

**AMENDMENT NO. 2  
TO SERVICES AGREEMENT  
BETWEEN NATIVIDAD MEDICAL FOUNDATION AND  
NATIVIDAD MEDICAL CENTER  
FOR  
PHILANTHROPIC AND OTHER SPECIALTY SERVICES**

This Amendment No. 2 to the Services Agreement ("Agreement") which was effective on January 1, 2015 is entered into by and between the County of Monterey (hereinafter "COUNTY"), on behalf of Natividad Medical Center (hereinafter "NMC"), and **Natividad Medical Foundation** (hereinafter "CONTRACTOR"). Collectively, COUNTY, NMC and CONTRACTOR are referred to as the "Parties", with respect to the following:

**RECITALS**

**WHEREAS**, the County of Monterey on behalf of Natividad Medical Center and Natividad Medical Foundation entered into an Agreement for philanthropic and other specialty services with a term January 1, 2015 through December 31, 2015 and a total Agreement amount not to exceed \$876,019; and

**WHEREAS**, the Parties amended the Agreement on January 13, 2016 via Amendment No. 1 to extend the term for an additional two year period through December 31, 2017 and to add additional services to the scope of services as per "Exhibit A-1 per Amendment No. 1" attached to Amendment No. 1 with an increase of \$1,818,555, thereby increasing the total Agreement amount to \$2,694,574; and

**WHEREAS**, the Parties currently wish to amend the Agreement to extend it for an additional two (2) year period through December 31, 2019 to allow for services to continue with additions to the scope of services attached hereto this Amendment No. 2 as "Exhibit A-2 per Amendment No. 2" with an increase of \$1,915,370 for the added services for a revised total Agreement amount not to exceed \$4,609,944.

**AGREEMENT**

**NOW, THEREFORE**, the Parties agree to amend the Agreement as follows:

The Agreement is hereby renewed on the terms and conditions as set forth in the original Agreement and in Amendment No 1 and in Amendment No. 2 incorporated herein by this reference, except as specifically set forth below.

1. **Section 2 / Paragraph titled, "PAYMENTS BY NMC" shall be amended by removing:**

"NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A plus Exhibit A-1 as per Amendment No. 1 attached hereto this Amendment No. 1. The total amount payable by NMC to CONTRACTOR under this Agreement shall not exceed the sum of \$2,694,574."

**and replacing it with:**

"NMC shall pay the CONTRACTOR in accordance with the payment provisions set forth in Exhibit A plus Exhibit A-1 and Exhibit A-2 as per Amendment No. 2 attached hereto this Amendment No. 2, 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 \$4,609,944."

2. **The first sentence of Section 3.1 /Paragraph titled, "TERM OF AGREEMENT" shall be amended by removing:**

"The term of this Agreement is from January 1, 2015 through December 31, 2017 unless sooner terminated pursuant to the terms of this Agreement."

**and replacing it with:**

"The term of this Agreement is from January 1, 2015 through December 31, 2019 unless sooner terminated pursuant to the terms of this Agreement."

3. **Section 4/ Paragraph titled, "ADDITIONAL PROVISIONS/EXHIBITS" shall be amended by removing the following:**

"The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions

Exhibit A-1 as per Amendment No. 1: Revised Scope of Services/Payment Provisions."

**and replacing it with:**

"The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A: Scope of Services/Payment Provisions

Exhibit A-1: Revised Scope of Services/Payment Provisions as per Amendment No. 1

Exhibit A-2: Revised Scope of Services/Payment Provisions as per Amendment No. 2"

4. Except as provided herein, all remaining terms, conditions and provisions of the original Agreement are unchanged and unaffected by this Amendment No. 2 and shall continue in full force and effect as set forth in the original Agreement and in Amendment No. 1 and Amendment No. 2.
5. A copy of this Amendment No. 2 shall be attached to the original Agreement.
6. This Amendment No. 2 shall be effective when signed by both Parties.

IN WITNESS WHEREOF, the Parties hereto are in agreement with this Amendment No. 2 on the basis set forth in this document and have executed this Amendment No. 2 on the day and year set forth herein.

**NATIVIDAD MEDICAL CENTER**

By: \_\_\_\_\_  
Gary R. Gray, DO, CEO

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL PROVISIONS**

By: \_\_\_\_\_  
Monterey County Deputy County Counsel

\_\_\_\_\_  
Name

Date: \_\_\_\_\_

**APPROVED AS TO FISCAL PROVISIONS**

By: \_\_\_\_\_  
Monterey County Deputy Auditor-Controller

\_\_\_\_\_  
Name

Date: \_\_\_\_\_

**CONTRACTOR**

**Natividad Medical Foundation**

CONTRACTOR's Business Name

*\*Signature instructions below*

By: \_\_\_\_\_  
(Signature of: Chair, President, or Vice-President)

\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

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

\_\_\_\_\_  
Name and Title

Date: \_\_\_\_\_

**\*Signature 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 (2 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 (2 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 (1 signature required).

## **EXHIBIT A-2**

### **Revised Scope of Services/Payment Provisions**

**I. Description of All Services to be Rendered by CONTRACTOR:**

Natividad Medical Foundation (NMF), established by the Monterey County Board of Supervisors in 1988, is dedicated to philanthropically supporting Natividad Medical Center (NMC) in its mission to continually monitor and improve the health status of the people of Monterey County, including the vulnerable, through access to high quality, coordinated health care services, regardless of ability to pay.

Natividad Medical Foundation assists NMC with specially requested services and provides philanthropic services in support of NMC's Strategic Plan, defined as:

- Major gift planning and fundraising;
- Community outreach in connection with fundraising;
- Preparing and submitting foundation and government grant applications;
- Administering current/future foundation grants;
- Supporting interpreting services; and
- Supporting and coordinating NMC/NMF joint community relations.

Natividad Medical Center's CEO serves as an ex officio voting member of Natividad Medical Foundation's Board of Directors as the primary mechanism for ensuring continuous communication between the hospital and the Foundation regarding NMF's initiatives and fundraising progress. NMF's President & CEO regularly participates in meetings of the hospital's Board of Trustees, and, on occasion, provides educational presentations to inform the Board of the Foundation's work.

Services are delivered at Natividad Medical Center, 1441 Constitution Blvd., Salinas, CA 93906. Some grant-funded program services and community relations activities are delivered and conducted at various community sites throughout Monterey County.

**II. CONTRACTOR Obligations:**

In 2018 and 2019, Natividad Medical Foundation will achieve the following goals and deliverables:

<b>Service</b>	<b>Estimated Timeline</b>	<b>Outcome</b>
Ensure fulfillment of donor intent, accountability to the Attorney General of the State of California and transparency in alignment with nonprofit industry best practices	Throughout 2018 and 2019	Ensure accountability to donor intent and the CA Attorney General's office; ensure volunteer Board of Directors meets regularly in compliance with NMF Bylaws, Articles of Incorporation and governance policies; complete an annual independent financial audit; file Form 990 nonprofit tax return; maintain GuideStar Platinum

		Level recognition; maintain charitable organization registration status with CA Attorney General's office
Raise funds and pay to Natividad Medical Center an anticipated \$60,000 a month to support hospital needs	Through 2018 and 2019	Raise an anticipated \$720,000 each year and be ready and able to fund hospital services and purchase approved capital items based on a capital list to be provided by NMC to NMF by July 1 of each year under current County purchasing policies provided by NMC to NMF
Raise \$380,000 each year to support basic nonprofit operations	For the periods January 1 – December 31, 2018 and January 1 – December 31, 2019	Raise funds to support ongoing nonprofit operations of Natividad Medical Foundation, including annual independent audit, accounting, Board governance, personnel employment and management, marketing, information technology and basic business office expenses
Complete sections related to grants and donations for year-end PRIME reports	Throughout 2018 and 2019	Complete PRIME report sections related to grants, philanthropically-funded activities and programs at NMF and resource utilization at NMC
Provide grant and restricted fund administration services on behalf of Natividad Medical Center	Throughout 2018 and 2019	Administer 30+ grants/restricted funds in support of NMC, including Song Brown (California OSHPD Family Medicine Residency Training Program grants); CHOICE; Community Foundation for Monterey County-funded <i>5 Steps to Prevent Diabetes</i> program; The David & Lucile Packard Foundation-funded <i>Shared Beginnings</i> parent education project; Nursing Education and Advanced Trauma Life Support classes
Train and provide professional interpreters for Spanish and indigenous languages	Throughout 2018 and 2019	Provide an average of 210 interpreting sessions each month (more than 2,500 a year) for patients hospitalized at Natividad Medical Center, including Spanish and 4 of the top 7 most

		commonly spoken languages at Natividad Medical Center (Mixteco, Triqui, Zapoteco and Chatino)
Manage and raise funds to support the Patient Greatest Needs Fund	Throughout 2018 and 2019	Collaborate with hospital social workers and case managers to meet the basic life needs of poor patients, including purchasing bus passes and Greyhound/Amtrak tickets, arranging short-term shelter at local motels, paying for prescriptions and providing funds to buy food and clothing
Employ and fund spiritual advisors	Throughout 2018 and 2019	Assist hospital with ensuring that all patients have access to spiritual care by funding and employing chaplains
Employ 11 grant-funded individuals for 4 programs	Throughout 2018 and 2019	Provide employment, human resources, legal, payroll and other employment services for individuals working for CHOICE, <b>Indigenous Interpreting+</b> <sup>®</sup> , spiritual care and 5 Steps to Prevent Diabetes <sup>®</sup>
Provide project evaluation services	Throughout 2018 and 2019	Meet all required grant reporting deadlines and perform data analysis and reporting to demonstrate program effectiveness
Prepare and submit grant proposals that are requested by and awarded directly to NMC, such as grants from the Central California Alliance for Health	Throughout 2018 and 2019	Prepare and submit applications requested by the hospital for funds awarded directly to the hospital to meet pressing needs as funding opportunities become available
Consistently deliver donor Communications	Throughout 2018 and 2019	Educate and engage community through increased outreach
Conduct Annual Programs campaigns, including mail and social media	Throughout 2018 and 2019	Expand outreach to the community to increase operating support for NMF
Continue to consistently incorporate the Transform Health Care Into Healing <sup>®</sup> brand strategy	Throughout 2018 and 2019	Deliver branded messaging to support increased donor base and philanthropic support



Carry out the fundraising campaign for The Agricultural Leadership Council (TALC)	October 2018 and 2019 through April 2018 and 2019	Raise an estimated \$350,000 to support medical equipment purchases, spiritual care and language services at NMC
Facilitate the addition of works of art throughout the hospital's public spaces	By June 30, 2018 and 2019	Install new Monterey Bay Plein Air Painters Association exhibitions (estimated 40-60 pieces each)
Participate in the annual Monterey County Employee Combined Giving Campaign	Approximately September-October 2018 and 2019	Raise an estimated \$40,000 each year to support the Patient Greatest Needs Fund
Participate as a Benefitting Charity in the Pebble Beach Concours d'Elegance Opportunity Drawings	August 2018 and August 2019	Raise an estimated \$90,000 to support NMC's philanthropy efforts
Conduct the annual 1K4NATIVIDAD Club campaign	Throughout 2018 and 2019	Raise an estimated \$100,000 to support NMC's philanthropy efforts
Assist with securing multi-year government grants and contracts to support the Natividad Immunology Division Outpatient (NIDO) Clinic in caring for people in Monterey County who are living with HIV/AIDS	By July 31, 2018 and 2019	Prepare competing government grant application requested by the hospital to secure an estimated \$324,875 in Ryan White CARE Act government grants awarded to NMC for the periods 4-1-18 to 3-31-19 and a non-competing continuation grant application for the period 4-1-19 to 3-31-20
Assist with securing multi-year government grants and contracts to support the Natividad Family Medicine Residency Program	By December 31, 2018 and 2019	Prepare grant applications requested by the hospital to secure an estimated \$230,000 in California Office of Statewide Health Planning & Development Song Brown capitation, special program and other grants

### III. Pricing/Fees:

The total maximum liability for 2018 and 2019 under this agreement is \$1,915,370. This total covers the Foundation operating costs; 1.) NMF Salaries, Wages, Benefits Operating Support; 2.) Physician - Medical Director of Health Promotion & Education; and 3.) Joint NMC/NMF Community Relations. CONTRACTOR shall invoice NMC on a quarterly basis.

Sales tax and travel fees are not applicable under this agreement.