a copy of said contract to Contractor, at no cost to Contractor.
11. Independent Contractor: In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent CONTRACTOR and not as an employee of NMC. No offer or obligation of permanent employment with NMC or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from NMC any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold NMC and the County of Monterey harmless from any and all liability, which NMC may incur because of Contractor's failure to pay such taxes.
12. Notices: Notices required under this Agreement shall be delivered personally or by first-class, postage per-paid mail to NMC and Contractor's contract administrators at the addresses listed below.

**NATIVIDAD MEDICAL CENTER:**

Natividad Medical Center  
Attn: Contracts Division  
Natividad Medical Center  
1441 Constitution Blvd  
Salinas, CA. 93906  
FAX: 831-757-2592

**CONTRACTOR:**

Name: KBA  
Attn: Colleen Chapp  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
FAX: \_\_\_\_\_  
Email: cchapp@kirbybates.com


**MISCELLANEOUS PROVISIONS:**

- 13.1 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 13.2 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by NMC and the Contractor.
- 13.3 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by NMC and the Contractor. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

- 13.4 Contractor. The term “Contractor” as used in this Agreement includes Contractor’s officers, agents, and employees acting on Contractor’s behalf in the performance of this Agreement.
- 13.5 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 13.6 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of NMC. None of the services covered by this Agreement shall be subcontracted without the prior written approval of NMC. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 13.7 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of NMC and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 13.8 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 13.9 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 13.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 13.12 Non-exclusive Agreement. This Agreement is non-exclusive and both NMC and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.
- 13.13 Construction of Agreement. NMC and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 13.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 13.15 Integration. This Agreement, including the exhibits, represents the entire Agreement between NMC and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations. Representations, or agreements, either written or oral, between NMC and CONTRACTOR as of the effective date of this Agreement, which is the date that NMC signs the Agreement.
- 13.16 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.

*Signature Page to follow*

**NATIVIDAD MEDICAL CENTER**

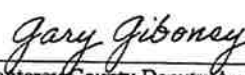
By:   
for Charles R. Harris, Interim CEO  
Date: 1-19-22

**APPROVED AS TO LEGAL PROVISIONS**

By:   
Monterey County Deputy County Counsel

Date: 1-19-22

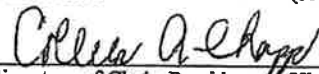
**APPROVED AS TO FISCAL PROVISIONS**

By:   
Monterey County Deputy Auditor/Controller

Date: 1-19-22

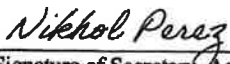
**CONTRACTOR**

Kirby Bates Associates, LLC  
Contractor's Business Name\*\*\* (see instructions)

  
Signature of Chair, President, or Vice-President

Colleen A. Chapp, Executive Vice President  
Name and Title

Date: December 29, 2021

By:   
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

Nikhol Perez, Director of Finance  
Name and Title

Date: January 4, 2022

**\*\*\*Instructions:**

If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers (two signatures required). If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership (two signatures required). If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any and shall personally sign the Agreement (one signature required).



# EXHIBIT A -SCOPE OF SERVICES/PAYMENT PROVISIONS

## 1. INTERIM LEADERSHIP SERVICES AND LEADERSHIP ADVISORY SERVICES

**1.1 Interim Leader Screening.** For engagements with a minimum duration of 13 weeks, **CONTRACTOR** will confirm that **INTERIMS** have achieved the requisite leadership experience and shall provide the **NMC** the following information prior to the first day of an engagement:

- a. Résumé
- b. Valid Professional License
- c. Two (2) Professional References
- d. Criminal Background Check
- e. Required Medical Clearance
- f. Required Certifications
- g. Negative Drug Screen

**1.2 Selection of Interims.** **CONTRACTOR** will source, screen, and interview potential **INTERIMS** in accordance with qualifications and experience requirements set forth by the **NMC**. **CONTRACTOR** will provide the **NMC** the opportunity to interview final **INTERIM** candidates for **INTERIM** engagements by telephone, videoconference, or in person. The **NMC** shall provide any **INTERIM** candidates who are invited to interview on-site with necessary travel, meal, and overnight accommodations by either direct payment of expenses or reimbursement to the **INTERIM** candidate. Final selection of **INTERIM** candidates is determined by the **NMC**.

**1.3 Non-discrimination.** **CONTRACTOR** is an equal opportunity employer in compliance with all applicable laws and shall refer all qualified **INTERIMS**, regardless of race, sex, religious creed, ancestry, veteran or marital status, disability, or age or any other protected characteristic now or in the future protected by law. **NMC** agrees it will not reject any **INTERIM** or take any other action with respect to any **INTERIM**, in violation of any applicable federal or state law, including but not limited to those relating to equal employment opportunity (including, without limitation, Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. Section 2000e-17), the Age Discrimination in Employment Act of 1967, as amended (29 U.S. Sections 621-634), the Equal Pay Act of 1963 (29 U.S.C. Section 206(d)), and any rules, regulations, and administrative orders relating thereto).

## 2. CONTROL OF WORK

**2.1 Acceptance of Personnel.** Once the **CONTRACTOR INTERIM** begins the **INTERIM** leadership engagement for **NMC**, the **INTERIM** works under the direct supervision and control of the **NMC**.

**2.2 Maximum Interim Term.** It is generally agreed the **NMC** will not offer an **INTERIM** engagement that exceeds 12 consecutive months. In the event that an engagement needs to exceed 12 months a mutually agreed to plan between the **NMC**, **CONTRACTOR**, and **INTERIM**, will be developed and executed to address any and all tax or other related issues associated with an extended engagement.

**2.3 INTERIM to permanent employee.** In the event that the **NMC** offers any type of full- or part-time employment to the **INTERIM** placed by **CONTRACTOR** within one year of the end of the engagement, the **NMC** agrees to pay **CONTRACTOR** a placement fee equal to twenty-five percent (25%) of the annual gross remuneration agreed to by the **NMC** for the individual employed, including the individual's base salary and any signing bonus. Such placement fee shall be paid within forty-five (45) days of permanent employment.

**2.4 Regulatory Compliance.** As requested, **CONTRACTOR** will use reasonable efforts to aid **NMC** in complying with regulatory requirements, including requests relating to Joint Commission, HIPAA and OSHA, and will make available to authorized governmental bodies certain records indicating the nature and cost of **CONTRACTOR**'s services. Except to the extent an **INTERIM** requires Protected Health Information (as defined within HIPAA) in connection with an assignment, **NMC** shall not disclose such information to **CONTRACTOR**. **NMC** will provide **INTERIM** with a suitable workplace that fully complies with applicable federal, state and local safety and other regulations. **NMC** will provide **INTERIM** with site- and job-specific training that meets applicable regulatory standards, including, but not limited to, use of **NMC**'s protective equipment, emergency and fire prevention procedures, IIPP, Hazcom, chemical hygiene, and blood-borne pathogen training. Any orientation, training or other similar time will be treated as part of the **INTERIM**'s normal work period.

**2.5 Duration and Termination.** The respective obligations of **CONTRACTOR** and **NMC** shall be for a minimum engagement of 13 weeks following the first day of the engagement and shall automatically renew until the **NMC** or the **INTERIM** provides a thirty (30) days' written termination notice. Exception to thirty (30) days' notice is applicable only if termination of the **INTERIM** by the **NMC** is for cause. **NMC** will involve **CONTRACTOR** immediately if there are performance issues experienced with the **INTERIM**. **NMC** agrees to reimburse **CONTRACTOR** for all contractual expenses incurred for an engagement up to its conclusion.

**2.6 Interim Leader Wages and Benefits.** **CONTRACTOR** will be responsible for **INTERIM**'s wages, payroll taxes, benefits, unemployment and workers compensation insurance, and other fringe benefits to which **INTERIM** may be entitled.

**2.7 Deliverables.** In collaboration with **NMC**, **CONTRACTOR** develops a set of deliverables that serves as the agenda and general direction for the **INTERIM**. Once **NMC** has approved the deliverables, they are reflected in the "Statement of Work" document.

### **3. COMPENSATION FOR SERVICES**

**3.1 Bill Rates.** **NMC** will pay an all-inclusive daily bill rate set forth in the "Statement of Work" document. The bill rate includes the **INTERIM**'s wages, payroll taxes, and any applicable employment expenses, including **INTERIM** state licenses or permits. The daily bill rate also includes the reasonable direct cost of air or ground transportation to and from the engagement at the engagement's beginning, conclusion, and twice-a-month weekend home travel, housing accommodations, background checks, drug screens, and rental car or mileage compensation. Travel arrangements will be agreed

to by the Interim Leader and Direct Report Leader. **Refer to Section 6.0 herein for bill rates and billing terms.**

**3.2 Overtime.** **CONTRACTOR INTERIM leaders** are exempt employees for the purposes of federal and state wage and hour laws and are not eligible for overtime pay.

**3.3 Holidays.** **INTERIM** leaders observe holiday schedules which the County of Monterey observes.

**3.4 Timesheets.** **NMC** accepts **CONTRACTOR's** timesheets as the basis for all days billed by **CONTRACTOR**. **INTERIM** will submit automated time sheet to **CONTRACTOR** by the last day of the pay period.

**3.5 Guaranteed Days per Week.** **NMC** will provide work schedules for **CONTRACTOR INTERIM** and guarantees full-time work of 5 workdays per week. Exception to 5 workday week is by mutual agreement of **NMC** and **INTERIM** with notification to **CONTRACTOR**.

**3.6 Billing Period.** The billing period for all **INTERIMS** engaged by **NMC** is Sunday through Saturday on a bi-weekly schedule.

**3.7 Interim Services Fees.** **NMC** will pay **CONTRACTOR** for its services in accordance with the terms of the compensation structure set forth in this agreement and in the "Statement of Work" document. **CONTRACTOR** will provide **NMC** with biweekly invoices for Interim Services Fees, which **NMC** will pay within 30 days from the invoice date. Balances outstanding after 45 days will incur interest at a rate of 1.5% monthly. **NMC** shall pay or reimburse **CONTRACTOR** for any state sales or receipt taxes imposed on **NMC's** payments to **CONTRACTOR**.

**3.8 Governing Law.** This Agreement shall be governed by California law. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in Monterey County, CA.

**3.9 EEOC Compliance Statement.** We are committed to providing an environment in which all individuals are treated with respect and professionalism, including employees, contractors, volunteers, interns and others. Consistent with this commitment, we comply with those rules and regulations prohibiting discrimination on the basis of race, color, age, ancestry, gender, sex, marital status, sexual orientation, gender identity and/or expression, religion, national origin, disability (including HIV and AIDS), medical condition, military service, genetic information or any legally protected status. We comply with all related and applicable federal, state and local laws, regulations, orders and ordinances, including, but not limited to, (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) the Age Discrimination in Employment Act of 1967, as amended; (v) the Age Discrimination Act of 1975, as amended; (vi) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (vii) Federal Executive Order No. 11246, as amended; (viii) the Equal Pay Act of 1963, as amended; (ix) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations; and

(x) all regulations and administrative rules established pursuant to the foregoing laws. The creation or promotion of a hostile, disrespectful or unprofessional environment in violation of any of the foregoing is strictly prohibited.

#### **4.0 OTHER TERMS**

**4.1 Additional Payment Provisions:** CONTRACTOR shall provide an invoice for services rendered showing services were performed, the County Purchase Order Number, the position and a copy of the time card for each employee of the CONTRACTOR. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as NMC approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

#### **4.2 Other Terms and Conditions Associated with Temporary Employees:**

- a. CONTRACTOR shall identify in writing to NMC any individual with prior PERS affiliation who is sent to report for NMC service under the AGREEMENT, at least two days prior to the individual being assigned by CONTRACTOR for service to NMC.
- b. CONTRACTOR shall identify in writing to NMC any PERS annuitant who is sent to report for NMC service under the AGREEMENT, at least two days prior to the individual being assigned by CONTRACTOR for service to NMC.
- c. The term "identify" is defined for purposes of this section to include both (1) the CONTRACTOR's employee name and (2) the last four digits of the employee's Social Security Number.
- d. The term "PERS affiliation" is defined for purposes of this section to mean the CONTRACTOR's employee had previously worked for a governmental entity that participates or participated in CalPERS.
- e. Should CONTRACTOR fail to properly identify a PERS annuitant or a CONTRACTOR employee with prior PERS affiliation, CONTRACTOR shall be held responsible for any costs assessed, or eligible to be assessed, by CalPERS relating to the assignment to the County of such individual.
- f. The term "PERS annuitant" is defined for purposes of this section as a person who has retired from a CalPERS agency and who is receiving a retirement allowance from CalPERS.
- g. TEMPORARY EMPLOYMENT ASSIGNMENT: CONTRACTOR shall be responsible for tracking cumulative hours per employee for all assignments at NMC. CONTRACTOR shall notify the NMC Human Resources Administrator when an individual employee's hours working for the NMC are approaching 650 hours in a fiscal year (7/1-6/30).
- h. **An employee of the CONTRACTOR shall not be assigned to work at the NMC for more than 720 hours in a fiscal year (7/1 - 6/30).**
- i. **NMC nor the County of Monterey shall not pay CONTRACTOR for individual services rendered beyond 720 hours per fiscal year per each INTERIM.**

## 5.0 JOINT COMMISSION POLICY STATEMENT

**5.1 CONTRACTOR** is committed to providing a higher standard of service and to the delivery of safe, quality patient care by its healthcare professionals. **CONTRACTOR** complies with The Joint Commission's Standards for Healthcare Staffing Services. As a customer, the **NMC** can have confidence that the processes within **CONTRACTOR** support that supplemental **INTERIM** leadership staff working in its organization have met the requirements established by The Joint Commission. To assure compliance with The Joint Commission Standards for Healthcare Staffing Services, **CONTRACTOR** has established the following practices:

- a. **CONTRACTOR** will not engage subcontractors to provide **INTERIM** leadership services unless agreed to in advance by the customer.
- b. As a provider of **INTERIM** leadership services, **CONTRACTOR** will be the employer of assigned **INTERIM** leader employees and shall not by reason of their assignment to the **NMC** through **CONTRACTOR** become employees of the **NMC**.
- c. **CONTRACTOR** will notify the **NMC** whether assigned **INTERIM** leadership employees are employees of **CONTRACTOR** or independent contractors working through **CONTRACTOR**.
- d. Assigned **INTERIM** leadership employees may only be placed in engagements that match the job description for the engagement. If an assigned **INTERIM** leadership employee is asked to provide services to another department with the **NMC**, the department must have comparable leadership needs and the **INTERIM** leadership employee must have demonstrated previous competency and have the appropriate certifications and credentials to perform effectively and safely. Assigned **INTERIM** leadership employees should only be re-assigned to other areas with comparable leadership expectations and needs. **CONTRACTOR** must be notified if an **INTERIM** leadership employee is re-assigned.
- e. **CONTRACTOR** shall verify the assigned **INTERIM** leader employee's licensure, certification, education and work experience to assure they are competent and possess the skills and experience appropriate for the engagement.
- f. It shall be the responsibility of **NMC** to orient assigned **INTERIM** leader employees to the facility and its rules and regulations and to acquaint them with the facility policies and procedures, including dress code, physical layout and equipment and to validate competency and ability of assigned **INTERIM** leader employee to properly use equipment.
- g. It shall be the responsibility of the **NMC** to cooperate in an evaluation of each assigned **INTERIM** leader employee relative to such employee's ability to perform specific job functions upon completion of employee's engagement.
- h. It shall be the responsibility of the **NMC** to notify **CONTRACTOR** within 24 hours of any events, competency issues, incidents, and/or complaints related to the assigned **INTERIM** leader employee and/or **CONTRACTOR**. **NMC** agrees to initiate communication with **CONTRACTOR** whenever an incident/injury report related to the assigned **INTERIM** leader is completed. Upon notification, **CONTRACTOR** shall document and track all unexpected incidents, including errors, sentinel events and other events, injuries and safety hazards related to the care and services provided.



- i. It shall be the responsibility of the **NMC** to notify **CONTRACTOR** within 24 hours of any occupational safety hazards or events that involve an assigned **INTERIM** leader.
- j. Conflict of Interest occurs when an individual's private interest interferes, or appears to interfere, in any way with a company's interest, or when the private interest creates the appearance of impropriety. **CONTRACTOR** expects that both the **NMC** and **CONTRACTOR** make or participate in business decisions and actions based on the interest of the company as a whole, and not based on personal relationships or benefits.

**6.0 Full-Service Model Bill Rate provisions:**

- a. Interim is compensated as a Nurse Professional (on behalf of **CONTRACTOR**) employee.
- b. **NMC** is invoiced bi-weekly with one all-inclusive fee payable to **CONTRACTOR**.
- c. Expenses such as travel, housing, rental car and any expenses directly related to the engagement, are factored into all-inclusive daily fee. Individual expenses reimbursement shall not be permitted under this Agreement.
- d. Actual final daily rate is determined after final candidate selection and specific travel and housing requirements. The following is a general guide reflecting ranges by position level:
- e. Leadership Positions approximate Range of Daily Fee\*
- f. CEO positions: \$2,000 - \$2,300/Day
- g. CNO positions: \$1,900 - \$2,100/Day
- h. Vice Presidents: \$1,900 - \$2,000/Day
- i. Service Line Directors \$1,800 - \$1,900/Day
- j. Nurse/Unit Managers \$1,700 - \$1,800/Day
  - Included in the Full-Service Model Fee is ongoing Advisory Services from **CONTRACTOR**'s executive team in support of the interim leader for achievement of the engagement deliverables. At **NMC**'s request, gap analyses; 30-, 60-, 90-day plans for key strategic initiatives; or other management tools are provided.
- k. Rates are based upon **CONTRACTOR** providing high-performing interim executives, executive advisors, directors and managers drawing from a national network of experienced executives and healthcare leaders.

*\*Fees subject to change only by a written amendment executed by the Parties.*