



July 17, 2013
Agenda
5:00 P.M. Business Meeting
Valencia County Commission
Chambers
444 Luna Avenue
Los Lunas, NM 87031

Board of County Commissioners
Charles D. Eaton, Chair District IV
Alicia Aguilar, Vice-Chair District II
Mary Andersen District I
Lawrence R. Romero District III
Donald Holliday District V

Please silence all electronic devices.

- 1) Call Meeting to Order
- 2) Pledge of Allegiance
- 3) Approval of Agenda
- 4) Approval of Minutes:

July 3, 2013.....Regular Business Meeting

Three handwritten signatures in black ink, likely of the County Commissioners, are written over the meeting date.

PRESENTATION(S)

- 5) Quarterly Update from the County Extension Office. *Laura Bittner*

DISCUSSION (Non-Action) Item(s)

- 6) Commissioners, Committees and Reports.
- 7) Minimum Property Tax. Norbert Schueller

Board of County Commissioners convenes as Indigent Claims Board

Consideration of Indigent Report; One report with 48 Claims and 2 appeals. Barbara Baker / Dan Zolnier

Board re-convenes as Board of County Commissioners

ACTION ITEM(S)

- 8) Consideration to approve the Processing of Purchase Orders and Purchase Card Transactions.
Mike Vineyard
- 9) Consideration to approve Resolution 2013-_____, endorsing the consideration, and use, of best value contracting for purchases when the use of such is found to be in the best interest of the County.
Mike Vinyard
- 10) Consideration to take action on the County Attorney's Contract. *Commissioner Alicia Aguilar*
- 11) Ratification of Agreement #14-690-16387 for VCJJB Continuum Board services for FY 14.
Bruce Swingle
- 12) Agreement Between the County of Valencia and the City of Belen For Use of Mill Levy Funds at the Belen Site *Commissioner Mary Andersen*

FINANCIAL MATTERS:

13) Approval of Financial/Payroll warrants. *Nick Telles*

PUBLIC COMMENT:

Please sign up on the sheet located just outside the Commission chambers. The Board will allow each member of the public wishing to address the Board a full and complete opportunity to address the Commission.

EXECUTIVE SESSION:

Pursuant to Section 10-15 1 (H) (2) (3) & (7), the following matters may be discussed in closed session: a. personnel: *Dorothy Lovato (Kathy Trevino)* b. pending or threatened litigation; c. real property; d. administrative adjudicatory proceedings: *Blue Collar Union Contract* specific limited topics that are allowed or authorized under the stated statute.

- ◆ Motion and roll call vote to go into Executive Session for the stated reasons
- ◆ Board meets in closed session
- ◆ Motion and vote to go back into regular session
- ◆ Summary of items discussed in closed session
- ◆ Motion and roll call vote that matters discussed in closed session were limited to those specified in Motion

For closure, and that no final action was taken, pursuant to the authority in §10-15-1 NMSA 1978.

ACTION ITEM(S)

NEXT COMMISSION MEETING:

- ◆ **July 24, 2013 – Business Meeting/Workshop 1:30 P.M.**
Valencia County Commission Chambers 444 Luna Ave. LL, NM

ADJOURN:

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the Valencia County Manager's Office at the Valencia County Courthouse, Los Lunas, New Mexico, (505) 866-2014 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact the Valencia County Manager's Office at the old Valencia County Courthouse if a summary or other type of accessible format is needed.

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VALENCIA COUNTY BOARD OF COMMISSIONERS

BUSINESS MEETING

JULY 3, 2013

PRESENT	
Charles Eaton, Chairman	
Alicia Aguilar, Vice-Chair	
Lawrence R. Romero, Member	
Donald E. Holliday, Member	
Mary J. Andersen, Member	
Bruce Swingle, County Manager	
Adren Nance & Dave Pato, County Attorneys	
Peggy Carabajal, County Clerk	
Press and Public	

1) The meeting was called to order by Chairman Eaton at 5:02 P.M.

2) Jacobo Martinez led the Pledge of Allegiance.

Commissioner Aguilar asked that a moment of silence be held for the 19 firemen that recently lost their lives in Arizona.

3) Approval of Agenda

Commissioner Aguilar moved for approval. Seconded by Commissioner Romero. Motion carried unanimously.

4) Approval of Minutes: June 12, 2013-Public Hearing

Commissioner Holliday moved for approval. Seconded by Commissioner Romero. Motion carried unanimously.

June 13, 2013-Public Hearing

Commissioner Andersen moved for approval. Seconded by Commissioner Romero. Motion carried unanimously.

June 17, 2013- Business Meeting

Commissioner Holliday moved for approval. Seconded by Commissioner Andersen. Motion carried unanimously.

PRESENTATION(S)

5) NMAC 2013 RAP Award. *Bruce Swingle*

Mr. Swingle stated that at the recent New Mexico Association of Counties conference in Clovis, New Mexico Valencia County had received an award for completing year 5 in the NMAC Risk Awareness Program. Valencia County has been able to reduce multi-line claims by 19% and law enforcement liability claims by 12%. Mr. Swingle would like to thank Gerald Chavez from the I.T. department for running the RAP program for the county. Commissioner Andersen would like to thank all county employees for their efforts regarding safety matters.

6) Informational Presentation on Foreclosure Prevention. *Attorney General's Home Owner Preservation Program*

Debra Norman from United South Broadway Corporation in Albuquerque stated that currently there are 450 homeowners in Valencia County in the foreclosure process and another 500 homeowner's delinquent on their payments. Ms. Norman commented that most lenders offer several types of plans that allow homeowners to catch up on their payments. She mentioned that it is best to work with a housing councilor to know the best option and for which ones you may qualify for. The process can take anywhere from 3 months to a year to complete but the time and effort is worth it to save your house.

DISCUSSION (NON-ACTION) ITEM(S):

7) Commissioners, Committees, and Reports

Mr. Swingle stated that today there had been some flooding in the El Cerro Mission/ Meadowlake area and that Public Works, Fire Service and Emergency Management are doing an excellent job of helping out in the cleanup efforts.

He said that he had recently met with the Administrators from Los Lunas, Belen, Bosque Farms and Peralta regarding the agreements currently in place regarding Animal Control

Services, the entities don't have a vested interest in reviewing the contracts or making any changes that the County would like to see made. The county accounts for about 50% of the animals at the shelter but is paying for about 84% of the costs of operating the shelter. The county would like the other entities to pay for their fair share of the costs, but the entities administrators have said that the governing bodies would not support any additional costs to them. The commissioners agreed that Mr. Swingle meet directly with the governing bodies and inform them of the counties position and to present the dollar figures to them.

Mr. Swingle reported that because of the time that has elapsed because of the protests that were filed regarding the Detention Center addition the cost of the project has increased. A few months ago the county had asked the contractor to de-scope the project because it was over the budget, during the de-scoping a lot of important electrical configurations were taken out that over time would need to be incorporated. Staff is recommending to the commission that none of the bids be accepted but that it opens for re-bid with the original scoping of the project. Mr. Swingle commented that he had heard from Senator Michael Sanchez and Senator Clemente Sanchez regarding an executive order from the Governor that they had been informed that Valencia County had lost the \$850,000 in capital outlay funding for this year because of the counties audit findings. The county has not received any information from the Governor, DFA, Taxation and Revenue nor anyone else. Mr. Swingle along with the commissioners agreed that major improvements had been made in correcting the audit findings. Commissioner Aguilar and Commissioner Andersen agreed that the County Manager invite the Governor to Valencia County so that this issue can be discussed. And if the Governor does not accept the invitation then set up an appointment to have the commissioners go to Santa-Fe.

Mr. Swingle also reported that they currently have 5 people working at the Conejo Transfer Station but 1 individual accepted another position within the county, but the county doesn't believe it to be practical to fill that vacant position because of the contract with Waste Management to take over the facility in the not too distant future. Mr. Swingle has discussed this issue with the Public Works director and the Solid Waste Coordinator and they have come up with the idea to close the station on Wednesday and Thursday, which are the stations least busiest days. The man hours at the station would be reduced from 184 to 136 per week.

Commissioner Andersen gave a brief summary regarding some resolutions that the New Mexico Association of Counties is considering taking to the legislator for approval. She asked her fellow commissioners to contact her and let her know their feelings regarding the proposed resolutions, so that she can take their opinions into consideration when it comes time to vote.

Commissioner Aguilar reported that on July 16 at 6:00 p.m. a Community Meeting will be held at the Meadowlake Community Center and representatives from several county departments will be in attendance. Deb Fowley with the Core of Engineers would like to be placed on the agenda for the July 17th meeting. Ms. Fowley would like to give a presentation on the flood plain levy studies. Commissioner Aguilar also mentioned that the contracts for the county attorneys expire in September. She would like this item addressed and discussed to see what the commission wants to do regarding the contracts.

Jim Crawford and Peter Lupsha with the Tome/Adelino Agricultural Preservation, Cultural and Historic Community Plan: Citizens Advisory Group gave a brief report on the latest endeavors of the group.

ACTION ITEM(S)

8) Consideration to hire a Grant Writer. *Commissioner Mary Andersen*

Commissioner Andersen would like to hire a grant writer/ grant manager that would write and keep track of all grants and make sure all money is being properly accounted for. Commissioner Andersen stated that this position with a salary of \$50,000 would more than pay for itself in a short period of time, with the money they would bring in for special projects within the county. Commissioner Aguilar stated that she does not disagree about the importance of a grant writer but she would like to see a county financial update first. Commissioner Aguilar mentioned that the county's audit may have an effect on the county receiving grant money.

Commissioner Andersen moved for approval that a grant writer be hired on contract with the conditions that the position could be eliminated if positive results are not seen. Seconded by Commissioner Holliday. Motion carried unanimously.

9) Consideration of a decision for an appeal of a decision made by the Planning and Zoning board to approve Conditional Use Home Occupation to allow for the storing of equipment and parking for employees. T5N, R2E, Section 8, NMPM, Tract 34-B-2-A, Zoned RR-2; Filed in book 365, page 12390, of the office of the Valencia County Clerk;

Minutes of July 3, 2013 Business Meeting

Lands of Ignacio Baca; also known as 1021 N. Gabaldon Rd., Belen, NM 87002. Jacobo Martinez

Chairman Eaton suggested that this agenda item be deferred until after executive session.

Chairman Eaton stepped out of the meeting.

10) Consideration for approval of contract for Valencia County Juvenile Justice Board (VCJJB) Continuum Coordinator services for FY14. Cynthia Ferrari/Joe Chavez

Mr. Swingle stated that this contract would continue the contract already in place for Ms. Ferrari to continue providing coordinator services to the VCJJB.

Commissioner Andersen moved for approval. Seconded by Commissioner Holliday. Motion carried 4-0. Chairman Eaton was not present for the vote.

Chairman Eaton returned to the meeting.

11) Consideration for approval Contract # 2013-14-60028 NCNMEDD Non-Metro Area Agency on Aging Direct Purchase of Services Vendor Agreement. Nick Telles

Commissioner Holliday moved for approval. Seconded by Commissioner Andersen. Motion carried unanimously.

12) Consideration for approval Contract# 2013-14-60028 NCNMEDD Non-Metro Agency on Aging Nutrition Service Incentive Agreement. Nick Telles

Commissioner Holliday moved for approval. Seconded by Commissioner Aguilar. Motion carried unanimously.

13) Consideration for approval Contract # 2013-14-60028 NCNMEDD Non-Metro Area Agency on Aging Senior Employment Program Agreement. Nick Telles.

Commissioner Anderson moved for approval. Seconded by Commissioner Aguilar. Motion carried unanimously.

FINANCIAL MATTERS:

14) Consideration of recommendations of gross receipts tax report and to provide staff with direction on re-directing general fund dollars that have been incorrectly deposited in the county indigent fund. Nick Telles

Mr. Telles stated that a research team went back through every month dating back to July 2005, which is the year that the calculation error started. What was discovered was that \$1.2 million of general fund dollars had been incorrectly deposited into the indigent fund. Mr. Telles also presented a report with the findings and recommendations from the research team.

Commissioner Andersen moved for approval of the suggested recommendations from the report. Seconded by Commissioner Aguilar. Motion carried unanimously.

15) Approval of Financial/Payroll warrants. Nick Telles

Commissioner Holliday moved for approval. Seconded by Commissioner Andersen. Motion carried unanimously.

PUBLIC COMMENT:

Norbert Schuller- Mr. Schuller commented that he had 2 primary issues on his bucket list, the first being having a hospital built in Valencia County; the second is the financial well-being of Valencia County government. According to Mr. Schuller financial well-being is two-fold, correcting the findings from the last audit and obtaining more revenue. He would like to see it placed on the commission agenda where the county would enact a minimum tax assessment, not a minimum administrative fee, for each parcel of property in the county. Mr. Schuller would also like the county to have a workshop regarding the county's finances, and in the workshop maybe include Senator Sanchez and Representatives Fajardo and Baldonado.

EXECUTIVE SESSION:

Pursuant to Section 10-15-1 (H) (2) (3) & (7) the following matters may be discussed in closed session; a) Personnel: Nick Telles (Nanette Sanchez), Blue Collar Union Contract, FOP Contract b) Pending or threatened litigation c) real property d) administrative adjudicatory proceedings; Hawkes Conditional Use Permit other specific limited topics that are allowed or authorized under the stated statute.

Attorney Nance stated that what was to be discussed is limited to what was presented on the agenda for executive session.

Commissioner Holliday moved to go into executive session. Seconded by Commissioner Romero. Roll call vote. Commissioner Andersen voted yes. Commissioner Romero voted yes. Commissioner Holliday voted yes. Commissioner Aguilar voted yes. Chairman Eaton voted yes. Motion passed 5-0.

Commissioner Holliday moved to return to regular session. Seconded by Commissioner Romero. Roll call vote. Commissioner Holliday voted yes. Commissioner Aguilar voted yes. Commissioner Andersen voted yes. Commissioner Romero voted yes. Chairman Eaton voted yes. Motion passed 5-0.

Attorney Nance stated that the matters discussed in executive session were limited to those in the motion for closure. No final action was taken.

Commissioner Holliday moved for approval of the summary as stated by Attorney Nance. Seconded by Commissioner Andersen. Motion passed 4-1. Commissioner Aguilar voted no.

ACTION ITEM(S)

16) Consideration of a decision for an appeal of a decision made by the Planning and Zoning board to approve Conditional Use Home Occupation to allow for the storing of equipment and parking for employees. T5N, R2E, Section 8, NMPM, Tract 34-B-2-A, Zoned RR-2; Filed in book 365, page 12390, of the office of the Valencia County Clerk; Lands of Ignacio Baca; also known as 1021 N. Gabaldon Rd., Belen, NM 87002. *Jacobo Martinez*

Chairman Eaton moved for denial of the home occupation. Seconded by Commissioner Andersen. Motion failed 2-3. Commissioners Holliday, Aguilar and Romero voted no.

Commissioner Holliday moved for approval of the home occupation. Seconded by Commissioner Aguilar. Motion passed 3-2. Chairman Eaton and Commissioner Andersen voted no.

NEXT COMMISSION MEETING:

The next Regular Meeting of the Valencia County Board of County Commissioners will be held on July 17, 2013 at 5:00 P.M. Meeting in the County Commission Room at the Valencia County Courthouse.

17) Adjournment

Commissioner Aguilar moved for adjournment. Seconded by Commissioner Romero. Motion carried unanimously. **TIME: 8:09 P.M.**

NOTE: All proposals, documents, items, etc., pertaining to items on the agenda of the July 3, 2013 Business Meeting (presented to the Board of County Commissioners) are attached in consecutive order as stated in these minutes.

VALENCIA COUNTY BOARD OF COMMISSIONERS

CHARLES EATON, CHAIRMAN

ALICIA AGUILAR, VICE-CHAIR

LAWRENCE R. ROMERO, MEMBER

DONALD E. HOLLIDAY, MEMBER

MARY J. ANDERSEN, MEMBER

ATTEST:

PEGGY CARABAJAL, COUNTY CLERK

DATE

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**VALENCIA COUNTY
Board of County Commissioners
Agenda Request Form**



Department Head: Dan Zolnier

Individual Making Request: Barbara Baker

Presentation at Meeting on: July 17, 2013

Date Submitted: July 8, 2013

Title of Request: Indigent Report and two Indigent Appeals

Action Requested of Commission:

Consideration of Indigent Report for July 17, 2013

Consideration of two Indigent Appeals for July 17, 2013

Information Background and Rationale

One Report with 48 Claims (See Attached)

Two Appeals (See Attached)

What is the Financial Impact of this Request?

\$47,381.27 Recommended for Approval of July 17, 2013 Indigent Report

\$1,269.96 Recommended for Approval of two Indigent Appeals

Legal: N/A

Finance:

There are sufficient funds in the Indigent Fund for the approval of the July 17, 2013 report and two appeals. The current balance of the Indigent Fund is \$2,872,380.72.



Valencia County Indigent & Insurance

BARBARA A. BAKER, ADMINISTRATOR

Post Office Box 1119 · Los Lunas, New Mexico 87031

Phone : (505) 866-2020 · Fax: (505) 866-3366

July 17, 2013

Dear Commissioners,

I would like to present the Indigent Claims from to June 6th to June 28th of 2013. The amount of claims submitted is \$410,382.27. I ask the Commission to approve \$47,120.39 and to deny \$363,261.88. There were 48 claims submitted, the breakdown is as follows;

22	-	45.8336%	- UNM Health Sciences Center
13	-	27.0833%	- Living Cross Ambulance
8	-	16.6666%	- Presbyterian Hospital
1	-	2.0833%	- Albuquerque Ambulance
1	-	2.0833%	- Presbyterian Medical Group
1	-	2.0833%	- Radiology Associates
2	-	4.1666%	- Zia Diagnostic Imaging

The payment for approved claims is as follows;

\$ 26,159.36	- UNM Health Sciences Center
3,200.00	- Living Cross Ambulance
17,256.91	- Presbyterian Hospital
400.00	- Albuquerque Ambulance
25.93	- Presbyterian Medical Group
40.58	- Radiology Associates
37.61	- Zia Diagnostic Imaging

There are 13 applicant denials which are;

11339, 11340, 11355 and 11360 - Income
11353 and 11362 - No Response
11352, 11363 and 11364 - Missed Appointment
11375 and 11376 - Additional Information
11368 - Assets
11357 - Has Insurance

The unpaid balance of the medical bills for the approved claims is \$274,170.18 and the unpaid balance of the ambulance bills for the approved claims is \$6,161.57. Thank you for your consideration.

Sincerely,

Barbara A. Baker

VALENCIA COUNTY INDIGENT FUND CLAIMS LOG

July, 17, 2013

Birth		Date(s) of				Reason for		
ID NO.	Date	Sex	Provider Name	Service	Diagnosis	Billed	Paid	Denial
11339	05/10/55	F	UNM Health Sciences Center	04/24-04/26/13	Pancreatic Cancer	26,772.95	0.00	Income
11340	05/26/67	F	UNM Health Sciences Center	05/14/13	Gall Bladder	1,349.70	0.00	Income
11341	10/10/93	F	UNM Health Sciences Center	05/04/13	Dehydration	383.60	295.37	
11342	01/03/89	F	UNM Health Sciences Center	04/19/13	Rapid Heart Beat	1,359.00	1,046.43	
11343	08/12/84	M	Living Cross Ambulance	05/26/13	Knee Pain	961.92	400.00	
11344	01/15/65	M	UNM Health Sciences Center	04/17-04/28/13	Prostate Surgery	20,275.65	3,000.00	
11345	11/18/89	M	Living Cross Ambulance	02/21/13	Chest Pain	1,314.05	400.00	
*			Presbyterian Hospital	02/21/13	*	3,109.00	2,393.93	
11346	11/23/52	M	Presbyterian Hospital	03/30-04/02/13	Nerve Damage in Eye	4,203.50	3,000.00	
11347	10/08/81	M	UNM Health Sciences Center	02/19/13	Back Pain	2,142.00	1,649.34	
11348	02/22/77	F	UNM Health Sciences Center	01/26-01/27/13	Bells Palsy	6,123.70	3,000.00	
11349	11/18/84	M	UNM Health Sciences Center	02/12/13	Kidney Stones	1,887.70	400.00	
*			UNM Health Sciences Center	02/15/13	*	2,370.10	500.00	
*			UNM Health Sciences Center	02/25/13	*	12,574.85	1,719.07	
11350	10/02/82	F	Living Cross Ambulance	11/25/13	Motor Vehicle Accident	1,176.75	400.00	
11351	05/03/87	M	Presbyterian Hospital	02/10/13	Chest Pain	1,209.35	931.19	
11352	09/27/60	M	Living Cross Ambulance	03/18/13	Fall	934.36	0.00	Missed Appointment
11353	10/15/69	M	Presbyterian Hospital	04/17-04/22/13	Dog Attack	34,652.80	0.00	No Response
11354	11/11/51	F	Living Cross Ambulance	03/23/13	Broken Ankle	966.28	400.00	
*			Presbyterian Hospital	03/23/13	*	3,827.87	2,947.45	
11355	11/20/79	F	UNM Health Sciences Center	05/07/13	Bladder Infection	877.00	0.00	Income
11356	03/17/49	F	Living Cross Ambulance	04/24/13	Pacemaker Surgery	1,190.48	400.00	
*			Presbyterian Hospital	04/24-04/28/13	*	158,004.86	3,000.00	
11357	12/20/34	F	UNM Health Sciences Center	04/07-04/09/13	Fall - Broken Pelvis	1,184.00	0.00	Has Insurance
11358	09/15/84	F	UNM Health Sciences Center	04/21-04/22/13	High Blood Pressure	2,904.70	2,236.61	
11359	08/07/87	M	Albuquerque Ambulance	03/21/13	Behavioral	512.00	400.00	
11360	06/09/54	F	UNM Health Sciences Center	04/24/13	Cancer	1,953.05	0.00	Income
11361	12/28/49	F	UNM Health Sciences Center	05/08-05/14/13	Heart Surgery	56,107.75	3,000.00	
11362	12/17/76	M	Living Cross Ambulance	04/16/13	Chest Pain	1,204.21	0.00	No Response
11363	06/24/82	F	Living Cross Ambulance	04/03/13	Rapid Heart Beat	103.38	0.00	Missed Appointment

11364	10/27/31	F	Living Cross Ambulance	03/16/13	Severe Nausea	103.38	0.00	Missed Appointment
11365	11/14/78	M	UNM Health Sciences Center	06/11/13	Testicle Infection	491.00	378.07	
11366	12/16/93	F	Living Cross Ambulance	03/27/13	Assault	1,272.86	400.00	
*			UNM Health Sciences Center	03/27/13	*	9,593.10	2,250.00	
*			UNM Health Sciences Center	05/07/13	Breast Lump	1,530.00	750.00	
11367	02/05/84	F	Living Cross Ambulance	03/25/13	Stroke (Deceased)	1,176.75	400.00	
11368	02/05/70	M	UNM Health Sciences Center	05/31/13	Lip Cancer	9,082.30	0.00	Assets
11369	11/04/58	F	UNM Health Sciences Center	03/27-03/28/13	Stomach Diverticulitis	3,811.00	2,934.47	
11370	05/14/35	F	UNM Health Sciences Center	05/22/13	Cataract Surgery	7,437.15	3,000.00	
11371	08/25/75	M	Radiology Associates	05/20/13	JAIL - Lung Cancer	71.69	40.58	
11372	12/01/75	M	Presbyterian Medical Group	05/28/13	JAIL -Hand Injury	107.00	25.93	
11373	04/20/53	M	Zia Diagnostic Imaging	12/30/11	JAIL - X-Ray	52.00	21.95	
11374	01/11/47	M	Living Cross Ambulance	05/24/13	JAIL - Chest Pain	1,190.48	400.00	
*			Presbyterian Hospital	05/24/13	*	16,783.00	3,975.64	
*			Presbyterian Hospital	05/30/13	*	1,310.00	1,008.70	
*			Zia Diagnostic Imaging	05/24/13	*	21.00	15.66	
11375	06/21/90	F	Living Cross Ambulance	03/22/13	Difficulty Breathing	1,520.00	0.00	Additional Information
11376	11/08/65	M	UNM Health Sciences Center	06/06/13	Liver Disease	3,193.00	0.00	Additional Information
TOTAL						410,382.27	47,120.39	

VALENCIA COUNTY COMMISSION MEETING

Charles D. Eaton, Chair

Alicia Aguilar, Vice-Chair

Mary J. Andersen

Donald E. Holliday

Lawrence R. Romero

P.O. Box 1119 * * * Los Lunas, New Mexico 87031

Provider	Provider Account	Indigent Number	Amount Billed	Amount Denied	Amount Paid
UNM Health Sciences Center	223155099	11339	26,772.95	26,772.95	0.00
UNM Health Sciences Center	223853730	11340	1,349.70	1,349.70	0.00
UNM Health Sciences Center	223544651	11341	383.60	88.23	295.37
UNM Health Sciences Center	222970501	11342	1,359.00	312.57	1,046.43
Living Cross Ambulance	82016	11343	961.92	561.92	400.00
UNM Health Sciences Center	222926230	11344	20,275.65	17,275.65	3,000.00
Living Cross Ambulance	79573	11345	1,314.05	914.05	400.00
Presbyterian Hospital	001047764-3052	11345	3,109.00	715.07	2,393.93
Presbyterian Hospital	001086542-3089	11346	4,203.50	1,203.50	3,000.00
UNM Health Sciences Center	220971444	11347	2,142.00	492.66	1,649.34
UNM Health Sciences Center	220131981	11348	6,123.70	3,123.70	3,000.00
UNM Health Sciences Center	220727374	11349	1,887.70	1,487.70	400.00
UNM Health Sciences Center	220827760	11349	2,370.10	1,870.10	500.00
UNM Health Sciences Center	221022932	11349	12,574.85	10,855.78	1,719.07
Living Cross Ambulance	80922	11350	1,176.75	776.75	400.00
Presbyterian Hospital	020755403-3041	11351	1,209.35	278.16	931.19
Living Cross Ambulance	80335	11352	934.36	934.36	0.00
Presbyterian Hospital	000975922-3107	11353	34,652.80	34,652.80	0.00
Living Cross Ambulance	81398	11354	966.28	566.28	400.00
Presbyterian Hospital	020769255-3082	11354	3,827.87	880.42	2,947.45
TOTALS			127,595.13	105,112.35	22,482.78

VALENCIA COUNTY COMMISSION MEETING

Charles D. Eaton, Chair

Alicia Aguilar, Vice-Chair

Mary J. Andersen

Donald E. Holliday

Lawrence R. Romero

P.O. Box 1119 * * * Los Lunas, New Mexico 87031

Provider	Provider Account	Indigent Number	Amount Billed	Amount Denied	Amount Paid
UNM Health Sciences Center	223524760	11355	877.00	877.00	0.00
Living Cross Ambulance	81401	11356	1,190.48	790.48	400.00
Presbyterian Hospital	000306604-3114	11356	158,004.86	155,004.86	3,000.00
UNM Health Sciences Center	222567620	11357	1,184.00	1,184.00	0.00
UNM Health Sciences Center	223070111	11358	2,904.70	668.09	2,236.61
Albuquerque Ambulance	13023090	11359	512.00	112.00	400.00
UNM Health Sciences Center	223180209	11360	1,953.05	1,953.05	0.00
UNM Health Sciences Center	223486846	11361	56,107.75	53,107.75	3,000.00
Living Cross Ambulance	81168	11362	1,204.21	1,204.21	0.00
Living Cross Ambulance	80829	11363	103.38	103.38	0.00
Living Cross Ambulance	80300	11364	103.38	103.38	0.00
UNM Health Sciences Center	224787119	11365	491.00	112.93	378.07
Living Cross Ambulance	80574	11366	1,272.86	872.86	400.00
UNM Health Sciences Center	222223117	11366	9,593.10	7,343.10	2,250.00
UNM Health Sciences Center	223600057	11366	1,530.00	780.00	750.00
Living Cross Ambulance	80505	11367	1,176.75	776.75	400.00
UNM Health Sciences Center	224336743	11368	9,082.30	9,082.30	0.00
UNM Health Sciences Center	222220550	11369	3,811.00	876.53	2,934.47
UNM Health Sciences Center	222991648	11370	7,437.15	4,437.15	3,000.00
Radiology Associates	15586074	11371	71.69	31.11	40.58
TOTALS			258,610.66	239,420.93	19,189.73

Alicia Aguilar, Vice-Chair

Lawrence R. Romero

P.O. Box 1119 * * * Los Lunas, New Mexico 87031

Provider	Provider Account	Indigent Number	Amount Billed	Amount Denied	Amount Paid	
Presbyterian Medical Group	BL10088675080	11372	107.00	81.07	25.93	
Zia Diagnostic Imaging	234867	11373	52.00	30.05	21.95	
Living Cross Ambulance	82267	11374	1,190.48	790.48	400.00	
Presbyterian Hospital	001131759-3144	11374	16,783.00	12,807.36	3,975.64	
Presbyterian Hospital	001131759-3150	11374	1,310.00	301.30	1,008.70	
Zia Diagnostic Imaging	283256	11384	21.00	5.34	15.66	
Living Cross Ambulance	80483	11375	1,520.00	1,520.00	0.00	
UNM Health Sciences Center	224616615	11376	3,193.00	3,193.00	0.00	
Valencia County Commissioners			Subtotal	24,176.48	18,728.60	5,447.88
			Total	410,382.27	363,261.88	47,120.39
Charles D. Eaton, Chair			<hr/>			
Alicia Aguilar, Vice-Chair			<hr/>			
Mary J. Andersen			<hr/>			
Donald E. Holliday			<hr/>			
Lawrence R. Romero			<hr/>			



Valencia County Indigent & Insurance

BARBARA A. BAKER, ADMINISTRATOR

Post Office Box 1119 · Los Lunas, New Mexico 87031

Phone : (505) 866-2020 · Fax: (505) 866-3366

Date: July 17, 2013

To: Valencia County Board of County Commissioners

From: Barbara A. Baker *BAB*

Subj: Oscar Arroyos - Indigent Appeal

Oscar Arroyos has requested an Indigent Appeal for the Indigent Denial of June 17, 2013 for his UNM Health Sciences Center bill. Mr. Arroyos was denied as he did not respond to the letter I sent him which he said he never received. Mr. Arroyos does meet all of the other requirements. The amount of the UNM Health Sciences Center bill is \$1,513.65 and if approved the amount being paid would be \$1,165.51. I would like recommend approval of the UNM Health Sciences Center bill.

Approved by the Board of County Commissioners at the regular meeting of July 17, 2013.

Charles D. Eaton, Chair

Alicia Aguilar, Vice-Chair

Mary J. Andersen

Donald E. Holliday

Lawrence R. Romero

ATTESTED BY:

Peggy Carabajal, Valencia County Clerk



Valencia County Indigent & Insurance

BARBARA A. BAKER, ADMINISTRATOR

Post Office Box 1119 • Los Lunas, New Mexico 87031

Phone : (505) 866-2020 • Fax: (505) 866-3366

Date: July 17, 2013

To: Valencia County Board of County Commissioners

From: Barbara A. Baker *BBB*

Subj: Indigent Appeal – Renee Armijo - Inmate

Bruce Swingle has requested an appeal for the Indigent Denial of inmate Renee Armijo on June 17, 2013. Mr. Armijo was denied as the bills from the New Mexico Heart Institute in the amount of \$25.00 and Albuquerque New Mexico Physicians in the amount of \$788.00 were received over the 90 day limit.

I would like to recommend approval of the New Mexico Heart Institute bill, if approved the amount being paid would be \$6.36. I would also like to recommend approval of the Albuquerque New Mexico Physicians bill, if approved the amount being paid would be \$98.09.

Approved by the Board of County Commissioners at the regular meeting of July 17, 2013.

Charles D. Eaton, Chair

Alicia Aguilar, Co-Chair

Mary J. Andersen

Donald E. Holliday

Lawrence R. Romero

ATTESTED BY: _____
Peggy Carabajal, Valencia County Clerk

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VALENCIA COUNTY Board of County Commissioners Agenda Request Form



Department Head:	Michael Vinyard
Individual Making Request:	Michael Vinyard
Presentation at Meeting on:	July 17, 2013
Date Submitted:	July 10, 2013
Title of Request:	Processing of Purchase Order and Purchase Card based transactions

Action Requested of Commission: Approve changes and additions to the Valencia County Procurement Policy ("VCP", Policy #401-03-3, October 7, 2005, as amended May 1, 2013) documenting and clarifying the process for the issuance and use of Purchase Orders, and documenting the process for the use of County Purchasing Cards and delegating purchasing authority.

Information Background and Rationale: The issuance of an authorization to make a purchase by a user, verbally or in any other manner, without prior authorization by the Purchasing Department violates the VCP (sections 1.1 and 6.1) as well as the New Mexico Procurement Code (13-1-97[C] NMSA 1978), except for true emergency situations where such purchases may be allowable. While not widespread, such unauthorized purchases have been going on in the County. Those purchases circumvent the financial process, which may lead to exceeding allowable budget, as well as circumventing the purchasing process, which may lead to paying a higher price than could otherwise be obtained by the Purchasing Department. Both represent potential audit exceptions. This change will codify the position the Purchasing Department has taken for almost two years (through training and numerous e-mails) that a user authorizing a purchase prior to the submittal of a Purchase Requisition and subsequent issuance of a valid Purchasing Order is unacceptable and unlawful except in the case of a valid emergency.

The second change requested provides an exception to the above policy when a County Purchasing Card (P-Card) is used to make a purchase. County P-Cards are subject to a stringent set of controls and guidelines ("Purchasing Card Program, Policies and Procedures Manual") that insure budget control is maintained and the proper purchase authorizations are in place. (The authority to make purchases, within each individual user's established guidelines, will be delegated to the user by the Purchasing Department through the County Manager thus insuring conformance with VCP and the NM PC.)

What is the Financial Impact of this Request? Reduction in unauthorized purchase will save money as a result of less paperwork involved in providing for possible payment of the obligation as well as dealing with any related audit exception that might result. The County P-Card program is being rolled out on a "pilot program" basis with a very limited number of cards – about seven – being issued initially to two departments. There will be an investment of time by personnel within both the Finance and Purchasing Departments to get the program up and running and, eventually, expand it to additional select County employees and elected officials. Some of this resource expenditure will be offset by savings in paperwork processing.

PROPOSED CHANGES/ADDITIONS TO VALENCIA COUNTY PURCHASING

5. **APPLICATION OF PROCUREMENT LAW, AUTHORIZED PURCHASING PROCESSES.** ~~When procurement involves the expenditure of federal funds, the procurement shall be conducted in accordance with mandatory applicable federal and state laws and regulations. When mandatory applicable federal law or regulations are inconsistent with the provisions of the state Procurement Code or this policy, compliance with federal law or regulations shall be compliance with the state Procurement Code (Section 13-1-30 NMSA 1978).~~
 - 5.1 *Compliance with federal laws or regulations when inconsistent with state Procurement Code.*
When procurement involves the expenditure of federal funds, the procurement shall be conducted in accordance with mandatory applicable federal and state laws and regulations. When mandatory applicable federal law or regulations are inconsistent with the provisions of the state Procurement Code or this policy, compliance with federal law or regulations shall be compliance with the state Procurement Code (Section 13-1-30 NMSA 1978).
 - ~~5.1~~ 5.2 *Duplication of facilities or services prohibited.* Funds provided under federal or state grants may not be used to duplicate facilities or services available with or without reimbursement from federal, state, or local sources.
 - 5.3 *Valid Purchase Order required before acquisition of products or services.* Except for valid emergency situations (see section 18, *infra.*) or purchases made using a County Purchasing card (see section 5.4, *infra.*), no purchase of products or services shall be made without a valid Purchase Order being issued by the Purchasing Department prior to authorizing a vendor to provide such products or services. Except for the two provisions cited above, placement of orders with a vendor, prior to the issuance of a valid Purchase Order, may render the individual authorizing the purchase personally liable for some or all of the amount of the purchase. Additionally, the placement of such unauthorized purchase may result in disciplinary action up to, and including, dismissal.
 - 5.4 *Purchase Order not required when Procurement Card is used; delegation of purchasing authority.* Purchases made using a properly issued County Procurement Card, consistent with any limitations placed on the card holder and the Valencia County "Purchasing Card Program Policies and Procedures Manual" do not require prior authorization or a Purchase Order issued by the Purchasing Department. Authority to make such purchases is delegated by the Purchasing Department, through the County Manager, to the Procurement Card holder as long as that person makes such purchases within authority granted them as a Procurement Card holder and subject to any associated imposed limitations.
-

VALENCIA COUNTY



PURCHASING CARD PROGRAM

POLICIES AND PROCEDURES MANUAL

JULY XX, 2013
Version 1.00

(FINAL Draft of 7/11/13)

THE UNIVERSITY OF CHICAGO



THE UNIVERSITY OF CHICAGO

THE UNIVERSITY OF CHICAGO



**VALENCIA COUNTY PURCHASING CARD PROGRAM
POLICIES AND PROCEDURES MANUAL**

Version 1.00

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I. PURPOSE

To state the Purchasing Card Program policy, define the responsibilities and outline procedures for the administration of the Purchasing Card Program.

II. POLICY STATEMENT

The Purchasing Card is to be used only to make “best obtainable price” purchases at the request of, and for the legitimate business of Valencia County, consistent with the provisions of the New Mexico State Procurement Code and Valencia County Policies, Procedures, and Administrative Regulations governing expenditure of funds and procurement of goods and services.

III. DEFINITIONS

Account – means each Visa Corporate Purchasing Card account, which Bank

- (i) issues pursuant to Valencia County’s Contract or
- (ii) issued (and still outstanding as of the Effective Date of Valencia County’s Contract) pursuant to a previous agreement no longer in effect.

Each reference in Valencia County’s Contract to “the Account” will mean Valencia County’s Account, a Cardholder’s Account, or any combination of them, as applicable.

Account Code – Account number, project number, work order number and job order number if applicable.

Bank – means financial institution issuing the Card. Refer to the definition of Card Issuer below.

Best Obtainable Price – The lowest price among available, like-quality goods or products. (The basic premise is to make a reasonable buying decision as you would using your own personal funds).

Billing Administrator – The Billing Administrator, in Valencia County’s Finance Department, coordinates the Purchasing Card billing, electronic interface with the Bank, account code maintenance and distribution and collection of statements from the using departments.

Card Administrator – The Card Administrator, in Valencia County’s Purchasing Department, coordinates the Purchasing Card application, spending controls, and vendor

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set up for Valencia County and acts as Valencia County's intermediary in correspondence with the Card Issuer on issues relating to set-up, maintenance and closure.

Cardholder – An employee or elected official of Valencia County who is recommended by his/her Department Head, or an elected official of Valencia County who requests, to use the Purchasing Card to execute purchase transactions on behalf of Valencia County and who is approved for such use by the County Manager prior to the issuance of a Purchasing Card.

Card Issuer – The banking institution (the Bank) designated by Valencia County to be the Purchasing Card service provider. The Bank provides services such as issuing Visa Purchasing Cards to Valencia County employees, authorizing electronic transactions and billing Valencia County for all purchases made on the cards.

Cut-off Date – The date by which all reconciled and approved statements with receipts must be delivered to the Billing Administrator.

Department Head – Valencia County official who must approve employee's request for a Purchasing Card, assign Department Liaison, designate default accounting code for purchases on the Purchasing Card, and submit application to the Card Administrator. Department Head approval delegates transaction authority to the Cardholder.

Department Liaison – An employee in each department designated by the Department Head to be responsible for reviewing transactions of individual Cardholders to make sure the transactions are legitimate business expenses and account codes are classified appropriately.

Gross Receipt Tax – Valencia County is tax exempt for purchases of tangible personal property only. The purchase of services and materials to be used in construction projects are not exempt. (Note: The County's Tax Exempt Number is printed on each Purchasing Card for the Cardholder's information and use).

Maintenance Request – A written correspondence to the Bank to request changes to a Card issued, such as a name change of Cardholder, correction of spelling of Cardholder name, replacement request for a damaged Card, change of Department Liaison for proper transmittal of electronic data, etc.

NMSA – New Mexico Statutes 1978, amended.

Scheduled Report/Statement – The Bank report or statement distributed by the Billing Administrator as pre-scheduled between the Billing Administrator and the Department Liaison.

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Tangible Personal Property – Tangible property other than real property having a physical existence, including but not limited to supplies, equipment, materials and printed materials.

Tyler System (also referred to as “Tyler”) – The computerized financial, accounting and purchasing system used by Valencia County.

Unauthorized Use – means use of the Card by a person

- (i) who is not a Cardholder;
- (ii) who does not have actual, implied or apparent authority to use the Card; and
- (iii) whose use does not result in a direct or indirect benefit for Valencia County or Cardholder.

Valencia County – Employer. Arranges with the Card Issuer to have Purchasing Cards issued to approved employees and agrees to accept limited liability for the employees' use of the cards.

Vendor – The merchant from whom a Cardholder is making a purchase.

IV. RESPONSIBILITIES

A. Cardholder

The Cardholder must use the Purchasing Card for legitimate business purposes only. The Purchasing Card may not be used for entertainment, cash and other categories as included in the **Listing of Blocked Vendors** (Attachment 1). Misuse of the card may subject a non-elected official Cardholder to revocation of the card and actions in accordance with Valencia County Personnel Policy and Procedures relating to disciplinary actions and termination for cause. Misuse of cards may subject elected official Cardholder to the removal provisions of Sections 10-4-1 to 10-4-29 NMSA and Section 3-10-7 NMSA. The Cardholder must:

1. Ensure the Purchasing Card is used for legitimate business purposes only.
2. **Maintain the Purchasing Card in a secure location at all times.**
3. Not allow other individuals to use his/her Purchasing Card.
4. Obtain itemized transaction receipts from vendors.
5. Note appropriate account number on each receipt.

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6. Be responsible for obtaining a duplicate of a lost or misplaced receipt. If unobtainable, the Cardholder must complete and obtain signatures using the required *Affidavit of No Receipt* form (Attachment 6). Note that lost or misplaced receipt(s) totaling \$25.00 or more require County Manager approval.
7. Adhere to the purchase limits and restrictions of the Purchasing Card and ensure the total transaction amount of any single transaction does not exceed the *Purchasing Card Parameters* as outlined in Attachment 5.
8. Obtain travel request approval prior to any related Purchasing Card travel transactions. Use of the Purchasing Card for travel-related fuel in privately owned vehicles is prohibited. Use of the card for travel reservations or expenses for non-county personnel is prohibited.
9. Ensure compliance with the County's Administrative Regulation governing travel.
10. Obtain and reconcile all itemized sales invoice, cash register receipts, and signed Purchasing Card receipts to the Bank's Cardholder statement, sign the statement, and provide same to Department Liaison for reconciliation, Department Head signature allocation of transactions.
11. Notify Department Liaison if the default accounting code should be changed on an individual transaction.
12. Attempt to resolve disputes or billing errors directly with the vendor and notify the Bank if the dispute or billing error is not satisfactorily resolved by faxing the Bank the required *Cardholder Statement of Disputed Item* form (Attachment 2).
13. Ensure that an appropriate credit for the reported disputed item or billing error appears on a subsequent Cardholder statement.
14. Not accept cash in lieu of a credit to the Purchasing Card account.
15. Ensure that Gross Receipt Tax is not charged when purchasing tangible personal property, unless purchase qualifies under gross receipt tax as defined.
16. Notify the Billing Administrator that a vendor is requiring a tax-exempt certificate.
17. Immediately report a lost or stolen card to the Bank at 1-888-449-2273 (24 hours a day, 365 days a year).
18. Immediately notify Department Liaison of a lost or stolen Purchasing Card at the first opportunity during normal business hours.

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19. Return the Purchasing Card to Department Liaison upon terminating employment with Valencia County or transferring Departments within Valencia County.

20. Contact the Department Liaison if a vendor does not accept Visa.

21. Report erroneous declines to the Department Liaison during normal business hours.

B. Department Liaison

Each Department Head must designate one or more Department Liaisons for his/her department. The Department Head will assign a Department Liaison for each Purchasing Card application approved for his/her employees. The Department Liaison must receive training before any employees in the department may receive a Purchasing Card. The Department Liaison will:

1. Review and reconcile vendor receipts attached to the Bank Cardholder statements and obtain Department Head signature.
2. Check for Cardholder signature on statement; if none, obtain signature.
3. Retain all Cardholder charge slips, receipts, and statement reconciliation and forward to the Billing Administrator.
4. Work out a schedule with the Billing Administrator on the frequency of the reporting requirement.
5. Review Cardholder transactions on the scheduled Department report distributed by the Billing Administrator.
6. Request the Billing Administrator to change default accounting codes for individual transactions by updating default accounting codes on the Department reports in advance of the scheduled date.
7. Attempt to resolve any disputes with Vendor and/or the Bank not resolved by Cardholder.
8. Notify Billing Administrator within 3 to 5 days of any unresolved disputes, noting the reason for dispute.
9. Notify Card Administrator of lost or stolen cards.
10. Request Card Administrator to cancel a Cardholder's card (e.g. terminated employees, transferring departments and loss of purchasing card privileges) as approved by Department Head or County Manager.
11. Secure Purchasing Cards from terminated employees and employees who transfer to another Valencia County department and forward to Card Administrator.

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12. Notify the Card Administrator of Cardholder request(s) to have the Bank set up a Vendor to accept Visa.

13. Assist Cardholders with erroneous purchase declines.

14. Ensure compliance with the County's Administrative Regulation governing travel.

C. Card Administrator

The Purchasing Department will assign a Card Administrator to be responsible for the overall Purchasing Card program. The Card Administrator will:

1. Serve as the Valencia County liaison with the Bank.
2. Utilize the reporting capabilities of the Bank's electronic on-line Software from the Bank.
3. Review Department-approved Purchasing Card Application for required information.
4. Submit completed Application to the Bank and receive Purchasing Cards from the Bank.
5. Train Department Liaisons and Cardholders before releasing Purchasing Cards.
6. Have Cardholder sign **Cardholder Agreement** (Attachment 3), signifying agreement with the terms and conditions of the Purchasing Card program.
7. Secure revoked Purchasing Cards and submit information to the Bank.
8. Review usage of Purchasing Card data for trends.
9. Ensure that lost or stolen cards have been blocked by the Bank.
10. Forward Vendor set-up requests to the Bank.
11. Assist the Department Liaison with erroneous declines.
12. Receive and act on notice of termination or transfer from Personnel (i.e., ensure Card is cancelled, etc.).
13. Submit Department Head approved maintenance requests in writing to the Bank.
14. Perform periodic audits of Card use for regulations compliancy through the Bank's on-line reporting system.

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D. Billing Administrator

The Finance Department will assign a Billing Administrator to be responsible for the billing administration of the Purchasing Card program. The Billing Administrator will:

1. Assist in training Department Liaisons and Cardholders before releasing Purchasing Card.
2. Handle disputed charges/discrepancies not resolved by Cardholder or Department Liaison.
3. Initiate changes of default accounting codes as approved by the Department Head.
4. Receive and review the Bank bill.
5. Distribute reports to Department Liaisons as prescheduled and notify Department Liaisons of cut-off date for approvals and default code changes.
6. Process electronic upload of bill to accounting.
7. Prepare bill for payment, obtain Finance Director's written approval (on Bank statement) and issue payment.
8. Reconcile the Bank's bill to the Bank's electronic file and to the transaction totals posted to Valencia County's accounting system.
9. Review usage of Purchasing Card data for appropriateness.
10. Receive and act on notice of termination or transfer from Personnel (i.e., ensure there are no payments made on charges against a card that has been cancelled due to termination of a Cardholder, etc.).
11. Perform periodic and random audits of card charges for appropriateness through the Bank's online reporting system.

V. PROCEDURES

A. Setting Up A Purchasing Card

The Card Administrator, who is located in the Valencia County Purchasing Department, will be the key contact person for all communications with the Bank for Purchasing Card set-up, maintenance and closure (except for reporting lost or stolen cards). The name of the Card Administrator will be communicated with all respective County personnel during the Department Liaison and

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Cardholder training sessions with a written correspondence to all management staff.

1. To request a card, the Valencia County **employee** or **elected official** will be required to complete a Valencia County **Purchasing Card Application** (Attachment 4). The employee will submit the completed form to the Department Head for final completion, **and then to the County Manager, for approval.** The elected official will submit the completed form to the County Manager for approval.
2. If approved, the Department Head will complete the application by providing the name of the Department Liaison and default accounting code to be assigned to the card.
3. The application will then be forwarded to the Purchasing Agent for approval. The Purchasing Agent's signature delegates purchasing transaction authority to the Cardholder.
4. The Department Head **next** sends the approved application to the Department Liaison for signature; this alerts the Liaison to add a new account to her/his list of account inventory. The Department Liaison will then forward the application to the Card Administrator.
5. The Card Administrator will review the application for completeness and submit the application to the Bank in the format approved by the Bank.
6. Upon receipt of the Purchasing Card from the Bank, the Card Administrator and the Billing Administrator will conduct a joint training session with the Cardholder prior to issuing the card.
7. The Cardholder signs the Cardholder Agreement signifying agreement with the terms and conditions of the Purchasing Card program.

B. Making A Purchase

The Cardholder is to present the Purchasing Card at point of purchase.

When making a telephone order, the Cardholder is to let the Vendor know he/she is calling from Valencia County making a purchase with a VISA Purchasing Card. The Cardholder is to provide the Vendor the Cardholder's name, card number, expiration date, and delivery address. The Cardholder is to emphasize and ensure the purchase is tax exempt and provide the County's Tax Exemption Number as necessary when purchasing tangible goods, however, see section III. Definitions - Gross Receipt Tax Section for exceptions. When the

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goods are delivered, the Cardholder is to inspect the order to verify order accuracy, quality and price.

Valencia County spending parameters for each Purchasing Card issued is set per transaction. Refer to Attachment 5 "Purchasing Card Parameters" for card limits.

C. Obtaining Itemized Receipts

The Cardholder is to obtain an itemized receipt from the Vendor for each transaction. Receipts include charge slips, cash register receipts, invoice or printout of e-mail or web page transaction confirmation. For subscriptions, a copy of the renewal notice or initial subscription request is a receipt. Receipts **MUST** include the following information:

1. Itemized description of goods purchased
2. Vendor name
3. Transaction date
4. Transaction total

Receipts that do not clearly list all items purchased will not be considered adequate documentation.

Travel-related receipts, including meal receipts, shall comply with Valencia County Travel Policy guidelines. **Original travel-related receipts shall be attached to the Card statements if such expenses were charged against the Card and copies of the receipts shall be attached to the Travel Expense Reports.** The approved travel request number shall be documented on all travel-related receipts.

It is the responsibility of the cardholder to obtain a duplicate of a lost or misplaced receipt. If unobtainable complete and obtain signatures using the required Affidavit for No Receipt form (Attachment 6). Note that lost or misplaced receipt(s) totaling \$25.00 or more require County Manager approval.

D. Declined Purchases

If your purchase is not approved by VISA, contact your Department Liaison with the following information:

1. Store name and location

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2. Item attempted to purchase
3. Date and time of attempted transaction (Date is required; time is not required but helps in determining which Vendor cashier may have disapproved the purchase)
4. Amount of Purchase transaction

If purchase is being made outside of normal Valencia County business hours, the Cardholder must find an alternate payment method or terminate the purchase and contact the Department Liaison during normal business hours.

E. Returning An Item Purchased With A Card

For an in-person return, return the item directly to the supplier or Vendor and obtain a credit receipt.

If you made the purchase by phone, web, mail, or fax:

1. Contact the Vendor for return instructions.
2. Obtain a Return Material Authorization (RMA) number or credit number from the Vendor. NOTE: Some suppliers may charge a restocking or handling fee.
3. Follow Valencia County shipping procedures to send the item back to the Vendor.

On the statement where the original charge appears, note the date, time, and method of return. Vendors will issue all credits to the individual Purchasing Card account for any item they have agreed to accept for return. This credit will take approximately three (3) business days to post to the Purchasing Card account and may appear on a subsequent statement. Under no circumstances should a Cardholder accept cash in lieu of a credit to the Purchasing Card account. **CASH REFUNDS ARE ABSOLUTELY PROHIBITED.**

Check subsequent statements to verify you have received credit for the returned item.

F. Reviewing/Reconciling Statements

1. At the close of the monthly billing cycle, the Bank will send an electronic billing statement to the Valencia County Billing Administrator. The statement will be used to charge all Cardholder transactions to the default accounting code.

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2. The Billing Administrator will distribute, as scheduled, a report to the Department Liaisons for review and confirmation of Cardholder purchases.
3. The Department Liaison will forward a copy of the statement to the individual Cardholders.
4. The Cardholder will then do the following:
 - a. Verify that he/she receives a statement, as scheduled, and verify the accuracy of the statement by comparing it to receipts and other transaction documentation. The Cardholder is to check for:
 - * Totals that correspond with receipt totals.
 - * Amounts on the statement that are higher than receipts.
 - * Items on the statement that were not purchased.
 - b. Follow the steps outlined in the "INCORRECT CHARGES" section when a discrepancy is found.
 - c. Attach receipts to his/her statement, as scheduled, in the same order as they appear on the statement.
 - d. Ensure that each receipt has an appropriate expense account number assigned.
 - e. Sign the statement. The Cardholder's signature affirms that (a) the charges are correct with exceptions noted, (b) all receipts are attached, and (c) all purchases are authorized business purchases.
 - f. Send the signed statement and the attached receipts to the Department Liaison.
5. Department Liaisons will review the Cardholder statement package for completeness.
6. The Billing Administrator will verify approvals of bills and verify statement and receipts.
7. Payment will be made in accordance with the Bank's instructions.
8. The total amount billed by the Bank will be charged to the individual Department accounts and credits for disputed transactions will be posted to Department accounts when credit appears on the Bank billing.
9. Billing Administrator will verify reconciliation of the detailed electronic billing statement to amount paid the Bank.

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G. Tyler System Processing/Payment Process

1. The amounts due for each General Ledger Code utilized during the billing period will be summed up manually.
2. The Billing Administrator will verify the accuracy of the summed up totals against the Bank billing statement.
3. A single Purchase Requisition will be entered into the Tyler System reflecting all General Ledger Codes and all due amounts resulting from items #1 and #2, immediately above.
4. A single Purchase Order to Bank, for the total amount due during the billing period, will be generated.
5. Payment to Bank will be made based on the Purchase Order generated.

H. Changing Default Accounting Code

A default accounting code will be assigned to each Purchasing Card issued. Bank will submit an electronic reporting file to Valencia County. The Card Administrator will adjust the default code at the request of the Department Head.

I. Incorrect Charges

If you find an item on your monthly statement that is incorrect, call the Vendor immediately to resolve the disputed charge. The Cardholder is responsible for contacting the Vendor to resolve any disputed charges or billing errors. If the Vendor does not resolve the discrepancy within 30 days, contact the Bank at 1-866-601-9488 directly for assistance. Fax a signed Bank **Cardholder Statement of Disputed Item form (Attachment 2)** to 1-888-678-6046, and forward a copy of the form to the Card Administrator in the Purchasing Department. If an acceptable resolution is not obtained, contact the Billing Administrator in the Finance Department.

All Vendors have a right to “cure” a problem with a purchase within a reasonable period of time. When you receive either an incorrect or defective item, you must allow the Vendor a reasonable amount of time to either replace the product, resolve the service issue or issue you a credit before turning the matter over to the Bank.

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J. Unresolved Disputes And Billing Errors

The total amount billed by the Bank will be charged to the individual Department accounts. Credits for disputed transactions will be posted to Department accounts when the credit appears on the Bank billing.

K. Terminated Or Transferred Employees

The Department Head or designee is to secure Purchasing Cards from terminated employees and employees who transfer to another Valencia County Department and immediately notify the Card Administrator. The Valencia County Human Resources Department will submit a weekly report notifying the Card and Billing Administrators of employee terminations or transfers. The transferring employee's new Department Head will submit a maintenance request in accordance with paragraph M below authorizing retention of the transferring employee Card. A request for closing the Cardholder account will be submitted to the Bank by the Card Administrator within two (2) days of receiving the notification. All Purchasing Cards to be closed are to be returned to the Department Liaison or the Card Administrator for disposal.

L. Lost, Stolen Or Misplaced Cards

Immediately call the Bank at 1-888-449-2273 as soon as you realize your Card has been lost, stolen, or misplaced. Note the name of the person who takes your call and the time you called. (Note: the toll free number is available 24 hours a day, 365 days a year.)

Notification shall be made to the Department Liaison, Card Administrator, Billing Administrator, and Department Head with the above information. The Department Liaison shall follow up with the Bank. This should be done at the first opportunity during normal business hours.

M. Card Maintenance

1. The Department Liaison will ensure the Department Head approves all maintenance requests in writing and will then forward to the Card Administrator.
2. The Card Administrator will submit all maintenance requests to the Bank and will coordinate the activities between the Cardholder and the Bank.

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N. Card Revocation

Authorization to utilize a P-Card may be revoked at any time, with or without cause.

O. Other Card Revocation/Closures

Card Administrator will notify the Bank immediately of all revocations and closures.

VI. REQUIREMENTS & CONDITIONS

A. Cardholder Eligibility

1. Applicant must be a full-time employee of Valencia County.
2. Elected officials are eligible for Purchasing Cards as provided for in Section III under the definition of Cardholder.
3. Applicant's request for a Purchasing Card must be recommended by his/her Department Head and approved by the County Manager. An elected official's request must be approved by the County Manager (Attachment 4).
4. Applicant must be assigned a Department Liaison by his/her Department Head.
5. Employee must attend a training session before receiving his/her Purchasing Card and receive periodic training updates as needed or as requested.
6. Each individual Cardholder must sign a **Cardholder Agreement** (Attachment 3) in the presence of the Card Administrator.

B. Cardholder Liability

The Purchasing Card is a corporate charge card which will not affect the Cardholder's personal credit; however, it is the Cardholder's responsibility to ensure that the card is used within stated guidelines of Valencia County's Purchasing Card Policies and Procedures Manual as well as Valencia County Policies and Procedures relating to the expenditure of Valencia County funds. Failure to comply with program guidelines may result in permanent revocation of the card, notification of the situation to management and further disciplinary

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measures up to and including termination or removal as noted herein. Section VI. D.

Valencia County reserves the right to hold cardholders personally liable for items purchased that have no corresponding itemized receipt.

Cardholder will immediately reimburse Valencia County for all prohibited charges and any fees related to the collection of those charges.

C. Purchasing Card Termination

The Card Administrator is required to close an account if a Cardholder (a) transfers to a different Department which requests the account closure; (b) moves to a new job in which a Purchasing Card is not required; (c) terminates employment; or for any of the following reasons will recommend to the Department Head the account closure when:

1. The Cardholder allows the card to be used by another individual.
2. The Cardholder splits a purchase to circumvent the limitations of the Purchasing Card.
3. The Cardholder uses another Cardholder's card to circumvent the purchase limit assigned to either Cardholder or the limitations of the Purchasing Card.
4. The Cardholder fails to provide, when requested, information about any specific purchase.
5. The Cardholder does not adhere to Purchasing Card Policies and Procedures.
6. Itemized receipts are consistently not attached to the monthly statement.
7. The Cardholder does not immediately notify Bank of a lost or stolen Purchasing Card.

D. Cardholder Termination

The Card Administrator is required to close an account for any of the following reasons which will also subject Cardholder to actions in accordance with Valencia County Personnel Policies and Procedures relating to disciplinary action and termination and/or removal for cause:

1. The Purchasing Card is used for personal or unauthorized purposes.

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2. The Purchasing Card is used to purchase alcoholic beverages or any substance, material or service, which violates policy, law or regulation pertaining to Valencia County.

E. Security and Storage

Purchasing Cards - Cardholders should always treat the Purchasing Card with at least the same level of care as one does their own personal credit cards. The Card should be maintained in a secure location (a small card envelope provided during training is recommended to be used), and the Card account number should be carefully guarded. The only person entitled to use the Card is the person whose name appears on the face of the Card. The Card may not be lent to another person for any reason.

Program Documentation - The Department Liaison assigned to each Purchasing Card will maintain the Cardholder's Vendor receipt/packing slips/charge slips, until forwarded to the Billing Administrator. The Card Administrator in the Purchasing Department and the Billing Administrator in the Finance Department will maintain all other documentation concerning the Purchasing Card program. This documentation includes, but is not limited to, applications, Cardholder approvals, Agreements, billing statements, reconciliation of accounting statements, on-line programs, and copies of transmittals and correspondence with the Bank.

1. **Card Administrator** - applications, approvals, Cardholder Agreements, and copies of transmittals and correspondence with the Bank relating to card administration.
2. **Billing Administrator** - billing statements, reconciliation of accounting statements, the Bank's on-line programs, documentation associated with the manual summarization of General Ledger Codes for entry into the Tyler System, and copies of transmittals and correspondence with the Bank relating to billing administration.

VII. VENDOR ESTABLISHMENT

A. Vendor Setup

The Purchasing Department will conduct a study of frequently used Vendors, which qualify for use of the Purchasing Card by Cardholders. If a Vendor frequently used by Valencia County employees does not accept the Visa Card, Valencia County will assist in recruiting the Vendor to take the necessary steps

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to begin acceptance of the Card and provide this information to the Bank. Cardholders should contact the Department Liaison when encountering Vendors who do not accept the card.

B. Vendor Blocking

Transactions will be blocked at the point-of-sale level at the types of Vendors included on the **Listing of Blocked Vendors** (Attachment 1).

VIII. PURCHASING CARD PROGRAM OVERVIEW

- A. Purchasing Cards will be issued to Valencia County employees and elected officials only.
- B. The employee's name must be embossed on the Card.
- C. Purchasing Cards will not be transferable between individuals or departments.
- D. Each Cardholder will be assigned to a Department Liaison.
- E. Each Card will be assigned a default accounting code.
- F. Department Liaison may be assigned to more than one department.
- G. All Department Liaisons will abide by the policies and procedures pertaining to the Procurement Cards.
- H. Employee's Department Head must approve the request for a Card, assign the default account number and assign the Department Liaison for the Cardholder.
- I. Cardholders will make purchases following Valencia County Policies and Procedures, and will receive a copy of the Bank statement as scheduled.
- J. Cardholders will match receipts to the statements, sign the statements, and forward to Department Liaisons for collection, quality review, approval by Department Head, and submittal to Billing Administrator.
- K. Cardholders **shall not** have approval authority for their own statement. Statements shall be forwarded to next higher level of management for approval.
- L. The Department Head's statement shall be approved by the County Manager or the Acting County Manager if the County Manager is not available.

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- M. The County Manager's statement shall be approved by the County Treasurer.
- N. Department reports of Cardholder transactions will be distributed to Department Liaisons as scheduled. Liaisons will have the responsibility for overriding the default accounting code for a transaction, identifying transactions subject to gross receipt tax, reviewing bills and adding cost share information if required.
- O. The Bank sends a consolidated invoice to Valencia County at the end of monthly billing cycle, which is approximately the 4th of each month.
- P. A payment is made to the Bank within 25 days after the end of the billing cycle.

IX. AUDIT TRAIL OVERVIEW

A. Cardholder Will:

1. Reconcile itemized vendor receipts to Cardholder statement and sign the statement.
2. Submit itemized vendor receipts and Cardholder statement to Department Liaison. If order is by telephone/fax, the Cardholder shall supply a copy of the order blank or a description of order to Department Liaison for Department/Department Head approval.
3. Indicate alternate account number and/or cost share account number for purchases to be charged if different than the default account code assigned to the Purchasing Card.

B. Department Liaison Will:

1. Review, reconcile, and maintain Cardholder receipts and statements and ensure signature of Cardholder on statement before forwarding to Billing Administrator after Department Head approval.
2. With approval of the Department Head, enter alternate default codes on the scheduled reports distributed by the Billing Administrator.
3. Identify transactions requiring the payment of Gross Receipt Tax.
4. Obtain approval of charges to Department in advance of the scheduled default cutoff date for approvals established by the Billing Administrator.
5. Ensure compliance with the County's Administrative Regulation governing travel.

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C. Billing Administrator Will:

1. Receive electronic reports from the Bank and distribute to Department Liaisons.
2. Establish and notify Department Liaisons of scheduled cut-off date for approvals.
3. Process upload of Department charges to Finance for charging individual departments.
4. Verify scheduled billing statement to the electronic reporting file.
5. Upload to individual Departments is to be for the total amount of the electronic report file.
6. Perform periodic and random audits of Card use and charges for appropriateness. Areas to be monitored include but are not limited to compliance with Purchasing Card regulations, compliance with respective Valencia County regulations and gross receipt tax charges.

D. Card Administrator Will:

1. Receive and maintain Purchasing Card Applications.
2. Maintain Cardholder agreements.
3. Communicate with the Bank and the Department Liaisons for set-up, maintenance, and closure.
4. Perform periodic and random audits of Card use and charges for appropriateness through the use of the Bank's on-line reporting system. Areas to be monitored include, but are not limited to compliance with Purchasing Card regulations, compliance with Valencia County regulations, and gross receipt tax charges. Non-use of the Card by Cardholders will also be monitored.
5. Report all Purchasing Card discrepancies or purchasing discrepancies to the County Manager as soon as reasonably possible

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ATTACHMENT 1

Listing of Blocked Vendors

MCC	GROUP - DESCRIPTION	
4119	AMBULANCE SERVICES	
7996	AMUSEMENT PARKS, CIRCUSES, CARNIVALS	
7999	AMUSEMENT,RECREATION SERVICES (SWIMMING)	
7998	AQUARIUMS, SEAQUARIUMS AND DOLPHINARIUMS	
8675	AUTOMOBILE ASSOCIATIONS	
7295	BABYSITTING SERVICES	
9223	BAIL AND BOND PAYMENTS	
7929	BANDS, ORCHESTRAS, ENTERTAINERS	
7932	BILLIARD AND POOL ESTABLISHMENTS	
5551	BOAT DEALERS	
7933	BOWLING ALLEYS	
8244	BUSINESS AND SECRETARIAL SCHOOLS	
7278	BUYING/SHOPPING SERVICES, CLUBS	
4899	CABLE, SATELLITE & OTHER PAY TV/RADIO SE	
8351	CHILD CARE SERVICES	
5641	CHILDREN'S AND INFANT'S WEAR STORES	
8049	CHIROPODISTS, PODIATRISTS	
8041	CHIROPRACTORS	
5993	CIGAR STORES AND STANDS	
8641	CIVIC, SOCIAL AND FRATERNAL ASSOCIATIONS	
7296	CLOTHING RENTAL-COSTUMES/UNIFORMS	
8220	COLLEGES, UNIVERSITIES, PROFESSIONAL SCHOOLS	
7321	CONSUMER CREDIT REPORTING AGENCIES	
8241	CORRESPONDENCE SCHOOLS	
7277	COUNSELING SERVICE-DEBT, MARRIAGE, PERSONAL	
9211	COURT COSTS INCLUDING ALIMONY AND CHILD	
7911	DANCE HALLS, STUDIOS, AND SCHOOLS	
7273	DATING AND ESCORT SERVICES	
8021	DENTISTS, ORTHODONTISTS	
5960	DIRECT MARKETING INSURANCE SERVICES	
5963	DIRECT SELLING ESTABLISHMENTS, DOOR TO DOOR	
8011	DOCTORS, PHYSICIANS	
5813	DRINKING PLACES (ALCOHOLIC BEV.)-BARS,TA	
5997	ELECTRIC RAZOR STORES-SALES AND SERVICE	
8211	ELEMENTARY AND SECONDARY SCHOOLS	
7833	EXPRESS PAYMENT SERVICE - MOTION PICTURE	
7524	EXPRESS PAYMENT SERVICES - PARKING/GARAGE 9222 FINES	

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7261	FUNERAL SERVICE AND CREMATORIES
5681	FURRIERS AND FUR SHOPS
7995	GAMBLING TRANSACTIONS
9702	GCAS EMERGENCY SERVICES (VISA USE ONLY)
7992	GOLF COURSES-PUBLIC
9411	GOVERNMENT LOAN PAYMENTS
7298	HEALTH AND BEAUTY SPAS
5975	HEARING AID SALES, SERVICE, SUPPLY STORE
7280	HOSPITAL PATIENT PERSONAL FUNDS WITHDRAW
9950	INTRA-COMPANY PURCHASES
9405	INTRA-GOVERNMENT PURCHASES
5944	JEWELRY STORES-WATCHES, CLOCKS, AND SILVER
5047	LAB/MEDICAL/DENTAL/OPHTHALMIC HOSPITAL
7211	LAUNDRIES SERVICES-FAMILY AND COMMERCIAL
7210	LAUNDRY, CLEANING, AND GARMENT SERVICES
5948	LUGGAGE AND LEATHER GOODS STORES
4468	MARINAS, MARINE SERVICE/SUPPLIES
7297	MASSAGE PARLORS
8071	MEDICAL AND DENTAL LABORATORIES
6012	MEMBER FINANCIAL INSTITUTION- MERCHANDISE
6011	MEMBER FINANCIAL INSTITUTION-AUTOMATED CASH
6010	MEMBER FINANCIAL INSTITUTION-MANUAL CASH
5271	MOBILE HOME DEALERS
6534	MONEY TRANSFER-MEMBER FINANCIAL INSTITUTE
4829	MONEY TRANSFER-MERCHANT
7832	MOTION PICTURE THEATERS
7519	MOTOR HOME AND RECREATIONAL VEHICLE RENTAL
8050	NURSING AND PERSONAL CARE FACILITIES
8044	OPTICAL GOODS AND EYEGLASSES
8042	OPTOMETRISTS, OPHTHAMOLOGISTS
5976	ORTHOPEDIC GOODS-ARTIFICIAL LIMB STORES
8031	OSTEOPATHIC PHYSICIANS
6611	OVERPAYMENTS
5921	PACKAGE STORES, BEER, LIQUOR
6532	PAYMENT SERVICE PROVIDER-MEMBER FINANCIAL
6533	PAYMENT SERVICE PROVIDER-MERCHANT-PAYMENT
6531	PAYMENT SERVICE PROVIDER-MONEY TRANSFER
8651	POLITICAL ORGANIZATIONS
5094	PRECIOUS STONES AND METALS, WATCHES & JEWELRY
8999	PROFESSIONAL SERVICES NOT ELSEWHERE CLASSIFIED
4225	PUBLIC WAREHOUSING-FARM PROD,REFRIDGERATOR
6051	QUASI CASH

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6050	QUASI CASH-MEMBER FINANCIAL INSTITUTION
6513	REAL ESTATE AGENTS AND MANAGERS-RENTALS
5973	RELIGIOUS GOODS STORES
8661	RELIGIOUS ORGANIZATIONS
6530	REMOTE STORED VALUE LOAD
5974	RUBBER STAMP STORES
6760	SAVINGS BONDS
6211	SECURITY BROKERS/DEALERS
7251	SHOE REPAIR SHOPS, SHOE SHINE PARLORS
7032	SPORTING AND RECREATIONAL CAMPS
5972	STAMP & COIN STORES-PHILATELIC & NUMISMATIC
4411	STEAMSHIP/CRUISE LINES
9311	TAX PAYMENTS
7276	TAX PREPARATION SERVICE
7922	THEATRICAL PRODUCERS (EXCEPT MOTION PICTURES)
7012	TIMESHARES
7991	TOURIST ATTRACTIONS AND EXHIBITS
7033	TRAILER PARKS AND CAMPGROUNDS
9752	U.K. PETROL STATIONS, ELECTRONIC HOT FILE
9751	U.K. SUPERMARKETS, ELECTRONIC HOT FILE
5931	USED MERCHANDISE STORES, SECOND HAND STORE
6535	VALUE PURCHASE-MEMBER FINANCIAL INSTITUTE
7993	VIDEO AMUSEMENT GAME SUPPLIES
7994	VIDEO GAME ARCADES/ESTABLISHMENTS
7841	VIDEO RENTAL STORES
8249	VOCATIONAL AND TRADE SCHOOLS

ATTACHMENT 2
Cardholder Statement of Disputed Item

Authorized By: _____

Bank of America
Phone 1-866-601-9488, Fax 1-888-678-6046 Attn.: Commercial Card Services

Valencia County
Cardholder Name: _____
Cardholder Account Number: _____

Statement Date	Transaction Date	Merchant Name/Description
Amount	Posting Date	Reference Number

Check the description most appropriate to your dispute. If you have any questions, contact Bank of America.

1.

Alteration of Amount:
The amount of the sales draft has been altered from \$_____ to \$_____
(Please include copy of sales draft.)
2.

Unauthorized Mail or Phone Order:
I certify the charge listed above was not authorized by me or any person authorized by me to use this account. I have not ordered merchandise by phone or mail, or received goods and services as represented above.
3.

Cardholder Dispute:
I did participate in the above transaction, however, I dispute the entire charge, or a portion, in the amount of \$_____ Because: _____

4.

Credit Not Received:
The merchant has issued me a credit slip for the transaction listed above; however, the credit has not posted to my account. The date on the voucher is between 30 and 90 days old. (Please include a copy of the credit voucher.)
5.

Imprinting of Multiple Slips:
The above transaction represents multiple billing to my account. I only authorized one charge from this merchant for \$_____. I am still in possession of my card.
6.

Merchandise Not Received:
My account has been charged for the above transaction, but I have not received this Merchandise. I have contacted the merchant.
7.

Merchandise Not Received:
My account has been charged for the above transaction, but I have since contacted this merchant and canceled the order. I will refuse delivery should the merchandise still be sent.
8.

Merchandise Returned:
My account has been charged for the transaction listed above, but the merchandise has been returned. Provide a description of the circumstances. (Please include postal receipt if applicable.)
9.

Inadequate Description/Unrecognized Charge:
I do not recognize this charge. Please supply a copy of the sales draft for my review.
10.

I am no longer disputing this charge.

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**ATTACHMENT 3
Preliminary Purchasing Card Cardholder Agreement
Valencia County**

Requirements For Use

I agree to the following regarding use of the Valencia County Purchasing Card:

The Purchasing Card is to be used only to make purchases at the request of, and for the legitimate business benefit of Valencia County.

I understand that I am making financial commitments on behalf of Valencia County and I will strive to obtain the best value for Valencia County.

I understand that under no circumstances will I use the Purchasing Card to make personal purchases, either for myself or for others.

I have been given a copy of the Valencia County Purchasing Card Policies and Procedures Manual, I received the Purchasing Card Training, and I understand all requirements and limitations for use of the Purchasing Card.

I will follow the established procedures for use of the Purchasing Card; and, understand failure to do so may result in either loss of privileges, other disciplinary actions up to and including termination or possible criminal charges, depending on how the Card is used.

I agree that should I violate the terms and conditions of this Agreement, I will immediately reimburse Valencia County for all prohibited charges and any fees related to the collection of those charges. I authorize recovery of any un-reimbursed charges through the payroll deduction process.

Personal Identification Number (PIN#): _____

Monthly Credit Limit: \$ _____

Received by: _____
(Name Please Print)

Signature: _____

Date: _____

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**ATTACHMENT 4
Purchasing Card Application
Valencia County**

The individual listed below is seeking authorization to utilize the Valencia County procurement card program. As a Valencia County Department Head and/or County Manager, you are entrusting, empowering and delegating authority to the individual below to make purchases on behalf of your department.

The Purchasing Card is to be used only to make purchases at the request of and for the legitimate business benefit of Valencia County.

The Purchasing Card must be used in accordance with the provisions of the Purchasing Card Policies and Procedures Manual and in accordance with the Administrative Regulation established by Valencia County for Purchasing Card use.

Violations of these requirements may result in revocation of use privileges and/or disciplinary action, up to and including termination of employment. Misuse of the Card may subject elected official cardholders to the removal provision of ¶10-4-1 to 10-4-29 NMSA and ¶3-10-7 NMSA.

Cardholders who are found to have inappropriately used the Purchasing Card will be required to reimburse Valencia County for all costs associated with such improper use.

Card Requestor: _____
(Cardholder Name-Please Type or Print)

Department: _____

Department Liaison: _____

Default Account Number: _____

Please circle the requested profile/limits: Profile definition (CL = Monthly credit Limit; STL = Single transaction limit)

- | | |
|----------------------------|----------------------------|
| A. CL: 500 /STL: 10,000 | F. CL: 15,000 /STL: 10,000 |
| B. CL: 1,000 /STL: 10,000 | G. CL: 20,000 /STL: 10,000 |
| C. CL: 3,000 /STL: 10,000 | H. CL: 25,000 /STL: 10,000 |
| D. CL: 5,000 /STL: 10,000 | I. CL: 30,000 /STL: 10,000 |
| E. CL: 10,000 /STL: 10,000 | J. CL: 50,000/STL: 10,000 |

Department Head Approval: _____
(Department Head Name-Please Type or Print)

(Department Head Signature Required) (Date Approved)

County Manager approval: _____
(County Manager Signature Required) (Date Approved)

Purchasing Agent approval: _____
(Purchasing Agent Signature Required) (Date Approved)

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**ATTACHMENT 5
Purchasing Card Parameters
Valencia County**

Card Limitations

Valencia County Purchasing Card limits are outlined below:

1. Single purchase transaction amount shall not exceed \$10,000.
2. Single, approved, travel transaction shall not exceed \$10,000; meals shall not exceed the amount authorized by the City's Administrative Regulation governing travel expenses.
3. Initial monthly card limit will be set by the Department Head as defined on the applicable "***Purchasing Card Application,***" Attachment 4. Monthly limits greater than \$10,000 shall be submitted to the County Manager for approval.

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ATTACHMENT 6
Affidavit of No Receipt
Valencia County

I, _____, do certify that the expense listed below was an actual expense incurred while conducting business for Valencia County as follows:

Transaction	Account Number	Amount Paid
Example: Walgreens Madison, WI 2-15-07	111-2222-333-44.55 Training Supplies	\$ 29.99

PCardholder's SignatureDate

Department Head SignatureDate

County Manager SignatureDate
(Required for missing receipt(s) TOTALLING \$25.00 or more.)

1. $\frac{d}{dx} \ln(x^2 + 1) = \frac{2x}{x^2 + 1}$
2. $\frac{d}{dx} \ln(x^2 - 1) = \frac{2x}{x^2 - 1}$
3. $\frac{d}{dx} \ln(x^2 + 2x + 1) = \frac{2x + 2}{x^2 + 2x + 1}$

$$\frac{d}{dx} \ln(x^2 + 1) = \frac{2x}{x^2 + 1}$$
$$\frac{d}{dx} \ln(x^2 - 1) = \frac{2x}{x^2 - 1}$$
$$\frac{d}{dx} \ln(x^2 + 2x + 1) = \frac{2x + 2}{x^2 + 2x + 1}$$



Valencia County Purchasing Card Program

What is a Purchasing Card?

- Valencia County Bank of America Visa is for legitimate County business purposes only
- Card should always be kept in the envelope provided to avoid personal use.
- Can be used for purchasing authorized goods and services
- Limits are pre-set by your Department Head
 - Individual transaction \$ limit
 - Monthly \$ limit
 - Daily meal limit while on approved travel
 - Specific \$\$ limits are indicated on agreement located in the card envelope
 - See expiration date and 3 digit security code is listed on the card
- 24 hour clock – Eastern Time (If you pay for your meal in California at 9 pm your meal will be charged the next day and charged toward the next day's meal limit.)



Itemized Receipts

Receipts **MUST** include the following information:

- Vendor Name
- Transaction date
- Itemized description of goods purchased
- Transaction total
- Approved TR#
- Explanation of job if providing service for another dept
- Also, **NEVER** Split charges to avoid transaction limits
(We will catch you)



*** Missing receipts require an affidavit of lost receipt and must be signed by both the department head and employee.

Not Allowed on the P-Card

- **Alcoholic Beverages**

(pay for separately)



- **Tobacco Products**



- **Cash**

- Do not accept cash in lieu of a credit to the card.



- **Vehicle Fuel**



- Should not be used to purchase fuel for personal vehicles for travel.
- Should not be used to locally purchase fuel in County vehicles. Use County fuel pumps.
- Fuel in rental cars & out-of-town travel acceptable (include unit # on receipt).

Not Allowed on the P-Card (Cont.)

- Personal Purchases/Items while traveling



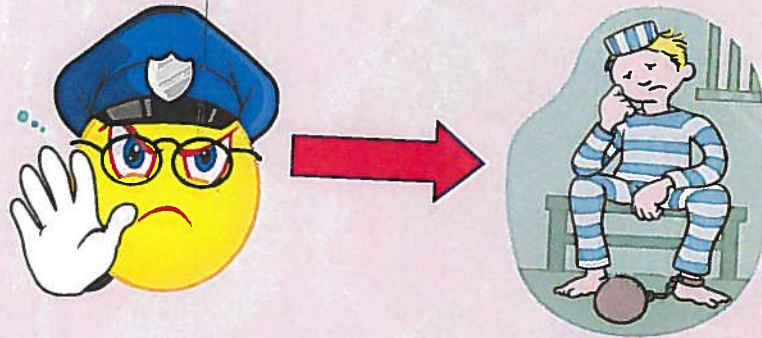
- Entertainment
 - Amusement Parks
 - Carnivals
 - Motion Picture Theaters
 - Video Game Arcades
 - Video Tape Rental Stores
- Personal services
 - Attorneys, Legal Services
 - Child Care Services
 - Dental and Medical Labs
 - Doctors
 - Health & Beauty Spas
 - Drugs and medicines

Rental Cars & Insurance

- When renting cars on approved County travel, use the P-Card and accept \$1,000,000 in liability coverage if offered.
- No property damage coverage should be accepted for rental cars.
- Must use the P-Card to take advantage of the Auto Rental Collision Damage Waiver offered by Visa.

Misuse of Card

- Revocation of the card and disciplinary action in accordance with the Valencia County P-Card Manual & Personnel Policy and Procedures



Troubleshooting problems

- If a purchase is declined:
 - Call Purchasing for assistance – You could have reached your card limit.
 - Remember returns take up to 72 hours to be credited back on your card.
 - MCC Codes – It might be due to a blocked vendor that is not allowed.
- If you verify that a charge is incorrect or suspicious on your statement contact your P-Card Liaison for immediate dispute.
 - Statement cycle is the 5th of the month through the 4th of the next month
- If your P-Card is accidentally used for a non-County expense, alert your P-Card Liaison ASAP!
- If the card is lost or stolen, call Bank of America immediately! (24 hours a day, 365 days a year) and the Purchasing Administrator on the next business day.

New Cardholder Checklist

You need to:

- ✓ Read & sign Cardholder Agreement acknowledging your responsibilities and agreeing to comply with the terms and conditions of the program. The original goes to your HR/Personnel File and a copy is kept by Purchasing.
- ✓ Activate your P-Card by calling the 800 number on the new card sticker on a business day prior to use
- ✓ Know the "card billing address"
444 Luna Avenue
Los Lunas, NM 87031
- ✓ Know the "card billing phone #"
505-866-2006
- ✓ Bank of America will ask for your pin #
It is the last 4 digits of your Social Security # (Some fueling stations may require this # when purchasing fuel)

Tax

- Tax Exemption ID number on back of card – Valencia County is tax exempt for purchases of tangible personal property only. The purchase of services and materials to be used in construction projects are not tax-exempt.
 - Communicate the tax id # with the vendor at the time of purchase
 - Wal-Mart – their company tax id #'s are located on the back side of the card
 - Home Depot & Lowe's – check out at Contractor's Line or Service desk, they have the County's account # and tax-exempt status.
 - If a vendor argues the tax exemption, go ahead and pay the tax.

P-Card Contact Information

- Purchasing Department
Office hours 8:00 am – 5:00 pm Monday thru Friday
Phone: 866-2006 or 866-2005
- Bank of America Phone: (888) 449-2273
- Billing Coordinator Phone: 866-3320 – Finance Department

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VALENCIA COUNTY
Board of County Commissioners
Agenda Request Form



Department Head:	Michael Vinyard
Individual Making Request:	Michael Vinyard
Presentation at Meeting on:	July 17, 2013
Date Submitted:	July 8, 2013
Title of Request:	Best Value Contracting for Purchases

Action Requested of Commission: Approve resolution endorsing the consideration, and use, of best value contracting for purchases when the use of such is found to be in the best interest of the County.

Information Background and Rationale: Unlike the most commonly used “competitive sealed bid” process (where low price wins without evaluation of other factors), the “competitive sealed proposals” process is designed to identify the “best value” to the procuring agency. The New Mexico Procurement Code, at section 13-1-111 NMSA 1978, allows for the use of competitive sealed proposals to identify the vendor offering that best value. Assuming a properly written Request for Proposals that addresses the key life cycle cost factors, the award will not necessarily go to the vendor offering the lowest price but will go to that vendor offering the best long term value. The ultimate result is an overall cost savings to the County. This resolution represents the Board of County Commissioners recognition of the value of such a procurement approach and endorsement of its use where in the best interest of Valencia County.

What is the Financial Impact of this Request? No direct cost. Financial impacts will show up with each purchase where use of best value contracting is utilized. While the cost to conduct a “competitive sealed proposals” based procurement is significantly higher than the cost to conduct a “competitive sealed bid” based procurement, the resultant long term cost savings are likely to offset the higher initial cost to conduct the procurement.

Legal:
Best Value Contracting is authorized pursuant to NMSA 1978, Section 13-1-111 (2005). Adren Nance.

Finance:
No significant financial impact associated with this request. Nick Telles



**VALENCIA COUNTY
BOARD OF COUNTY COMMISSIONERS
RESOLUTION NO. 2013-**

BEST VALUE CONTRACTING

WHEREAS, the Valencia County Board of Commissioners met upon notice of a regular meeting duly published at the Valencia County Administration Building, 444 Luna Avenue, Los Lunas, New Mexico 87031 on Wednesday, July 17, 2013, at 5:00 P.M. as required by law; and,

WHEREAS, NMSA 1978, Section 13-1-29 (C) (1984) states that the purpose of the procurement code is “provide for the fair and equitable treatment of all persons involved in public procurement, to maximize the purchasing value of public funds and to provide safeguards for maintaining a procurement system of quality and integrity;” and,

WHEREAS, the Board of County Commissioners of Valencia County adopted Resolution 2005-68, the Procurement Policy, to effectuate procurement for the County; and,

WHEREAS, the New Mexico Procurement Code authorizes Best Value Contracting, specifically, NMSA 1978, Section 13-1-111 (A) & (B) (2007) states that “[e]xcept as provided in Subsection G of Section 13-1-119.1 NMSA 1978, when a state agency or a local public body is procuring professional services or a design and build project delivery system, or when the state purchasing agent, a central purchasing office or a designee of either officer [office] makes a written determination that the use of competitive sealed bidding for items of tangible personal property or services is either not practicable or not advantageous to the state agency or a local public body, a procurement shall be effected by competitive sealed proposals” and that “[c]ompetitive sealed proposals may also be used for contracts for construction and facility maintenance, service and repairs; “and,

WHEREAS, Best Value Contracting awards contracts to vendors that meet the best combination of price and technical qualifications allowing the County to look beyond just price to make sure that the best vendor is awarded a contract based on a number of factors that are not included in a price only comparison.

NOW, THEREFORE, BE IT RESOLVED, by the Valencia County Commission that it is the policy of the County to review all potential purchases and for the opportunity to utilize Best Value Contracting pursuant NMSA 1978, Section 13-1-

111 (2007) and to utilize Best Value Contracting if it is determined to be in the best interest of the County and its taxpayers to do so.

APPROVED, ADOPTED, AND PASSED on this 17th day of July, 2013.
BOARD OF COUNTY COMMISSIONERS

Charles D. Eaton
Chairman, District IV

Alicia Aguilar
Vice-Chair, District II

Mary J. Andersen
Commissioner, District I

Lawrence R. Romero
Commissioner, District III

Donald E. Holliday
Commissioner, District V

Attest:

Peggy Carabajal, County Clerk

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**VALENCIA COUNTY
Board of County Commissioners
Agenda Request Form**



Department Head: Joe Chavez
Individual Making Request: Cynthia Ferrari
Presentation at Meeting on: 7/17/13
Date Submitted: 6/30/13
Title of Request: Ratification of Agreement No. 14-690-16387

Action Requested of Commission:

Ratification of Agreement No. 14-690-16387 for VCJJB Continuum Board services for FY' 14 with 4 originals signed.

Information Background and Rationale

This contract will allow the Valencia County Juvenile Justice Board to continue providing youth services to the Valencia County Juvenile Justice Board. The cost of Juvenile Justice Board contractual services, supplies, mileage and other costs are paid for by these grant funds and there is no cost to the county.

What is the Financial Impact of this Request?

There is no financial impact to the county.

Legal:

This contract provides a substantial benefit to the County, providing funding for detention alternatives for juveniles, significantly reducing the County's total expenditures for juvenile detainees, and affording the Courts less restrictive and less costly mechanisms by which to address juvenile delinquency. (David Pato).

Finance:

There is no financial impact to the County. (Nick Telles).

AGREEMENT

THIS AGREEMENT, # 14-690-16387 is entered into by and between the State of New Mexico Children, Youth and Families Department, hereinafter referred to as the “Agency” and **Valencia County**, a government entity, hereinafter referred to as the “Contractor.”

WHEREAS, the Agency is the state agency designated to receive and administer state funds to provide funding for a continuum of graduated sanction and alternative to detention services to juvenile offenders.

WHEREAS, the Agency desires to engage and the Contractor is willing to provide certain portions of the Agency’s program.

NOW THEREFORE, the Agency and the Contractor in consideration of mutual covenants and agreements herein contained, do hereby agree as follows:

I. Period of Agreement

This Agreement shall become effective when signed by both parties and shall terminate on **June 30, 2014**, unless terminated pursuant to Article VI, *infra*.

II. Statement of Work

The Contractor shall provide the program of services as set forth in the scope of work which is attached hereto as “Attachment 1 – Statement of Work” and incorporated herein by reference, unless amended or terminated pursuant to Article VI, *infra*. In consideration for the provision of those services, the Agency agrees to purchase and the Contractor agrees to perform the services identified in the Statement of Work.

III. Limitation of Cost

The total amount of the monies payable to the Contractor under this Agreement shall not exceed one hundred twenty thousand dollars (**\$120,000.00**). The annual budget is attached hereto as “Attachment 2 - Budget” and incorporated herein by reference.

IV. Payment

The Agency shall make monthly payments to the Contractor for services and costs specified in Attachment 2. The Contractor shall submit certified and documented invoices and vouchers monthly for actual work performed and expenses incurred to the Agency. The Contractor’s failure to submit such payment vouchers, invoices, and supporting documentation within thirty (30) days after they are due may result in the non-availability of funds for payment and/or the denial of payment by the Agency.

V. Return of Funds

Upon termination of this Agreement, or after the services provided for herein have been rendered, surplus money, if any, shall be returned by the Contractor to the Agency.

VI. Termination of Agreement

This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to intended date of termination. **By such termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. THE PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE IN SUCH CIRCUMSTANCES AS CONTRACTOR'S DEFAULT/BREACH OF CONTRACT.**

VII. Funds Accountability

The parties shall provide for strict accountability of all monies made subject to this Agreement. The Contractor shall maintain fiscal records, follow generally accepted accounting principles, and account for all receipts and disbursements of funds transferred to the Contractor pursuant to this Agreement. The Contractor will include all monies made subject to this Agreement in the annual audit and will provide the Agency with a copy of the annual audit.

VIII. Maintenance of Records

The Agency shall maintain records as required of any administering state agency pursuant to applicable state law and regulation. The Contractor shall maintain fiscal and programmatic records relative to those funds and activities that have been made subject to this Agreement for a minimum of three (3) years. The Contractor agrees to comply with the requirements and regulations set forth in **Attachment 3, Administrative and Fiscal Standards**, unless the Contractor demonstrates in writing, with written approval from CYFD, that any specific standard is inapplicable to such Contractor.

IX. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

X. Amendments

This Agreement shall not be altered, changed, or amended except by an instrument, in writing, executed and approved by both parties.

XI. Assignment

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

XII. Applicable Law

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

XIII. Acquisition of Property

The parties agree that neither party shall acquire any property as the result of this Agreement.

XIV. Liability

Each party shall be solely responsible for fiscal or other sanctions occasioned as a result of its own violation or alleged violation or requirements applicable to the performance of the Agreement. Each party shall be liable for its actions according to this Agreement subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1, et. seq., NMSA 1978, as amended.

XV. Execution of Documents

The Agency and the Contractor agree to execute any document(s) necessary to implement the terms of this Agreement.

XVI. Sub-Contracts

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval *by the CYFD Secretary or Designee*. No such subcontract shall relieve the primary Contractor from *any* obligations and liabilities under this Agreement, nor shall subcontract obligate direct payment from the Procuring Agency. *Contractor must notify subcontractors that they are subject to Section 19 Records and Financial Audit of this agreement.*

XVII. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor

assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

XVIII. Workers' Compensation

The Contractor agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If the Contractor fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

XIX. Lobbying Certification

The Contractor, by signing below, certifies to the best of his/her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid by or on the behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit a Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of facts upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. (United States Code). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

XX. Background Checks

CYFD Contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to clients. The Contractor must submit to CYFD Background

Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required to have background checks. CYFD Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. A CYFD eligibility letter must be in the employee, volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to clients.

XXI. Non-Discrimination Federal Law.

The Contractor will also comply (and will require any subcontractors to comply) with any applicable statutorily-imposed nondiscrimination requirements, which may include the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. § 3789d); the Victims of Crime Act (42 U.S.C. § 10604(e)); the Juvenile Justice and Delinquency Prevention Act of 2002 (42 U.S.C. § 5672(b)); Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d); the Rehabilitation Act of 1973 (29 U.S.C. § 794); the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12131-34); the Education Amendments of 1972 (20 U.S.C. §§ 1681, 1683, 1685-86); the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07); and DOJ's Regulations on the Equal Treatment for Faith-Based Organizations, 28 C.F.R. Part 38, *See also* Ex. Order 13279 (equal protection of the laws for faith-based and community organizations). The Contractor shall ensure that any subcontracts it issues include a similar provision requiring the subcontractor to comply with these statutorily imposed nondiscrimination requirements.

XXII. Non Retaliation.

In accordance with State and Federal Civil Rights laws, the Contractor shall not retaliate against individuals for taking action or participating in action to secure rights protected by these laws. The Contractor shall ensure that any subcontracts it issues include a similar provision prohibiting the subcontractor from engaging in retaliation against individuals who take action or participate in action to secure rights protected by these laws.

XXIII. Referral of Discrimination Complaints to CYFD.

In addition to any other procedures or policies the Contractor may have for addressing discrimination complaints, the Contractor shall also establish a policy requiring that complaints of discrimination in violation of state or federal non discrimination statutes against the Contractor or its subcontractors from clients, beneficiaries, employees or applicants for employment are reported to the CYFD Program Manager for this contract, no later than seven (7) days after receipt of such discrimination complaint.

IN WITNESS WHEREOF, the Agency and the Contractor have caused this Agreement to be executed, said Agreement to become effective when signed by both parties.

Contractor

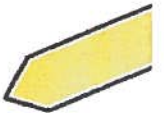

Authorized Signatory

Date: 7-1-13


Printed Title of Authorized Signatory

Adam R. Hume
Legal Counsel, Contractor

Date: 7-1-13



Agency

Secretary or Designee, Agency

Date: _____

Approved as to legal form and sufficiency.

Office of General Counsel, Agency

Date: _____

Attachment 1 – Scope of Work
Valencia County

Purpose:

The purpose of this Agreement is to establish a continuum of cost effective services and temporary, non-secure alternatives to detention in Valencia County for those youth who have been arrested or referred to juvenile probation and parole or are at risk of such referral.

Outcomes:

Within the context of this Statement of Work, the following project outcomes and performance measures shall be documented:

1. RAC Program: Reduce the numbers of juvenile offenders referred for secure detention through the Reception/Assessment Center (RAC) program. Juveniles referred through local law enforcement or the Juvenile Probation Officer (JPO), including youth whose offense has an informal status with the JPO will complete the program of services determined to be appropriate for the offense leading to referral.

Major Activities: The youth are brought in by law enforcement or other referral source such as the school resource officer. The RAC program is modeled after successful evidence based detention diversion programs through-out the country.

Step 1-Intake: Youth are referred to the RAC program and will meet with the RAC Specialist who will conduct the initial interview. This interview focuses on the presenting problem and gathers all pertinent information including referral information, history and other information.

Step 2-Assessment of Risk and Functioning: After the intake, the Juvenile Intervention Specialist completes a risk assessment and juvenile inventory of functioning assessment. These assessments are designed to quickly create a picture of the youth's internal and external environment.

Step 3-Family intervention: The juvenile intervention specialist makes contact with the legal guardian and arranges to meet with the family. Based on the assessment, the family interview and observations of the juvenile intervention specialist, an initial plan is created.

Step 4- Disposition: After all of the above steps have been concluded, the following actions may be taken: If the risk is low, the youth/family will be informed of the consequences of further behavior and will be offered follow up services. If it is determined that the youth is in danger if returned home with parents, if the parents are not willing to take youth home, or there is no home to return to, the youth will be admitted to the New Day Shelter.

Objectives and/or goals of Reception Assessment Center:

1. Alleviate pressure on the Juvenile justice system by diverting youth away from incarceration and toward community based services.
2. Provide assistance to youth and families by promoting self-sufficiency in using community resources.
3. Ensure safety of youth by reporting neglect and abuse and arranging temporary shelter when endangered.

4. Provide effective early intervention to minimize further involvement in the juvenile justice system for 124 youth per year.

Performance Measures:

Outputs:

- a. The number of RAC slots available for referred juveniles.
- b. Average time in days from assessment to first service receipt.
- c. Number and percent of youth who successfully complete the program of service.
- d. Other performance measures as determined by the Agency.

Outcomes

- a. The number of RAC slots available for referred juveniles.
- b. Average time in days from assessment to first service receipt.
- c. Number and percent of youth who successfully complete the program of service.
- d. Other performance measures as determined by the Agency.

2. **ScOutreach Program: Major Activities:** Great Southwest Council Boy Scouts of America is the service provider for the proposed program which will serve approximately 120 youth per year. ScOutreach is for youth, aged 12 to 16, who have had minor and non-repetitive troubles with the law; referrals to the program are made by and through the Juvenile Probation Office, and starting July 1, 2013, will accept referrals from other sources. The program uses a character-based approach supported by the Boy Scout's Learning For Life curriculum, basic scouting principles and mandatory community service providing a basis to encourage youth to recognize alternatives to past behavior and provide them with fundamentals that can guide them into productive adult lives focusing on mentorship, general character development and community involvement.

ScOutreach has on-going enrollment and can be completed in about 4 months. Each participant is required to attend seven (7) meetings, each lasting about 1 1/2 hours with topics such as Goal Setting, Careers and Substance Abuse, and must complete 20 hours of civic service, for a total commitment of 30 1/2 program hours.

The ScOutreach program targets age groups of at-risk youth; inclusion of relational theory and skills training; the increase of positive connections to adult role models and their peers; a focus on capitalizing on existing strengths and developing individual competence; and implementation in a group structure. The ScOutreach program is a model that offers "after school alternative youth programs can help counter some of the hazards that affect juveniles including drug use, gang activity and other forms of juvenile delinquency."

Objectives and/or goals:

1. Serve up to 40 youth simultaneously for a total of up to 120 youth annually.
2. Successfully graduate 85% of the referred participants.
3. Maintain a re-referral/recidivism rate of 15% or less.

Performance Measures:

Outputs:

- a) The number of students referred to program.
- b) The daily number of juveniles who did not meet criteria.

Outcomes:

- a) The number of Intake/Assessment forms, Juvenile Detention Risk Assessment forms, and Discharge forms completed.
- b) The number of program youth served.
- c) The number of program youth served by gender.
- d) The number of program youth served by race/ethnicity.
- e) The number of program youth completing program requirements.
- f) Number and percentage of program youth exhibiting desired change in targeted behaviors: substance abuse; antisocial behavior; family relationships and social competencies.
- g) The number of youth who re-offend while in the program or re-offend within 90 days of completing the program.

3. Juvenile Justice Girl's Mentoring Initiative Program: Provide mentors to 20 girls in Valencia County each year: Objective: To employ Big Brothers Big Sisters one-to-one mentoring model, including recruitment, screening, matching, and support for girls in Valencia County.

- A. Provide four (4) quarterly activities for girls matched in the program as well as interested girls: Objective: To empower girls in the program (with staff and volunteer support) with group activities and trainings.
- B. Increase match longevity, with 75% of matches lasting for 12 months or longer: Objective: To demonstrate to each girl that there is at least one person outside of their family that cares for their well-being.

Other organizations may do some form of mentoring, but the proven, data-driven, one-to-one mentoring model used by Big Brothers Big Sisters is unique and non-duplicated in the area. They also provide match support from a Match Support Specialist (professionally trained staff who work with families, children, and volunteers) for the duration of the match.

Performance Measures:

Outputs:

- a) The number of students referred to program;
- b) The daily number of juveniles who did not meet criteria;

Outcomes:

- a) The number of Intake/Assessment forms, Juvenile Detention Risk Assessment forms, and Discharge forms completed.
- b) The number of program youth served.
- c) The number of program youth served by Gender.
- d) The number of program youth served by race/ethnicity.
- e) The number of program youth completing program requirements.
- f) Number and percentage of program youth exhibiting desired change in targeted behaviors: substance abuse; antisocial behavior; family relationships and social competencies.
- g) The number of youth who re-offend while in the program or re-offend within 90 days of completing the program.

The Contactor Shall:

- A. Establish and maintain a juvenile justice advisory board, herein referred to as the “Valencia County Juvenile Justice Board” (VCJJB). The Contractor will organize and coordinate regular meetings of the VCJJB. The VCJJB will:
1. Obtain staff support to the Board through a continuum facilitator who may also serve as the RAC coordinator. The Board shall develop a comprehensive plan for a continuum of services to include gender-specific, Disproportionate Minority Contact reform and other ‘alternative to detention’ programs. The VCJJB shall have the power to set policy for the activities supported under this Agreement and any/all aspects of a continuum juvenile programs and services developed.
 2. Determine the duties and responsibilities of the RAC Program Coordinator.
 3. Provide oversight of the RAC Program in the County.
 4. Assure there is no conflict of interest in the voting membership of the VCJJB;
 5. Inform Agency’s Program Manager of the date of each meeting, and submit a copy of the written minutes of each meeting to the Program Manager with thirty (30) days of the meeting.
 6. Prepare an analysis of program activities for a six-month progress review to determine need for budget adjustments and/or additional or expanded activities.

The VCJJB shall include representation from the Children’s Court, the 13th Judicial District Attorney’s Office, and the JPO in Valencia County, the Cities of Belen and Los Lunas, Public Schools, a Public Defender, the Child Protective Services of the Agency, the Valencia County Sheriff’s Department, and representatives of the business, service-provider and faith communities.

- B. Hire or contract for a Juvenile Continuum Facilitator, who may also serve as the RAC coordinator, to provide staff support to the VCJJB and coordinate activities under this Agreement.
- C. Develop and maintain a RAC in Valencia County. Criteria for admission shall be juveniles who fit the description in ‘A’ above. The objective of the reception and assessment center is to:
1. Reduce the number of non-detainable cases brought to the Juvenile Detention Center by law enforcement officers.
 2. Assess and refer these youth to appropriate services.
 3. Develop a plan that meets the immediate needs of each youth, including short-term shelter if appropriate.

The Contractor shall develop implement a process to assess, refer and intervene with juvenile offenders who are alleged to have committed low level, non-violent, misdemeanor delinquent offenses and referred by local law enforcement or have been referred by the JPO.

- D. Develop and implement an internal evaluation process. The RAC shall gather and enter daily programmatic data as requested by the Agency to measure progress towards outcomes and performance measures.

- E. Attend training regarding financial reporting required by the Agency. Submit Request for Reimbursement and project budget line item Expenditure Reports monthly to the Agency.
- F. Submit to the Agency monthly requests for reimbursement. Such requests shall be submitted on Agency (Invoice and line item Expense Report) forms. Programmatic Reports (written reports of accomplishments of the activities described in this Statement of Work) will be submitted monthly. Agency standardized Progress Report Form (PRF) shall be submitted to Agency on a monthly or quarterly basis. Delay of submission of PRF on agreed to monthly or quarterly basis, (depending on Continuum Site's choice), will delay payment of current related invoice until report (PRF) is received. Submission of PRF is to be on the Agency provided form and format and unacceptable on any other formats or hand written and can delay invoice payment of current invoice until corrected to Agencies satisfaction.
- G. Provide monthly reports of programmatic activities. Programmatic activities shall consist of detailed updates of the performance measures identified, a summary of the progress towards achieving paragraphs A, B, and C of the Statement of Work, and a section identifying any other significant milestones. This information shall be submitted no later than fifteen (15) days after the end of the month.
- H. Conduct an analysis of accomplishments, performance measures, and the outcome of the program to be drafted into a "Final Project Report", which shall be submitted to the Agency within thirty (30) days after the end date of this Agreement, and such other reports deemed necessary by the Agency. Payment of any final request for reimbursement submitted after the Agreement end date is dependent on receipt of the Final Report.
- I. Provide, not later than the ending date of this Agreement period, the Cash or in-kind Match required under the Juvenile Continuum Act.

The Agency Shall:

- A. Reimburse the Contractor for verified direct services and incurred costs as stated in Attachment 2-Budget.
- B. Provide technical assistance and monitoring of the services performed under this Agreement.

Attachment 2 – Budget
Valencia County

<u>Description</u>	<u>Amount</u>
Contractual/Professional Services	
Juvenile Continuum Coordinator	\$ 32,269.00
RAC Program Intake Specialist	\$ 38,481.00
Reception & Assessment Center	\$ 0.00
ScOutreach Program Staff	\$ 9,700.00
ScOutreach Program	\$ 0.00
Juvenile Justice Girl’s Mentoring Initiative Program Staff	\$ 31,000.00
Other:	
Supplies & Misc. and Other	\$ 3,250.00
Travel Per Diem and Other Travel Related Expenses	\$ 5,300.00
Training	\$ 00.00
Telecommunication	\$ 00.00
Utilities	\$ 00.00
Rent	\$ 00.00
Total	\$120,000.00

Total amount of this contract shall not exceed \$120,000.00, including gross receipts tax.

The Contractor shall also provide the cash or in-kind match required under the Juvenile Continuum Act.

Funds may be moved between individual line items in the budget with written pre approval by the Program Manager. Initiate this pre-approval by submitting Budget Adjustment Request to the Program Manager.

Funding Source:
Grant Name: JABG Grant **DOJ**
Grant Number: 2010-JB-FX-0080 **DOJ**
Grant CFDA Number: 16.523
Grant Award Year: FFY 2010

Attachment 3

ADMINISTRATIVE
AND
FISCAL STANDARDS

For Non-Profit Organizations,

Local Bodies of Government,

And

For-Profit Incorporated Entities

ADMINISTRATIVE STANDARDS

Note: For-Profit contractors are required to adhere to all local, state and federal regulations as applicable to their operations. For-Profit contractors are required to follow audit and reporting requirements set forth in this document.

Board of Directors (as appropriate)

1. The Board shall have a written mission statement approved by the Board of Directors. The Board shall describe the purpose for which the agency provides services.
2. The Board shall approve and review annually the written long-range plan and goals. The long-range plan and goals should describe in general terms the clients that are served and services provided.
3. The Board shall ensure that the agency has current articles of incorporation that meet all of the legal requirements of the governmental jurisdiction in which the contractor is located.
4. The Board shall ensure that the agency has current by laws that are filed with the appropriate local, state, or federal body. At a minimum, the agency by-laws should include:
 - a. Membership (types, qualification, rights, duties);
 - b. Size of Board of Directors;
 - c. Method of selection and removal;
 - d. Duties and responsibilities of officers;
 - e. Committees;
 - f. Quorums;
 - g. Recording of minutes; and
 - h. Method for amending by-laws.
5. The Board shall periodically review the appropriateness of its governing documents and adherence to their specifications.
6. The Board shall ensure that the agency complies with applicable legal requirements and regulations of all governmental and legally authorized agencies under whose authorities it

operates. These include, but are not limited to those regarding equal employment opportunity, workers compensation, unemployment insurance, affirmative action, safety, licensing, etc.

7. The Board shall conduct a periodic, systematic assessment of the agency's effectiveness.
8. Board members shall be residents of the area served by the organization and representative of the social, economic, linguistic, ethnic, and racial target population. The agency shall not employ a person related to a Board member by consanguinity or affinity within the third degree. This includes, but is not limited to, spouse, mother, father, brother, sister, grandparents, aunt, uncle, niece, nephew, first cousins, mother-in-law, father-in-law, brother-in-law or sister-in-law.
9. The Board shall hold meetings as prescribed in the by-laws but not less than four (4) times per year.
10. An agenda shall be developed and followed for all Board meetings.
11. A permanent record shall be kept of all meetings of the Board. Minutes of the meetings of the agency's Board are required in order to accurately record the decisions made and actions taken. These minutes shall include, but not be limited to, meeting date, names of members attending, topic discussed, decisions reached, actions taken, and attachment of any documents referenced. Board minutes shall be signed and approved by an officer of the Board.
12. The Board shall review and approve all aspects of the agency's operation including policy, personnel, budget, fund-raising, etc., including quarterly financial reports.
13. The Board shall determine the amount of capital outlay expenditures and capitalization policy that must receive prior approval for the Board.
14. The Board shall review and approve agency line item budgets and all subsequent budget adjustments.
15. Provisions shall exist for the orientation of new Board members to the Board. This orientation shall consist of, but not be limited to: the organizational goals and objectives, organizations operations, roles and responsibilities of Board members, financial overview of the organization's assets and liabilities, and receipt of the Department's Board Member Guidance.
16. The Board shall review and approve on an annual basis the Board members and agency personnel who will have signature authority.
17. The Board shall make continual and on-going efforts to provide all Board member with training related to their participation on the Board.

Personnel

1. The agency shall have a current and dated organization chart that accurately reflects the staff structure of authority, responsibility and accountability within the agency. The organizational chart must illustrate the relationship of each position or department to all other positions or departments within the agency.
2. The agency shall have written personnel policies and procedures approved and signed by the Boards. All policies and procedures shall be reviewed annually, and any changes, additions, deletions, etc., shall be dated and signed by the Board. Procedures must be in place that allows employees to provide input into changes in agency and personnel policies and procedures.
3. The agency personnel policies and procedures must include, at a minimum:
 - a. Mission of agency;
 - b. American Disabilities Act;
 - c. Annual Report;
 - d. Benefits;
 - e. Disciplinary Procedures;
 - f. Drug Free Workplace;
 - g. Employee Orientation and Annual Agency Training Plan;
 - h. Equal Employment Opportunity Statement;
 - i. Grievance Procedures;
 - j. Hiring/Firing Policies;
 - k. Hours of Work;
 - l. Job Qualifications and Job Descriptions;
 - m. Law Enforcement Records Checks;
 - n. Leave/Holiday Policy;
 - o. Performance Evaluation System;
 - p. Personnel Files;
 - q. Promotion Policies;
 - r. Quality Assurance;
 - s. Salary Policy and Plan;
 - t. Termination/Resignation Procedures.
4. The agency shall distribute a copy of all personnel policies and procedures to all new employees and make them available to all employees.
5. The agency shall maintain current, written job descriptions and job qualifications for all positions (staff, consultants and direct service volunteers) in the agency. Each job description shall include, at a minimum:
 - a. Job title;

- b. Salary range;
 - c. Duties;
 - d. Responsibilities of the positions;
 - e. Required minimum experience;
 - f. Required minimum training;
 - g. Required minimum education.
6. The agency shall maintain a current, accurate and confidential personnel record for each paid and direct service volunteer employee. A personnel record on each employee shall contain, at a minimum;
- a. Job description;
 - b. Initial application/resume;
 - c. Documentation of reference letters;
 - d. Result of employment investigation;
 - e. Law enforcement records check;
 - f. Education/experience required;
 - g. Wage and salary information;
 - h. Job performance evaluation;
 - i. Documentation/verification of all previous and ongoing training (including all component specific training and education);
 - j. Incident reports;
 - k. Commendations or disciplinary actions (if any);

This information must be reliable, accurate and current. All employee records must be kept in a locked file to ensure confidentiality.

Note: All licensed child care facilities; adolescent shelter cares, mentoring programs experiential wilderness program and respite care services must abide by Children, Youth and Families Department regulations governing criminal record checks.

7. The immediate supervisor shall conduct job performance evaluations semi-annually for all new employees and/or at least annually for all current employees. Said evaluation should document the review and results of the evaluation with the employee and be included in the personnel file.
8. The agency shall be headed by an agency director appointed by and responsible only to the Board. The Board shall delegate to the director such authority and responsibility necessary to operate the agency. The director shall be responsible for the daily operation of the agency through decision-making, authorization of expenditures, and the implementation of policies and procedures.

Physical Facilities

The physical facilities must meet all licensing requirements per classification and should be located, constructed, equipped and operated to promote the efficient and effective conduct of the contractor's programs, to protect the health and safety of the persons serviced and the staff to promote the integration of those served into the community, to be accessible to persons served, staff and the community, meet the American's with Disabilities Act (ADA) and the Drug-Free Workplace Act of 1988.

Administrative Recordkeeping

Records and reports (including, but not limited to, fiscal, personnel, program evaluation, management information systems, governance, etc.) should guide the operations, support the assessment and improvement in quality of services, measure and communicate productivity, and reflect the contractor's status. All records should be retained for a minimum of three (3) years. This would be the three prior years in addition to the current year's records.

FISCAL STANDARDS

Compliance

1. The contractor shall comply with all federal and state statutes, rules and regulations. Cost principles, administrative requirements and audit requirements, applicable to federal grants shall apply to state funds. See attached Source Sheet.
2. The contractor shall comply with all aspects of the provision of the contact, including all insurance, bonding and audit and financial reporting requirements.
3. The contractor shall obtain and maintain at all times during the term of this contract a Blanket Bond covering the activities of the contractor in the amount of no less than 25% of the total (cumulative) dollar amount of the current CYFD contract(s).
4. The contractor shall obtain and maintain at all times during the term of this contract a general and professional liability insurance policy issued by an insurance company licensed to do business in the State of New Mexico. The policy shall include liability insurance coverage provided in the amount of at least \$100,000 for damage to or destruction of property arising out of a single occurrence; \$300,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage; or \$500,000 for all claims arising out of a single occurrence. The policy shall be secured by the contractor within thirty (30) days of the effective date of the current contract.
5. The contractor shall secure and maintain adequate fire and extended hazard insurance on all property in the custody of the contractor, which is furnished or owned by the Department or in which the Department has a financial interest, within thirty (30) days of the effective date of the current agreement.

6. The contractor is responsible to provide Worker's Compensation Insurance for its employees as required by New Mexico State Law.
7. The contractor shall name Children, Youth and Families Department as an "Additional Insured" with the insurance carrier of the contractor's liability insurance. A copy of the contractor's "Certificate of Liability Insurance" proving compliance with all the above insurance requirements must be mailed to the department within thirty days of the contract effective date.

Children, Youth and Families Department
Contract/Audit Unit
PO Drawer 5160
Santa Fe, NM 87502

FISCAL BOOKS OF RECORDS

The contractor must maintain the following books of record:

1. Chart of Accounts
2. General Ledger
3. Cash receipts and Cash Disbursements Journals
4. General Journal of adjusting entries, correcting entries, accrual entries, and cost allocation entries if not provided for in cash journals.
5. Subsidiary ledgers, if applicable to the organization.
6. Capital Outlay Inventory that includes at a minimum:
 - a. Description of property;
 - b. Serial number or other ID number;
 - c. Date of purchase;
 - d. Acquisition cost by funding source(s);
 - e. Location and use of property;
 - f. Disposition data including date and price, if any.
7. Payroll journals and employee earnings records.
8. Fiscal Policy and Procedures that must include:
 - a. Handling of cash/checks;
 - b. Handling of voided checks;
 - c. Authorized check signatures;
 - d. Bank reconciliations;
 - e. Separation of duties;
 - f. Accounting system;

- g. Travel;
- h. Cost allocation method;
- i. Accounting policies for donations.

REPORTS

1. The contractor shall complete in full the State and Federal payroll tax forms in accordance with required time period and shall insure payroll taxes are paid within the required time frame.
2. The contractor shall complete in full and submit the required forms of the State Department of Labor.
3. The contractor shall submit timely program and financial reports to the funding agencies as specified in the contracts.

FINANCIAL STATEMENT

The contractor must prepare the following financial statements:

1. Balance Sheet or Statement of New Assets (for governmental and non-profit agencies);
2. Statement of Revenue and Expenditures or Statement of Activities (for government not for profit agencies) ;
3. Statement of Revenue and Expenditures – Budget to Actual.

RETENTION OF RECORDS

The following are the requirements for the retention of financial records.

1. The contractor shall maintain for three (3) years, (in addition to current year records) detailed accounting and billing records which indicate the date, time, and nature of services rendered, records relating to contract services, and all operating financial documentation which shall be subject to inspection by the Department and if applicable, the State Auditor or their designee.
2. The Department shall have a right to audit billings and related documents both before and after payment. Payments made under a contract between the contractor and the

Department shall not foreclose the right of the Department to recover excessive, illegal payments, and /or payments which are not in accordance with the contract.

3. The contractor shall maintain the funds from a contract **separately** in accurate financial records, books, files, and reports in accordance with generally accepted accounting principles, state and federal laws and regulation, and the requirements of the Departments as described in this Administrative and Fiscal Standards Guidance.
4. The financial management systems established by the contractor and its Boards shall ensure it provides fiscal and budgetary controls as well as sound accounting procedures. A Schedule of Revenues & Expenditures Budget to Actual Comparison for each contract must be prepared and submitted to the Department at the same time as the annual financial audit or financial statement. The Schedule must include the original budget for the fiscal year as approved by the Board, revised budget, actual revenue and expenditures and a variance column.

Audits

NOTE: Audit and financial reporting requirements are applicable to all contractors of Children, Youth and Families Department.

1. Audits for a contractor receiving under \$100,000.00 per year in cumulative Department funds and whose Board has elected to not conduct an audit (a total of all CYFD contracts awarded to the contractor within a fiscal year):
 - a) The contractor shall prepare financial statements that include a Revenue and Expenditure – Budget to Actual Comparison, Balance Sheet or Statement of New Assets and Income Statement or Statement of Activities. The contractor shall disclose the method of accounting used (cash or accrual) to prepare such statements. The Revenues and Expenditures – Budget to Actual Comparison statement must include the original budget for the fiscal year as approved by the Board, revised budget, actual revenue and expenditures and variance column. A cash disbursement and cash receipt journal cannot take the place of the Balance Sheet and Income Statement. These financial statements shall be submitted to the Department's Contract/Audit Unit within three (3) months of the contractor's fiscal year end.
2. Audits for a contractor receiving \$100,000.00 to \$250,000.00 per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year):
 - a) The contractor shall have an Independent Auditor's Report of Agreed-Upon Procedures (AUP) to ensure compliance with contract requirements in accordance with General Accepted Accounting Practice (GAAP). The AUP report shall be

submitted to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end.

- b) The contractor shall ensure that the selected accounting firm performing the AUP report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected accounting firm shall not have provided non-auditing services within the year being reviewed.
3. Audits for a contractor receiving \$250,000.00 or greater per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year):
- a) The contractor shall have an Independent Audit Report that conforms to the General Accounting Standards (Yellow Book) as recommended by GAO. This Independent Audit Report shall be submitted to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two year break. The selected auditor shall not have provided non-auditing services within the year being audited.
4. Audit for an contractor receiving over \$500,000.00 per year in cumulative Federal funds (a total of all contracts awarded to the contractor with in a fiscal year) the contractor must receive an audit as required by the U.S. Office of Management and Budget, Circular A-133 Audits of States, Local Governments and Non-Profit Organizations. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.
- a) The Contractor must submit one copy of their audited financial statements within nine (9) months of their fiscal year end to the Agency's Contract/Audit Unit. The Contractor must also submit a copy of the Management Letter Comments issued by the Independent Auditor in a separate report.
 - b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected auditor shall not have provided non-auditing services within the year being audited.
5. Financial Statements, AUP and Audits must be mailed to:

Children, Youth and Families Department

Contract/Audit Unit
P.O. Box 5160
Santa Fe, NM 87502

SOURCE SHEET

ADMINISTRATIVE REQUIREMENTS

Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; also known as the Common Rule.

OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.

Cost Principles

OMB Circular A-87, Cost Principles for State and Local Governments.

OMB Circular A-122, Cost Principles for Non-Profit Organizations.

FASB and AICPA Statements and Professional Pronouncements.

AUDITS

OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations.

OMB Compliance Supplement for Audits of States, Local Governments and Non-Profit Organizations.

U.S. General Accounting Office, Government Auditing Standards, (The Yellow Book, current revision)

FASB and AICPA Statements and Professional Pronouncements.

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**VALENCIA COUNTY
Board of County Commissioners
Agenda Request Form**



Department Head: Commissioner Alicia Aguilar
Individual Making Request: Commissioner Alicia Aguilar
Presentation at Meeting on: July 17, 2013
Date Submitted: July 5, 2013
Title of Request: Consideration to take action on the County Attorney's Contract

Action Requested of Commission:

Discuss attorney contract options and provide staff with appropriate direction.

Information Background and Rationale

Contract terms specify that the contract is for one year effective September 16, 2012, and is automatically renewed on an annual basis for up to three additional one year terms, unless terminated by the Board of County Commissioners.

What is the Financial Impact of this Request?

Unknown at this time, the financial impact will be determined by the commission's decision. (B. Swingle)

Legal:

The Board of County Commissioners issued a formal Request for Proposals last year and awarded a contract for legal services, which contract explicitly provides that the contract is for a one year term, and automatically renews on an annual basis for up to three additional one year terms unless terminated. The Board of County Commissioners retains the discretion as to whether to terminate the legal services contract and issue a solicitation for legal services or to elect to continue with the services as procured. (Adren Nance)

Finance:

In the event there is a monetary change to the legal contract there will need to be a corresponding change to the annual budget that is reported to NM Department of Finance and Administration. (Nick Telles)

VALENCIA COUNTY
Professional Services Contract

CONTRACT #VCR-FY12-507

THIS AGREEMENT is made and entered into by and between the County of Valencia, hereinafter referred to as the "County" and Nance, Pato & Stout, LLC, hereinafter referred to as the "Contractor", and is effective as of the date set forth below upon which it is executed by the Purchasing Agent and the Board of County Commissioners.

IT IS AGREED BETWEEN THE PARTIES:

1. Scope of Work.

The Contractor shall perform the work outlined in the Scope of Work attached hereto as **Attachment 1** and incorporated herein by reference.

2. Compensation.

A. The County shall pay to the Contractor in full payment for services satisfactorily performed one hundred forty eight thousand one hundred and fifty five dollars (\$148,155.00) annually, to be invoiced in equal monthly amounts after performance of the services. The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling eight thousand seven hundred ninety six dollars and seventy cents (\$8,796.70) shall be paid by the County to the Contractor in equal monthly amounts. The total amount payable to the Contractor under this Agreement, including gross receipts tax and expenses, shall not exceed one hundred fifty six thousand nine hundred fifty one dollars and seventy cents (\$156,951.70). In no event will the Contractor be paid any amount in excess of the specified total amount payable without this Agreement being amended in writing.

B. Payment is subject to availability of funds pursuant to the Appropriations Paragraph set forth below and to any negotiations between the parties from year to year pursuant to Paragraph 1, Scope of Work. All invoices MUST BE received by the County no later than fifteen (15) days after the termination of the Fiscal Year in which the services were delivered. Invoices received after such date WILL NOT BE PAID.

C. Contractor must submit a detailed statement accounting for all services performed, specified on a minimum of a quarter hour basis, and expenses incurred. If the County finds that the services are not acceptable, within thirty days after the date of receipt of written notice from the Contractor that payment is requested, it shall provide the Contractor a letter of exception explaining the defect or objection to the services, and outlining steps the Contractor may take to provide remedial action. Upon certification by the County that the services have been received and accepted, payment shall be tendered to the Contractor within thirty days after the date of acceptance. If payment is made by mail, the payment shall be deemed tendered on the date it is postmarked. However, the County shall not incur late charges, interest, or penalties for failure to make payment within the time specified herein.

D. The payment of taxes due for any money received under this Agreement shall be the Contractor's sole responsibility and shall be reported under the Contractor's Federal and State tax identification number(s).

3. Term.

This Agreement is for one (1) year effective September 16, 2012, contingent upon prior approval by the Valencia County Board of County Commissioners. This Contract will automatically renew on an annual basis, for up to three (3) additional one (1) year terms unless terminated pursuant to paragraph 4 (Termination), or paragraph 5 (Appropriations). In accordance with Section 13-1-150 NMSA 1978, no term for a professional services contract, including extensions and renewals, shall exceed four years, except as set forth in Section 13-1-150 NMSA 1978.

4. Termination.

A. Termination. This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to the intended date of termination. Except as otherwise allowed or provided under this Agreement, the County's sole liability upon such termination shall be to pay for acceptable work performed prior to the Contractor's receipt of the notice of termination, if the County is the terminating party, or the Contractor's sending of the notice of termination, if the Contractor is the terminating party; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Agreement. The Contractor shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. Notwithstanding the foregoing, this Agreement may be terminated immediately upon written notice to the Contractor if the Contractor becomes unable to perform the services contracted for, as determined by the County or if, during the term of this Agreement, the Contractor or any of its officers, employees or agents is indicted for fraud, embezzlement or other crime due to misuse of government funds or due to the Appropriations paragraph herein. THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE COUNTY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS AGREEMENT.

B Termination Management. Immediately upon receipt by either the County or the Contractor of notice of termination of this Agreement, the Contractor shall: 1) not incur any further obligations for salaries, services or any other expenditure of funds under this Agreement without written approval of the County; 2) comply with all directives issued by the County in the notice of termination as to the performance of work under this Agreement; and 3) take such action as the County shall direct for the protection, preservation, retention or transfer of all property titled to the County and records generated under this Agreement. Any non-expendable personal property or equipment provided to or purchased by the Contractor with contract funds shall become property of the County upon termination and shall be submitted to the County as soon as practicable.

5. **Appropriations.**

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the Board of County Commissioners for the performance of this Agreement. If sufficient appropriations and authorization are not made by the Board of County Commissioners, this Agreement shall terminate immediately upon written notice being given by the County to the Contractor. The County's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the County proposes an amendment to the Agreement to unilaterally reduce funding, the Contractor shall have the option to terminate the Agreement or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

6. **Status of Contractor.**

The Contractor and its agents and employees are independent contractors performing professional services for the County and are not employees of the County of Valencia. The Contractor and its agents and employees shall not accrue leave, retirement, insurance, bonding, use of county vehicles, or any other benefits afforded to employees of the County of Valencia as a result of this Agreement. The Contractor acknowledges that all sums received hereunder are reportable by the Contractor for tax purposes, including without limitation, self-employment and business income tax. The Contractor agrees not to purport to bind the County of Valencia unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

7. **Assignment.**

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the County.

8. **Subcontracting.**

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the County. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Agreement, nor shall any subcontract obligate direct payment from the County. In all cases, the contractor is solely responsible for fulfillment of this Agreement.

9. **Release.**

Final payment of the amounts due under this Agreement shall operate as a release of the procuring agency of the County, its officers and employees, and the County of Valencia from all liabilities, claims and obligations whatsoever arising from or under this Agreement.

10. **Confidentiality.**

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.

11. **Product of Service -- Copyright.**

All materials developed or acquired by the Contractor under this Agreement shall become the property of the County of Valencia and shall be delivered to the County no later than the termination date of this Agreement. Nothing developed or produced, in whole or in part, by the Contractor under this Agreement shall be the subject of an application for copyright or other claim of ownership by or on behalf of the Contractor.

12. **Conflict of Interest; Governmental Conduct Act.**

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Agreement, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Agreement.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Agreement, will continue to comply with, and that this Agreement complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978. Without in anyway limiting the generality of the foregoing, the Contractor specifically represents and warrants that:

1) in accordance with Section 10-16-4.3 NMSA 1978, the Contractor does not employ, has not employed, and will not employ during the term of this Agreement any County employee while such employee was or is employed by the County and participating directly or indirectly in the County's contracting process;

2) this Agreement complies with Section 10-16-7(B) NMSA 1978 because (i) the Contractor is not a public officer or employee of the County; (ii) the Contractor is not a member of the family of a public officer or employee of the County; (iii) the Contractor is not a business in which a public officer or employee or the family of a public officer or employee has a substantial interest; or (iv) if the Contractor is a public officer or employee of the County, a member of the family of a public officer or employee of the County, or a business in which a public officer or employee of the County or the family of a public officer or employee of the County has a substantial interest, public notice was given as required by Section 10-16-7(B) NMSA 1978 and this Agreement was awarded pursuant to a competitive process;

3) in accordance with Section 10-16-8(C) NMSA 1978, (i) the Contractor is not, and has not been represented by, a person who has been a public officer or employee of the County within the preceding year and whose official act directly resulted in this Agreement and (ii) the Contractor is not, and has not been assisted in any way regarding this transaction by, a former public officer or employee of the County whose official act, while in County employment, directly resulted in the County's making this Agreement;

4) in accordance with Section 10-16-13 NMSA 1978, the Contractor has not directly participated in the preparation of specifications, qualifications or evaluation criteria for this Agreement or any procurement related to this Agreement; and

5) in accordance with Section 10-16-3 and Section 10-16-13.3 NMSA 1978, the Contractor has not contributed, and during the term of this Agreement shall not contribute, anything of value to a public officer or employee of the County.

C. Contractor's representations and warranties in Paragraphs A and B of this Article 12 are material representations of fact upon which the County relied when this Agreement was entered into by the parties. Contractor shall provide immediate written notice to the County if, at any time during the term of this Agreement, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Article 12 were erroneous on the effective date of this Agreement or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the County and notwithstanding anything in the Agreement to the contrary, the County may immediately terminate the Agreement.

D. All terms defined in the Governmental Conduct Act have the same meaning in this Article 12(B).

13. Amendment.

This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

14. Merger.

This Agreement incorporates all the Agreements, covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, Agreements and understandings have been merged into this written Agreement. No prior Agreement or understanding, oral or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

15. Penalties for violation of law.

The Procurement Code, Sections 13-1-28 through 13-1-199, NMSA 1978, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for illegal bribes, gratuities and kickbacks.

16. Equal Opportunity Compliance.

The Contractor agrees to abide by all federal, state and county laws and rules and regulations, pertaining to equal employment opportunity. In accordance with all such laws, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is

found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

17. Applicable Law.

In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern and that venue will lie in the Thirteenth Judicial District Court in Valencia County. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

18. Workers Compensation.

The Contractor agrees to comply with state laws and rules applicable to workers compensation benefits for its employees. If the Contractor fails to comply with the Workers Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the County.

19. Records and Financial Audit.

The Contractor shall maintain detailed time and expenditure records that indicate the date; time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the County, the Department of Finance and Administration and the State Auditor. The County shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the County to recover excessive or illegal payments

20. Disclaimer and Hold Harmless.

Valencia County shall not be liable to the Contractor, or the Contractor's successors, heirs, administrators, or assigns, for any loss, damage, or injury, whether to Contractor's person or property, occurring in connection with Contractor's performance of Contractor's duties according to this Agreement. Contractor shall hold the Valencia County harmless from all loss, damage, and injury, including court costs and attorney fees, incurred by Valencia County in connection with the performance by Contractor of Contractor's duties according to this Agreement.

21. Indemnification.

The Contractor shall defend, indemnify and hold harmless the County of Valencia from all actions, proceeding, claims, demands, costs, damages, attorneys' fees and all other liabilities and expenses of any kind from any source which may arise out of the performance of this Agreement, caused by the negligent act or failure to act of the Contractor, its officers, employees, servants, subcontractors or agents, or if caused by the actions of any client of the Contractor resulting in injury or damage to persons or property during the time when the Contractor or any officer, agent, employee, servant or subcontractor thereof has or is performing services pursuant to this Agreement. In the event that any action, suit or proceeding related to the services performed by the Contractor or any officer, agent, employee, servant or subcontractor under this Agreement is brought against the Contractor, the Contractor shall, as soon as practicable but no later than two (2) days after it receives notice thereof, notify the legal

counsel of the County of Valencia and the New Mexico Association of Counties by certified mail.

22. Invalid Term or Condition.

If any term or condition of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected and shall be valid and enforceable.

23. Enforcement of Agreement.

A party's failure to require strict performance of any provision of this Agreement shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Agreement shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

24. Authority.

If Contractor is other than a natural person, the individual(s) signing this Agreement on behalf of Contractor represents and warrants that he or she has the power and authority to bind Contractor, and that no further action, resolution, or approval from Contractor is necessary to enter into a binding contract.

25. Lobbying.

No federal appropriated funds can be paid or will be paid, by or on behalf of the CONTRACTOR, or any person for influencing or attempting to influence an officer or employee of any County, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, or the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any County, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection of this federal contract, grant, loan, or cooperative agreement, the CONTRACTOR shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

26. Approval of Contractor Personnel.

Personnel proposed in the Contractor's written proposal to the County are considered material to any work performed under this Agreement. No changes of personnel will be made by the Contractor without prior written consent of the procuring agency of the County. Replacement of any Contractor personnel, if approved, shall be with personnel of equal ability, experience and qualifications. The Contractor will be responsible for any expenses incurred in familiarizing the replacement personnel to insure their being productive to the project immediately upon receiving assignments. Approval of replacement personnel shall not be unreasonably withheld. The procuring agency of the County shall retain the right to request the removal of any of the Contractor's personnel at any time.

27. Survival.

The agreement paragraphs titled "Patent, Copyright, Trademark, and Trade Secret Indemnification" and "Indemnification" shall survive the expiration of this agreement. Software licenses, leases, maintenance and any other unexpired agreements that were entered into under the terms and conditions of this agreement shall survive this agreement

28. Succession.

This agreement shall extend to and be binding upon the successors and assigns of the parties.

29. Force Majeure.

A party shall be excused from performance under this agreement for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

30. Mediation.

In the event a dispute arises as to the rights and obligations among the parties hereto, the parties agree to attempt to resolve the dispute through mediation as a condition precedent to seeking legal and equitable remedies. The parties agree to evenly split the costs of any such mediation services. The parties shall mutually agree upon the choice of mediator. In the event the parties have not agreed upon a mediator within twenty (20) days of written notice to the other regarding the dispute, then a list of seven potential mediators will be obtained from the New Mexico Association of Counties and the parties shall utilize a striking process until a mediator is agreed upon.

31. Notice to Proceed.

It is expressly understood that this Agreement is not binding upon the County until it is executed by the Board of County Commissioners after voting on the contract at a public meeting or unless it is executed by the Valencia County Manager, if the amount of the contract is \$10,000.00 or less. Further, the Contractor is not to proceed with its obligations under the Agreement until the Contractor has received a fully signed copy of the Agreement.

32. Attorney's Fees.

In the event this Agreement results in dispute, mediation, litigation, or settlement between the parties to this Agreement, the prevailing party of such action shall NOT be entitled to an award of attorneys' fees and court costs.

33. Cooperation.

All parties hereto will fully cooperate with the other and their respective counsel, accountant, and agents in connection with any steps required to be taken under this Agreement.

34. Incorporation and Order of Precedence.

Request for Proposals No. VCR-FY12-507 and the contractor's proposal are incorporated by reference into this agreement and are made a part of this agreement. In the event of any conflict among these documents, the following order of precedence shall apply:

1. Any contract amendment(s), in reverse chronological order; then
2. this contract itself; then
3. the Request for Proposals; then
4. the Contractors Best and Final Offer(s), in reverse chronological order; then
5. the contractor's proposal; then
6. the contractor's standard agreement terms and conditions (which may or may not have been submitted as part of the contractor's proposal).

35. Patent, Copyright, Trademark and Trade Secret Indemnification.

A. The contractor shall defend, at its own expense, the County of Valencia against any claim that any product or service provided under this agreement infringes any patent, copyright or trademark in the United States or Puerto Rico, and shall pay all costs, damages and attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the County of Valencia based upon the contractor's trade secret infringement relating to any product or service provided under this agreement, the contractor agrees to reimburse the County of Valencia for all costs, attorneys' fees and the amount of the judgment. To qualify for such defense and/or payment, the County of Valencia shall:

- i. give the contractor prompt written notice of any claim;
- ii. allow the contractor to control the defense or settlement of the claim; and
- iii. cooperate with the contractor in a reasonable way to facilitate the defense or settlement of the claim.

B. If any product or service becomes, or in the contractor's opinion is likely to become the subject of a claim of infringement, the contractor shall at its option and expense:

- i. provide a procuring agency of the County the right to continue using the product or service;
- ii. replace or modify the product or service so that it becomes non-infringing; or
- iii. accept the return of the product or service and refund an amount equal to the depreciated value of the returned product or service, less the unpaid portion of the purchase price and any other amounts which are due to the contractor. The contractor's obligation will be void as to any product or service modified by the procuring agency of the County to the extent such modification is the cause of the claim.

36. Professional Liability Insurance.

Contractor agrees to maintain in full force throughout the duration of the Agreement a lawyers professional liability insurance policy with a minimum coverage of \$1,000,000.00 per occurrence/ \$2,000,000.00 aggregate.

37. Notices.

Any notice required to be given to either party by this Agreement shall be in writing and shall be delivered in person, by courier service or by U.S. mail, either first class or certified, return receipt requested, postage prepaid, as follows:

To the County: Bruce Swingle, County Manager
PO Box 1119
Los Lunas, NM 87031

To the Contractor: Nance, Pato & Stout LLC
P.O. Box 772
Socorro, NM 87801

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date of signature by the Board of County Commissioners below.

By: Adren R. Nance Date: August 31, 2012
Contractor

Printed Name: Adren R. Nance, Partner
Address: P.O. Box 772, Socorro, NM 87801

By: Bruce Swingle Date: 08/31/12
Valencia County Manager

Printed Name: Bruce Swingle

Address: 444 Luna Ave.
Los Lunas, NM 87031

By: Michael Vinyard Date: 8/31/12
Valencia County Purchasing Agent

Printed Name: Michael Vinyard

Address: 444 Luna Ave.
Los Lunas, NM 87031

BOARD OF COUNTY COMMISSIONERS

APPROVED, ADOPTED AND PASSED on this 5th day of September, 2012.

Donald E. Holliday
Chair, District V

Georgia Otero-Kirkham
Vice-Chair, District II


Mary J. Andersen
Commissioner, District I

Lawrence R. Romero
Commissioner, District III

Ron Gentry
Commissioner, District IV

Attest:

Sally Perea
Valencia County Clerk

The seal of Valencia County, New Mexico, is a circular emblem. It features a central sun with rays, surrounded by a wreath. The words "VALENCIA COUNTY" are inscribed in a circle around the central image, and "NEW MEXICO" is written at the bottom.

Attachment 1

Scope of Work

Required activities include, but are not necessarily limited to, the following:

- A. Contractor will provide legal counsel and guidance to the County Commissioners, the County Manager, upper management and elected officials with respect to all legal matters relevant to the County, including litigation, arbitration/mediation, quasi-judicial activities, ordinance/rule policy promulgation, personnel matters, procurement matters, subpoena responses, inspection of public records act requests, open meeting laws, election issues, transactional matters, and real property issues.
- B. Contractor will anticipate and identify legal issues and counsel managers to develop legal strategies and solutions.
- C. Contractor will draft, review, and approve policies and procedures, ordinances, resolutions, regulations, bylaws, contracts, procurement documents and other legal documents or legal instruments.
- D. Contractor will review, research and interpret and prepare both written and oral opinions on a wide variety of legal issues.
- E. Contractor will conduct legal research and analysis and will prepare written and verbal opinions of counsel as needed.
- F. Contractor will review, prepare and approve contracts involving leases, licenses, purchases, sales, insurance, employment, research and related matters.
- G. Contractor will represent Valencia County in administrative hearings including without limitation personnel hearings, represent the County and its officials in litigation and oversee such representation.
- H. Contractor will prepare findings of fact and conclusions of law on behalf of the County in Quasi-judicial matters; Contractor will defend Valencia County in administrative appeals.
- I. Contractor will prosecute, defend or otherwise conduct litigation on behalf of the County for which there is no insurance coverage.
- J. Contractor will negotiate settlements involving legal issues or transactions on behalf of the County in conjunction with County Officials.
- K. Contractor will assist with supervision of support staff.
- L. Contractor will maintain professional growth and development through seminars, workshops, and professional affiliations to keep abreast of latest developments.
- M. Contractor will perform miscellaneous job-related duties as assigned.

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VALENCIA COUNTY
Board of County Commissioners
Agenda Request Form



Department Head: Commissioner Mary Andersen
Individual Making Request: Commissioner Mary Andersen
Presentation at Meeting on: July 17, 2013
Date Submitted: July 3, 2013
Title of Request: Consideration to Approve Hospital Mill Levy Agreement

Action Requested of Commission:

Consideration to approve Hospital Mill Levy Agreement between Valencia County and City of Belen

Information Background and Rationale

The tax payers of the County approved a mill levy for the purposes of financing the cost of operating, maintaining and/or providing for a hospital/24 hour emergency healthcare facility. The commission will have approximately \$20 million in mill levy funds to offer a provider for operational and maintenance expenses.

What is the Financial Impact of this Request?

The only foreseeable cost is disbursement of the mill levy funding.

Legal:

The proposed contract would prohibit the County from otherwise obligating the mill levy funding for six months pending Belen's issuance of a Health Care Facilities RFP to select a provider with whom the County would be obligated to execute a health care facilities contract to transfer the mill levy funds to for the maintenance and operation of a hospital on the Belen site. The incorporated Healthcare Facilities Contract, to be issued to a successful offeror, would be for a period of 36 months. Although the Court of Appeals in Cordova v. BOCC 2010-NMCA-039 recognized that the purpose of the Hospital Funding Act is "to provide flexibility in financing construction, operation and maintenance of necessary hospital facilities," the permissibility of such a contract is uncertain, as no New Mexico Court has yet had an opportunity to consider such an arrangement. (Adren Nance)

Finance:

As of April 2013 there is \$17,216,851 in the hospital mill levy fund available for the hospital project. (Nick Telles)

**AGREEMENT BETWEEN THE COUNTY OF VALENCIA AND THE CITY OF
BELEN FOR USE OF MILL LEVY FUNDS AT THE BELEN SITE**

THIS AGREEMENT (the “**Agreement**”) is made by and between Valencia County, a political subdivision of the State of New Mexico (“**Valencia County**”) and the City of Belen, a New Mexico municipality (“**Belen**”), each a **Party**, and collectively the **Parties**.

RECITALS

WHEREAS, it has been determined that there is a need to provide appropriate and adequate hospital facilities for the sick of Valencia County, New Mexico, and

WHEREAS, the Board of County Commissioners of Valencia County (the “**County Commission**”) has been working to accomplish the establishment of a hospital in Valencia County, and

WHEREAS, the citizens of Valencia County have demonstrated their support for a hospital in Valencia County, including at the November 7, 2006 General Election by the approval of the overwhelming majority of the voting qualified electors of Valencia County of a 2.75 mill levy on the net taxable value of property subject to taxation within the county (the “**Mill Levy**”) to support the operation and maintenance of a hospital in Valencia County, and

WHEREAS, Valencia County has previously authorized the formation of a New Mexico non-profit corporation, Valencia Health Commons, and contracted with Valencia Health Commons to achieve the establishment of a hospital in Valencia County, and

WHEREAS, Valencia County has terminated its agreement with Valencia Health Commons, and

WHEREAS, following termination of its agreement with Valencia Health Commons, Valencia County has no present contractual obligations or other binding commitments for the establishment of a hospital in Valencia County, and

WHEREAS, Valencia County remains committed to the establishment of a hospital in Valencia County, and

WHEREAS, Belen is also interested in and committed to the establishment of a hospital in Valencia County, and

WHEREAS, Valencia County and Belen wish to enter into an Agreement to accomplish the establishment of a hospital on the Belen Site, and

WHEREAS, the expressed purpose of the Hospital Funding Act is “to provide flexibility in financing construction, operation and maintenance of necessary hospital facilities,”

WHEREAS, Valencia County desires to transfer its mill levy funds to a Provider for the purpose of operating and maintaining a hospital on the Belen site if the conditions provided in this Agreement are satisfied.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions contained herein, the Parties hereby agree as follows:

AGREEMENT

1. **Recitals.** The Recitals set forth hereinabove are incorporated herein by reference and shall be considered part of this Agreement as if fully restated herein.

2. **Purpose.** The purpose of this Agreement is to set forth the understanding pursuant to which Valencia County will transfer its mill levy funds to a Provider selected by Belen for the purpose of operating and maintaining, a not-for-profit, acute care, sole provider hospital/24 hour emergency health care facility in Valencia County on the Belen Site (the “**Valencia Community Hospital**”), which will, pursuant to NMSA 1978, § 4-48B-3(G) (2003):

- a. Admit and treat patients without regard to race, sex, religion or national origin.
- b. Include x-ray, laboratory services, and a pharmacy or drug room.
- c. Have available adequate emergency equipment, personnel and procedures, including:
 - i. A standby emergency power system.
 - ii. At least one person capable and authorized to initiate immediate lifesaving measures.
 - iii. Facilities for emergency laboratory work, including, as a minimum, urinalysis, complete blood count, blood type and cross match.
 - iv. Diagnostic radiographic facilities.
- d. Provide facilities, procedures and policies for prevention, control and reporting of communicable diseases, including one or more rooms for isolation of patients having or suspected of having communicable diseases.
- e. Maintain adequate records, including, as a minimum, a daily census and a register of all births, deliveries, deaths, admissions, emergency room admissions, discharges, operations, outpatients, inpatients and narcotics.

f. Provide physical facilities, personnel, equipment and procedures that comply with the regulations promulgated by the public health division of the department of health (collectively, the “**Hospital Facility**”).

3. The Belen Site. The Belen Site consists of 13.65 acres located near Interstate 25 (I-25) in the City of Belen Healthcare Hub just north of Camino del Llano and east of Christopher Road and more particularly described as follows:

Four tracts of land situated within Section 13, Township 5 North, 1 East of the New Mexico Principal Meridian in Valencia County, New Mexico, being portion of tracts 262A, 263A, 264A and 265A,

plus an additional 10.35 acres located north of and immediately adjacent thereto, which is under separate private ownership and is presently available for the Hospital Facility (the “**Belen Site**”). See Exhibit “A”, attached hereto.

4. Request for Proposals. The County of Valencia agrees to execute the healthcare facilities contract attached hereto as Exhibit “B” with the Provider selected by Belen for the transfer of the Mill Levy (mill levy funds) to the Provider if the following conditions are met:

a. Belen shall issue a Request for Proposals (RFP) for a provider to operate and maintain a hospital on the Belen site pursuant to the terms of the Health Facilities Contract attached hereto as Exhibit “B”.

b. Belen shall submit a financing plan for the construction and equipping of a hospital facility thereon.

c. Belen shall provide that the Health Care Facilities Contract, attached hereto as exhibit “B”, be included in the Health Care Facilities Contract RFP and be the form of the subsequent Health Care Facilities Contract:

5. Execution of a Healthcare Facilities Contract with the Provider Selected by Belen. The County of Valencia will execute the healthcare facilities contract, attached hereto as Exhibit “B”, with the Provider selected by the City of Belen, upon the later of forty-five days from the following events:

a. the selection of a provider according to the RFP or
b. the final resolution of the protest of any solicitation or selection of a provider according to the RFP.

6. Term. The term of this Agreement shall commence on the Effective Date and shall continue for six (6) months (the Initial Term) and as long thereafter as necessary to effectuate the purpose of this Agreement, except that either Party may, after expiration of the Initial Term, terminate this Agreement, without cause, upon thirty days written notice to the other Party. In the event that either Party elects to terminate this Agreement in order to withdraw from this Agreement (the “**Withdrawing Party**”), the Withdrawing Party shall take all action reasonably practicable to ensure that the withdrawal does not cause harm to the development and/or operation of the Valencia Community Hospital.

7. Miscellaneous.

a. Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed duly given (i) when delivered personally or by prepaid overnight courier, with a record of receipt, (ii) the third day after mailing if mailed by certified mail, return receipt requested, (iii) the day of transmission, if sent by facsimile or telecopy during regular business hours or the day after transmission, if sent after regular business hours, provided that, in either event, the completed transmission is electronically verified, or (iv) the day of transmission, if sent electronically, if there is proof of receipt on the day of transmission or the first day thereafter on which receipt can be verified, to the Parties at the following addresses, telecopy numbers, or e-mail addresses (or to such other address, telecopy number, or e-mail address as a Party may have specified by notice given to the other Party pursuant to this provision):

If to Valencia County: Office of the County Manager
P.O. Box 1119/444 Luna Avenue
Los Lunas, NM 87031
Fax: (505) 866-3355

with a copy to the Valencia County Attorney at the address above;

If to Belen: Office of the City Manager
100 South Main Street
Belen, NM 87002
Fax: (505) 864-8408

with a copy to the City Attorney at the address above.

b. Assurances. Consistent with the terms and conditions hereof, each Party will execute and deliver such certificates and other documents and take such other action as any other Party may reasonably require in order to carry out the Agreement and the transactions contemplated hereby.

c. Severability. If any provision of the Agreement becomes or is found to be illegal or unenforceable for any reason, such provision may be modified to the extent necessary to make this Agreement legal and enforceable. If such provision cannot be so modified, it shall be severed from the Agreement and the remainder of the Agreement shall remain in full force and effect.

d. Amendment. The Agreement may be amended if, in the opinion of the Parties, an amendment would be desirable to advance the purpose of the Agreement. However, the Agreement shall not be altered, changed, or amended except by an instrument in writing executed by the Parties.

e. Assignment. The Agreement or any of the rights, duties, or obligations of the Parties hereunder, shall not be assigned by either Party without the express written consent and approval of the other Party.

f. Successors and Assigns. This Agreement binds and inures to the benefit of the parties and, subject to the restrictions on transfer herein set forth, their respective successors, assigns and personal representatives.

g. Complete Agreement. The Agreement and the exhibits attached hereto contain the entire understanding of the Parties with respect to the transactions contemplated hereby and supersede all prior arrangements or understandings with respect thereto. There are no restrictions, agreements, promises, warranties, covenants or undertakings other than those expressly set forth herein or therein.

h. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

i. Headings. Section or other headings contained in this Agreement are for reference purposes only and are not intended to affect in any way the meaning or interpretation of this Agreement.

j. Governing Law. This Agreement is governed by and is to be construed in accordance with the law of the State of New Mexico.

k. No Third Party Beneficiary. This Agreement does not create any rights as a third party beneficiary in any person or entity, including any provider selected by Belen, nor does it authorize any person or entity not a party to this Agreement to maintain a suit for any claim(s) whatsoever.

l. Counterparts. This Agreement may be executed in one or more counterparts, including facsimile and/or electronic counterparts, each of which shall be a fully binding and enforceable contract and agreement against the party signing such counterpart, but all such counterparts shall together constitute but one agreement.

IN WITNESS WHEREOF, this agreement shall be effective upon execution by both parties.

**VALENCIA COUNTY, a political
subdivision of the State of New Mexico**

APPROVED, ADOPTED, AND PASSED on this __ day of _____, 2013.

BOARD OF COUNTY COMMISSIONERS

Charles D. Eaton
Chairman, District IV

Alicia Aguilar
Vice-Chair, District II

Mary J. Andersen
Commissioner, District I

Lawrence R. Romero
Commissioner, District III

Donald E. Holliday
Commissioner, District V

Attest:

Peggy Carabajal, County Clerk

**CITY OF BELEN, a New Mexico
municipality**

By: _____ Date: _____
Rudy Jaramillo, Mayor

By: _____ Date: _____
Mary T. Aragon, Mayor Pro Tem

By: _____ Date: _____
David J. Carter, City Councilor

By: _____ Date: _____
Jerah R. Cordova, City Councilor

By: _____ Date: _____
Wayne Gallegos, City Councilor

ATTEST:

By: _____ Date: _____
Mary Lucy Baca, City Clerk

The City of Belen's
Healthcare Hub VALENCIA COMMUNITY HOSPITAL

LEGAL DESCRIPTION

The 13.65-acre hospital site is located near Interstate 25 (I-25) in the City of Belen's Healthcare Hub on the northeast side of the Camino Del Llano interchange along Christopher Road.

It has the following legal description:

Four tracts of land situated within Section 13, Township 5 North, 1 East of the New Mexico Principal Meridian in Valencia County, New Mexico, being portion of tracts 262A, 263A, 264A and 265A.

QUALITY COMMITMENT

Stretching 13.65 acres near an accessible interchange and airport, the City of Belen's proposed site is well-suited for a hospital, having a number of attributes that bolsters its ability to be developed quickly and cost effectively. The city has secured local support and commitments that allow for site expansion should expansion be needed.

The Healthcare Hub is an established and proven health commons (Addendum A). The hospital will be an added value benefit to the medical professionals currently working in the Healthcare Hub, where even today, there are plans underway for new medical-related facilities. The site readily incorporates clustered services, a vital component to the success of any medical facility. Industry clustering provides essential established resources, proven by the medical industry, as well as others, to be the key ingredient in sustainability.

The Healthcare Hub offers immediate access to all of the medical-related services available in Belen, including things like pharmacies, medical supplies and hospice, also while providing nearly \$23 million of direct infrastructure investment in recent years, available to support a hospital (Addendum B).

STRATEGIC PLANNING

- *The Healthcare Hub is a health commons.* It provides a diversity of medical and medical-related facilities, including the Belen Meadow Healthcare and Rehabilitation Center, the Presbyterian Urgent Care, as well as residential and educational facilities.
- *Camino del Llano is Belen's most active area of development.* Belen is developing most quickly on its west side, particularly near the Camino del Llano interchange and onto the west mesa. Not only has the city continued to see housing development in neighborhoods like Sunrise Bluffs and Jardin de Belen, the city, along with the New Mexico State Aviation Department and Federal Aviation Administration has invested approximately \$2.3 million in Belen Alexander Municipal Airport, annexing 1,400 acres into city limits, constructing a new pilot's lounge, establishing a fire department substation and completing two phases of a three-phase crosswind runway project with the United States Air Force.

- *The Camino del Llano area is designated one of Belen's busiest activity centers.* In the City of Belen's Strategic Growth Plan adopted on February 8, 2010, the Mid-Region Council of Governments describes the Camino del Llano corridor as "the primary access from the interstate freeway to the airport and west mesa development, and the most direct entrance into the downtown area."
- *The city has invested more than \$11.1 million in infrastructure in the Healthcare Hub.* In the past four years, the city has spent millions of dollars in the immediate area, including water, sewer, drainage, lighting, pedestrian walkways, newly paved roadways and other accessibility improvements. Projects have included reconstruction and improvements to Christopher Road, which provides front-door access to the hospital from Camino del Llano.
- *Belen Consolidated Schools has medical curriculum and a career academy.* The district has invested \$8.3 million in higher education curriculum and a state-of-the-art facility, known as the Belen High School Career Academy, offering a nursing program that puts Belen's youth on track to graduate college and staff the hospital. Belen's nursing program involves a dual-credit collaboration with the University of New Mexico Valencia Campus. In May 2012, the Valencia Campus will graduate its first class of certified nurses.
- *Belen is a bedroom and retirement community suitable for medical facilities.* The Valencia County Comprehensive Plan (2005), the City of Belen Comprehensive Plan (2003), and the City of Belen Strategic Growth Plan (2010) designates the City of Belen as a bedroom and retirement community, evidenced by housing developments like Sunrise Bluffs, an 80-unit, seven-phase development, and the proposed 48-unit assisted living facility.
- *Belen is Valencia County's most centralized, accessible transportation hub.* The Healthcare Hub offers quick access to the interstate, railway and sky. According to the New Mexico Airport System Update (2009), Belen Alexander Municipal Airport is a gateway airport due to its proximate location to interstate travel, refueling and connecting travel. It also receives overflow from the Albuquerque International Sunport.

SITE READINESS

The hospital site has adequate infrastructure to serve the demands of a hospital.

Wet Utility Infrastructure: The property is serviced by redundant water infrastructure, such as two eight-inch water lines stubbed to the property and fed from the west end of the property along Christopher Road. Christopher Road is fed through an 18-inch water main line on Camino del Llano that is fed by three nearby municipal water wells. An additional eight-inch water line along the east end of the property is fed directly from a municipal water well located 150 feet south of the property, providing proper fire protection and low-cost water loop interconnects to exceed the hospital's demands. An eight-inch sewer line is also stubbed out to the property followed by 10-inch sewer line along Camino del Llano to the 1.2-million gallon per day (MGD) treatment plant that meets all New Mexico Environment Department and United States Environmental Protection Agency (EPA) standards and has the capacity for the hospital while providing for other area development.

PAGE 2

EXHIBIT A

Page 2 of 5

Dry Utility Infrastructure: High-speed Qwest fiber optics are located curbside at the property and capable of handling the critical, cutting-edge technology, providing advanced information technology (IT) communication capability, in addition to phone lines. Comcast broadband is located within 50 feet of the property. Public Service Company of New Mexico (PNM) provides three-phase power to the property that is adequate to provide for the electrical demands of the hospital. New Mexico Gas Company provides natural gas at the property. Traffic signal infrastructure is installed on the corner of Christopher Road and Camino del Llano that will reduce the cost of installation, if needed for safety due to increased traffic.

The abundance of both wet and dry utility infrastructure will substantially reduce the cost of constructing a hospital on the proposed site. Through its research, the city has found that this site is the most ready and most cost effective.

SITE ACCESSIBILITY

The hospital site is within the established Healthcare Hub, just one block east of I-25 off Exit 191, where it intersects with Camino del Llano.

Camino del Llano, one of Belen’s five major arterial roads, is the middle of three I-25 interstate exits in Belen and one of only two major interstate access points to the west side of I-25 in all of Valencia County. The interchange directly serves both Belen’s city limits and unincorporated areas of Valencia County.

Camino del Llano provides access to Valencia County’s only public airport, located less than three minutes from the hospital site. Valencia County’s only joint city/county fire department substation is located less than three minutes away. Within two minutes of the hospital site are two lodging facilities, including Holiday Inn Express.

The centralized corridor linking the west mesa, Main Street and the downtown builds on the potential for regional medical care, specialized support service industry infill (Exhibit B) and helipad development, on-site or at Belen Alexander Municipal Airport. The hospital site is also accessible using the Rio Metro Regional Transit District shuttle service, stopping at several locations along Camino del Llano, as well as at the New Mexico Rail Runner Express, only four minutes away.

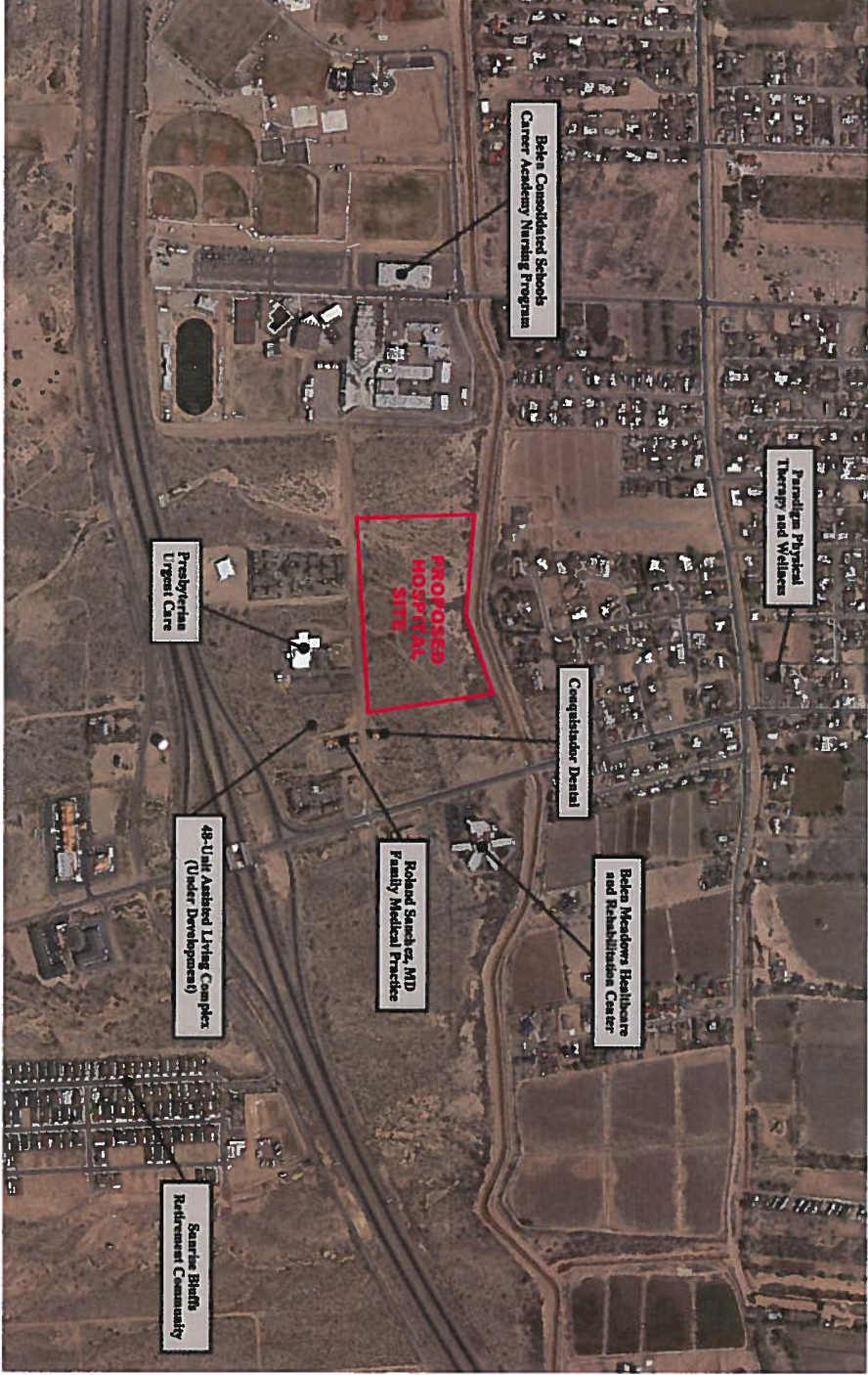
According to the City of Belen Strategic Growth Plan (2010), the site is located in the most centralized activity center for Valencia County and the State of New Mexico. Area business and medical facilities are among the busiest in all of Valencia County.

CONCLUSION

Belen’s mayor and the Belen City Council look forward to working with the Valencia County Commission to build a hospital that will give Valencia County residents the medical care they need.

The City of Belen's
Healthcare Hub

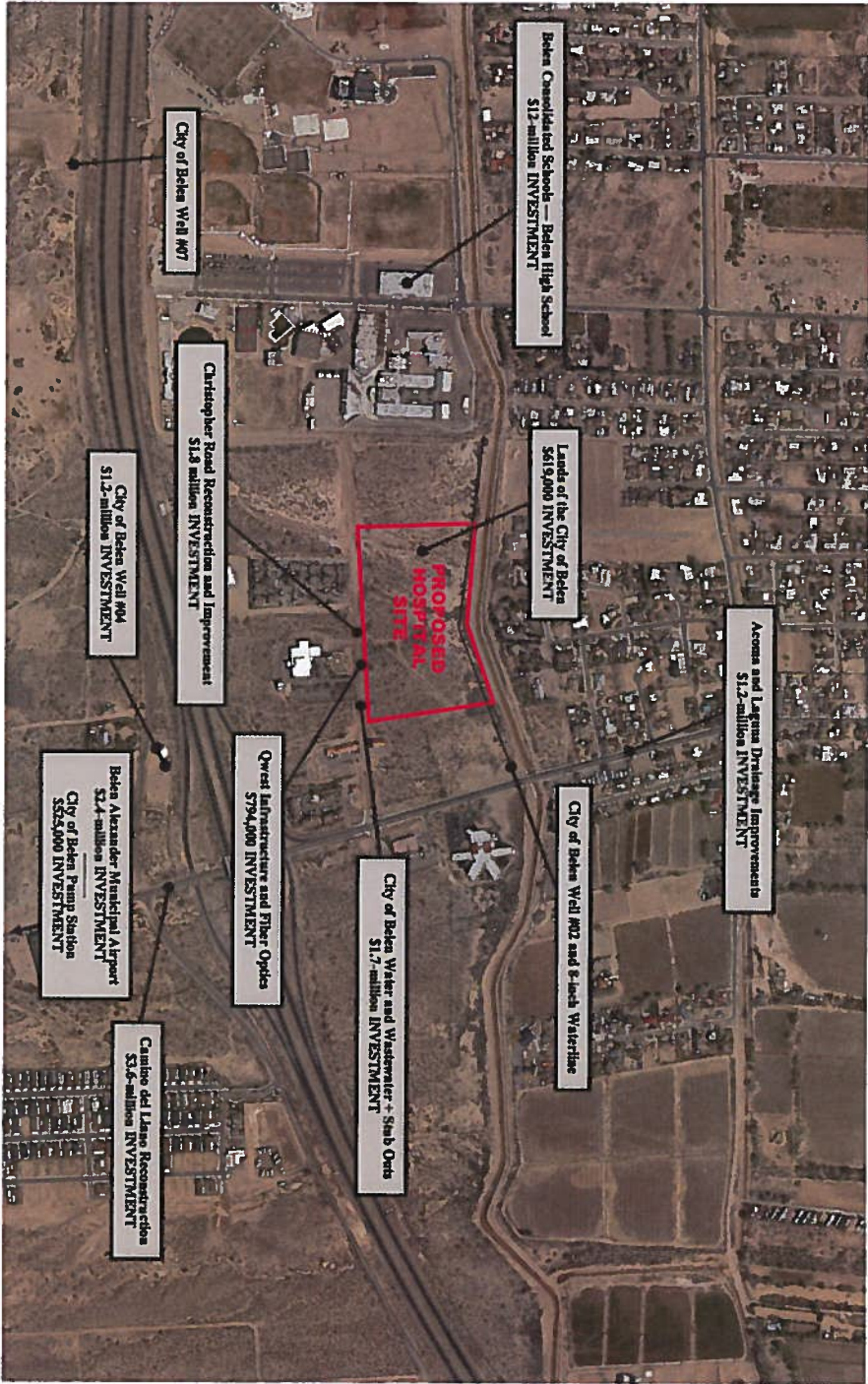
Addendum A



MEDICAL-RELATED FACILITIES TO SUPPORT A HOSPITAL

The City of Belen's
Healthcare Hub

Addendum B



INFRASTRUCTURE AND INVESTMENT TO SUPPORT A HOSPITAL



HEALTH CARE FACILITIES CONTRACT

This **HEALTH CARE FACILITIES CONTRACT** (the "Contract"), is entered into this ____ day _____ of 20____, by and between the BOARD OF COUNTY COMMISSIONERS OF VALENCIA COUNTY, NEW MEXICO, a political subdivision of the State of New Mexico ("County") and _____; a _____ corporation located in _____, New Mexico ("PROVIDER").

WHEREAS, PROVIDER determined that the creation of a hospital/24 hour emergency healthcare facility in Valencia County (the "Hospital Project") is needed and economically feasible; and,

WHEREAS, PROVIDER has developed an operational plan, construction schedule and financing mechanism for the Hospital Project; and,

WHEREAS, the County determined upon its own initiative to submit the question of the imposition of a mill levy of 2.75 mills (the "Mill Levy") to finance the cost of operating, maintaining and/or providing for a hospital/24 hour emergency healthcare facility to the registered qualified electors of Valencia County; and,

WHEREAS, the County submitted such question to the registered qualified electors of Valencia County at the November 7, 2006 General Election, as authorized by Section 4-48B-1 *et seq.*, NMSA 1978 (the "Hospital Funding Act");

WHEREAS, in said election, the voters approved the imposition of the Mill Levy by a vote of 14,245 in favor to 4,438 opposed; and,

WHEREAS, the State Department of Finance & Administration imposed the Mill Levy (defined herein) for the operation and maintenance of the Hospital Project pursuant to, and in accordance with, Section 4-48B-15 of the Hospital Funding Act for property tax year 2007; and

WHEREAS, the County and PROVIDER wish to execute and deliver this Contract to transfer the Mill Levy funds from the County to PROVIDER for operation and maintenance expenses of the Hospital Project.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants hereinafter contained, the Parties agree as follows. Section 1: The Hospital Project.

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SECTION 1. THE HOSPITAL PROJECT

1.1 Control of the Hospital Project: PROVIDER shall have exclusive jurisdiction and control of the Hospital Project and shall comply with the laws, rules and regulations of the United States and the State of New Mexico in taking any and all additional action to acquire, construct and operate the Hospital Project.

1.2 Discrimination: PROVIDER shall not discriminate in employment, granting of medical staff privileges, or availability of hospital facilities on account of race, sex, religion or national origin.

1.3 Availability of Services; Description of Facilities: PROVIDER undertakes to provide nonsectarian hospital services to the sick of Valencia County and such other persons as may legitimately require services. PROVIDER agrees to make available to the sick of Valencia County:

- A. hospital facilities that admit and treat patients without regard to race, sex, religion or national origin;
- B. hospital facilities that include x-ray, laboratory services and a pharmacy or drug room;
- C. adequate emergency equipment, personnel and procedures, including:
 - i. a standby emergency power system;
 - ii. at least one person capable and authorized to initiate immediate lifesaving measures;
 - iii. facilities for emergency laboratory work, including, as a minimum, urinalysis, complete blood count, blood type and cross match; and
 - iv. diagnostic radiographic facilities;
- D. facilities, procedures and policies for prevention, control and reporting of communicable diseases, including one or more rooms for isolation of patients having or suspected of having communicable diseases;
- E. adequate records, including, as a minimum, a daily census and a register of all births, deliveries, deaths, admissions, emergency room admissions, discharges, operations, outpatients, inpatients and narcotics; and
- F. physical facilities, personnel, equipment and procedures that comply with the regulations promulgated by the public health division of the department of health;
- G. diagnostic radiographic facilities;
- H. facilities, procedures and policies for prevention, control and reporting of communicable diseases, including one or more rooms for isolation of patients having or suspected of having communicable diseases;

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- I. adequate records, including, as a minimum, a daily census and a register of all births, deliveries, deaths, admissions, emergency room admissions, discharges, operations, outpatients, inpatients and narcotics; and
- J. physical facilities, personnel, equipment and procedures that comply with the regulations promulgated by the public health division of the department of health;
- K. Hospital facilities on a 24 hours emergency basis for both sick and injured .

1.4 Financial Operation: PROVIDER takes and assumes all financial responsibility for the operating costs of the Hospital Project, and may utilize any additional public funds as provided under New Mexico law. PROVIDER may use any Mill Levy Funds transferred by the County for the purposes described in Section 2.3 of this Contract. PROVIDER shall be responsible for all losses arising out of the operation of the Hospital Project and shall receive the benefit of all profits arising out of the operation of the Hospital Project.

1.5 Financing Capital Improvements: PROVIDER shall be responsible for proposed capital improvements to the Hospital Project and to select methods of financing such capital improvements.

1.6 Deadlines for Substantial Completion and Providing Services:

- A. PROVIDER shall receive a Certificate of Substantial Completion of the Hospital Project within thirty-six (36) months of the effective date of this Contract. Failure to receive a Certificate of Substantial Completion of the Hospital Project within thirty-six (36) months of the effective date of this Contract shall be grounds for automatic termination of this Contract pursuant to Section 4.4(C) of this Contract.

SECTION 2: THE MILL LEVY FUNDS

2.1. Transfer: Following PROVIDER's receipt of a Licensure from the New Mexico Department of Health and upon the acceptance of patients for care, the County hereby agrees to transfer funds received from the imposition and collection of the Mill Levy (the "Mill Levy Funds") to PROVIDER for the purposes and uses more fully described in this Contract pursuant to the following schedule:

10 days from the commencement of services as described in Section 2.1	3 Million
1 Year Anniversary of commencement of services	2.5 Million
2 Year Anniversary of commencement of services	2.5 Million
3 Year Anniversary of commencement of services	2.5 Million

4 Year Anniversary of commencement of services	2.5 Million
5 Year Anniversary of commencement of services	2.5 Million

The Mill Levy Funds shall be held in a restricted account by the County until transferred to PROVIDER.

2.2 Use of Mill Levy Funds: Upon the transfer of the Mill Levy Fm lds to PROVIDER, PROVIDER shall use the Mill Levy Funds for the purpose of operation and maintenance the Hospital Project.

2.3 Extensions of Mill Levy: Further mill levy funding requests must be submitted to the County for approval pursuant to Section4-48B-15, NMSA 1978.

2.4 Impermissible Uses: PROVIDER may not, under any circumstances, use Mill Levy Funds for any purposes other than the operation and maintenance of the Hospital Project. Use of Mill Levy Funds for capital expenditures, construction costs or any other expenditure not authorized by Section 2.3 of this Contract shall be deemed an impermissible use of Mill Levy Funds and shall be grounds for termination of this Contract pursuant to Section 4.4(B) of this Contract.

SECTION 3: REPORTING REQUIREMENTS:

3.1 Reporting: Any reporting required or permitted under this Contract shall be in writing and shall be hand delivered or mailed to the County or PROVIDER, as the case may be, postage pre-paid and by certified mail, return receipt requested, at their respective addresses shown below (or at such other address as either party may specify to the other party in writing from time to time). Such reporting shall be deemed effective as of the date of mailing.

PROVIDER: [Redacted]
P.O. Box [Redacted]
City, State Zip

COUNTY: County of Valencia
Attn: County Manager
444 Luna Avenue
P.O. Box 1119
Los Lunas, New Mexico 87031

3.2 Annual Reporting: Pursuant to Section 4-48B-4, NMSA 1978, PROVIDER hereby agrees to prepare an annual accounting and report to the County, accounting for the expenditure

of Mill Levy Funds for the past year, an annual plan explaining the planned use of such funds for the succeeding year and other reports reasonably required from time to time by the County. The PROVIDER shall also prepare a summary of patients served and services offered as well as a summary of services anticipated to be provided in the succeeding year.

3.3 Annual Audit: PROVIDER hereby agrees to provide the County on an annual basis, within thirty (30) days of receipt, complete copies of its audited financial statements, detailing the financial condition of PROVIDER. PROVIDER shall provide the County with an annual balance sheet, personal and real property inventories, profit and loss statements, accounts receivable, accounts payable records, and other financial records bearing on the operation of the Hospital Project. The financial information shall be in sufficient detail to allow the County to appropriately analyze the fiscal status and management practices of the Hospital Project. The financial information shall be deemed a "public record" under the New Mexico Public Records Act (Section 14-3-1 *et seq.*, NMSA 1978) and the Inspection of Public Records Act (Section 14-2-1 *et seq.*, NMSA 1978).

3.4 Termination Event: The Parties hereby agree to report, in writing, the occurrence of any termination event noted in Section 4.4 of this Contract to the other party within (30) days of a party's knowledge of its occurrence.

SECTION 4: THE CONTRACT

4.1 Term: The term of this Contract shall commence on the date of approval by both parties and shall remain effective, unless otherwise terminated pursuant to the terms of this Contract or applicable law, until the final scheduled distribution of the mill levy funds as described in Section 2.1 *infra*. The term of this Contract shall also remain effective in accordance with any Automatic Renewals discussed in Section 4.2 of this Contract.

4.2 Termination: This Contract may be terminated for the following reasons so long as the party seeking termination follows the reporting requirements contained in Section 3.2 of this Contract.

- A. **Termination Without Cause:** Pursuant to Section 4-48B-5(J)(1), NMSA 1978, this Contract may be terminated by the County without cause upon one hundred eighty days' (180) notice after the first three (3) years of the contract. However, pursuant to Section 4-48B-5(J)(2), NMSA 1978, this provision shall not apply during the portion of a lease term in which PROVIDER is obligated under the lease to make debt service payments on revenue bonds that finance all or part of the hospital or equipment for the hospital.
- B. **Failure to Appropriately Use Mill Levy Funds:** Pursuant to Section 2.5 of this Contract, the use of Mill Levy Funds for any purpose other than the operation and maintenance of the Hospital Project shall be deemed an impermissible use of Mill Levy Funds and shall constitute grounds for termination of this Contract.

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- C. Failure to Receive Certificate of Operation from the New Mexico Department of Health: , Failure to receive Certificate of Operation from the New Mexico Department of Health within thirty-six (36) months of the effective date of this Contract shall constitute grounds for automatic termination of this Contract.
- D. Failure to provide services to patients: Failure to provide services to patients within _____ months of receiving the Certificate of Operation from the New Mexico Department of Health shall constitute grounds for automatic termination of this Contract.
- E. Failure to Follow Reporting Requirements: Failure to report any of the information required under Section 3 of this Contract shall constitute grounds for termination of this Contract.
- F. Changes in Federal or State Law: Any change in Federal or State law which materially impairs the ability of PROVIDER or the County to perform the duties and obligations of this Contract shall constitute grounds for termination of this Contract.

4.5 Cure: PROVIDER and the County shall have thirty (30) days from the effective date of a party's reporting a Section 4.4(B) or Section 4.4(E) termination event to cure such termination event. In the event that such event cannot be cured within thirty (30) days, but may be cured within a reasonable time after the thirty (30) day cure period, the parties hereby agree that they will negotiate in good faith to extend the appropriate cure period so that the matter may be timely done or completed. This Section shall not apply to termination events discussed in Sections 4.4(A), 4.4(C), 4.4(D) and 4.4(F) of this Contract.

SECTION 5: MISCELLANEOUS

5.1 Binding Effect: Upon the execution of this Contract, the Contract shall be binding upon and shall inure to the benefit of the parties hereto and their successors.

5.2 Assignability: This Contract shall not be assigned by PROVIDER or the County to any other party.

5.3 Severability: In case any one or more of the provisions of this Contract is for any reason held to be illegal or invalid, such illegality or invalidity will not affect any other provision.

5.4 Applicable Law: The validity, construction and effect of this Contract will be governed by the law of the State of New Mexico applicable to Contracts made and to be performed in the State of New Mexico.

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5.5 Amendment: This Contract may be amended only by a written instrument executed by the County and PROVIDER.

5.6 Further Assurances: PROVIDER and the County hereby agree to execute, acknowledge and deliver any documents and instruments and perform any additional acts that may be necessary, appropriate or advisable to carry out their respective obligations under this Contract.

5.6 Attorney’s Fees: In the event this Agreement results in dispute, mediation, litigation, or settlement, the prevailing party of such action shall NOT be entitled to an award of attorneys' fees and court costs.

5.7 Cost of Implementation: In the event this Contract is determined to be invalid or otherwise unenforceable, for any reason whatsoever, PROVIDER will make no claim against the County or any of its officers, agents, contractors or employees for any compensation for lost profits, costs or expenses incurred in proceeding with the implementation o the terms of the Contract.

VALENCIA COUNTY

APPROVED, ADOPTED, AND PROCLAIMED on this ____ day of _____, 2013.

BOARD OF COUNTY COMMISSIONERS

District I

District II

District III

Commissioner, District IV

District V

Attest:

County Clerk

PROVIDER

Name:

Title:

WITNESS my hand and seal this ____ day of _____, 20__.

STATE OF NEW MEXICO)
)ss.
COUNTY OF VALENCIA)

The foregoing instrument was acknowledged before me on _____, 20__, by _____.

My Commission Expires: _____

Notary Public

END

OF

AGENDA
