



**Public Health**  
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**North Central Public Health District**  
*"Caring For Our Communities"*

# North Central Public Health District Board of Health Meeting

July 14, 2015  
3:00 PM  
Meeting Room @  
NCPHD

## **AGENDA -**

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1. **Minutes**
  - a. Approve from June 9, 2015 meeting
  - b. Set Next Meeting Date
2. **Additions to the Agenda**
3. **Public Comment**
4. **Unfinished Business**
  - a. Updates from Wasco County – Wasco County Project Plan
  - b. Funding Reduction Implementation
5. **New Business**
  - a. Review of A/P checks issued (June 2015)
  - b. Program Highlights
    - i. Communicable Disease Updates
    - ii. Home Visiting Connections
    - iii. Oregon Solutions: Wasco County Childhood Obesity Collaboration
  - c. Contracts Review
    - i. OHA Agreement 142025-14
    - ii. Ahlers
    - iii. EOCCO Transformation Grants Program – Amendment 2
    - iv. Medical Examiner Contract – Sherman County
    - v. Pauly, Rogers and Co – Engagement Letter
    - vi. Shred4Less
  - d. Director's Report

Note: This agenda is subject to last minute changes.

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*\*\*If necessary, an Executive Session may be held in accordance with: ORS 192.660 (2) (d) Labor Negotiations; ORS 192.660 (2) (h) Legal Rights; ORS 192.660 (2) (e) Property; ORS 192.660 (2) (i) Personnel\*\**



**Public Health**  
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**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

*“Caring For Our Communities”*

419 East Seventh Street  
The Dalles, OR 97058-2676  
541-506-2600  
[www.ncphd.org](http://www.ncphd.org)

**North Central Public Health District  
Board of Health  
Meeting Minutes  
June 9, 2015 (3:00 pm)**

**In Attendance:** Commissioner Mike Smith – Sherman County; Linda Thompson – Sherman County; Roger Whitely – Sherman County; Commissioner Steve Kramer – Wasco County; and William Hamilton – Wasco County.

**Staff Present:** Teri Thalhofer – Director; Dr. McDonell – Health Officer; Kathi Hall – Finance Manager

**Guests:** Neita Cecil – The Dalles Chronicle

Minutes taken by Gloria Perry

Meeting called to order on June 9, 2015 at 3:00pm by Chair Commissioner Mike Smith.

**Summary of Actions Taken**

**Motion by Commissioner Kramer, second by Roger Whitely, to approve the minutes from the 4/27/15 special board meeting as presented.**

Vote: 5-0  
Yes: Commissioner Mike Smith, Linda Thompson, Commissioner Steve Kramer, Roger Whitely, and William Hamilton.  
No: 0  
Abstain: 0  
Motion carried.

**Motion by William Hamilton, second by Commissioner Kramer, to approve the minutes from the 5/12/15 board meeting as presented.**

Vote: 5-0  
Yes: Commissioner Mike Smith, Linda Thompson, Commissioner Steve Kramer, Roger Whitely, and William Hamilton.  
No: 0  
Abstain: 0  
Motion carried.

**Motion by Linda Thompson, second by Roger Whitely, to authorize Teri Thalhofer to ask for the \$32,208.00 from the Wasco County Board.**

Vote: 5-0  
Yes: Commissioner Mike Smith, Linda Thompson, Commissioner Steve Kramer, Roger Whitely, and William Hamilton.  
No: 0  
Abstain: 0  
Motion carried.

**Motion by Roger Whitely, second by Linda Thompson, to approve the staff reduction scenario as proposed if Wasco County's funding level stays the same.**

Vote: 4-1  
Yes: Commissioner Mike Smith, Linda Thompson, Roger Whitely, and William Hamilton.  
No: Commissioner Steve Kramer  
Abstain: 0  
Motion carried.

**Motion by Roger Whitely, second by Linda Thompson, to authorize check numbers 10807 through 10850 and payroll EFT numbers 135 through 142 totaling \$113,181.77.**

Vote: 5-0  
Yes: Commissioner Mike Smith, Linda Thompson, Commissioner Steve Kramer, Roger Whitely, and William Hamilton.  
No: 0  
Abstain: 0  
Motion carried.

**WELCOME**

**1. MINUTES**

- a. Approval of past meeting minutes.
  - Minutes approved as presented.
- b. Set next meeting date:
  - There is a special board of health meeting scheduled for Tuesday, June 23, 2015 at 3:30 pm. Meeting location will be at the North Central Public Health District (meeting room) – 419 E. 7<sup>th</sup> St., The Dalles.
  - The next regular meeting was scheduled for Tuesday, July 14, 2015 at 3 pm. Meeting location will be at the North Central Public Health District (meeting room) – 419 E. 7<sup>th</sup> St., The Dalles.

**2. ADDITIONS TO THE AGENDA**

- a. Public Comment Period
  - No comments made.

**3. UNFINISHED BUSINESS**

- a. Updates from Wasco County – Wasco County Project Plan
  - Commissioner Kramer did not have any updates to present. He advised the board that Wasco County is still in the process of formulating questions they have from the 6/3/15 presentation. Commissioner Kramer hopes to have those completed soon.
  - Teri stated that she has had communication with Kathy Schwartz since the presentation however she did not have any feedback.

- It was requested by Commissioner Smith that as NCPHD adds updates to the project plan that they be done in red.
- Teri stated that as she looks at the project plan, that is the only deliverable the District is responsible for. The rest of the deliverables seem to be around the governmental agreement.
- Commissioner Kramer stated in regards to the IGA he would like to meet with Commissioner Smith and Judge Shaffer to discuss.

b. Funding Request

- Teri's understanding of the request to Wasco County last year is that at the Board of Commissions meeting Wasco County agreed to fund NCPHD up to \$344,000; that's still \$32,208 short from what we budgeted to be the Wasco County money contribution based on input from Commissioner Kramer and Monica Morris at our budget adoption meeting. Revenue has not come in as projected and we are projecting that at the end of the year we will be \$47,056 under anticipated revenue. Teri is on the agenda for the Wasco County Board of Commissioners meeting on June 17<sup>th</sup>. She is looking for guidance from NCPHD board about what amount to ask from Wasco County.
- Commissioner Smith stated that there was a set aside in Wasco's budget last year. He said that Monica Morris was hoping NCPHD would bring in more than we were projecting so Wasco held back money in order to see if the revenue came through. He continued with what he and Monica had talked about is if there was a demonstrated need, if we fell short in the projections, that we could come to the Wasco County Commissioners board and ask for that remaining balance. So the request to this board is do we want to ask the full amount of \$32,208. It would be Commissioner Smith suggestion that the ask is for the full amount because we will still be about \$15,000 short that will have to be taken out of the beginning balance.
- It was requested that Kathi Hall send a report to the board on where we are at with expenses.
- Commissioner Kramer asked if NCPHD board was going to request this from Wasco County without knowing the answer to Bill's question about our expenditures. He was okay with this ask but was just curious.
- Commissioner Smith stated we need to as this is our last opportunity to do that.
- Bill Hamilton stated his point was that he thought it would play better if we can say we're 5% below budget or 10% below budget. He realizes that expenses don't always follow revenue but it does occur.
- Commissioner Smith stated Wasco County will have that information presented to them.
- Kathi Hall briefly reviewed the graph titled *Revenue by Category by Year*.
- After discussion a motion was made to authorize Teri Thalhofer to ask Wasco County for \$32,208.00.

4. NEW BUSINESS

a. 2015-16 Budget

- Kathi Hall reviewed with the board the proposed budget for revenue and expenditures.
  - The budget was created for current service level.
  - The budget does not include a COLA (cost of living adjustment) for staff.
  - The budget committee approved the proposed budget.
- On May 18, 2015 Kathi attended the Wasco County Budget meeting. It appears that Wasco County's budget looks okay. There is an increase in their beginning balance from last year to this year and they are able to fund a reserve of a little over 2 million and they were able to add 7 full-time FTE positions. Their budget committee voted to keep the district contribution at \$314,000 which is what was in their proposed budget.
- Staff Reduction Scenario
  - Teri stated that Wasco County's budget adoption is June 17<sup>th</sup> and NCPHD's budget adoption is the 23<sup>rd</sup>. If Wasco County votes to go with the \$314,000 we will need to reduce our budget by \$81,000.
  - Teri reviewed the staff reduction scenario prepared by NCPHD's leadership team.
    - Two positions would be eliminated.
    - Important to note that when we reduce positions that are partially funded by County contributions, it also reduces revenue generation. The \$81,000 reduction would equal closer to \$172,000 reduction in our budget because of the loss of family planning revenue.
    - The proposal is to have the nurse practitioner available two (2) days a week, walk-in clinic available one (1) day a week. In the facilitated agreement that was reached between the counties before the new IGA was signed, there was an agreement that if there is a reduction in

the budget, the county that is not meeting the current service level need is where the reductions will occur.

- We will need to provide access to family planning and immunizations in Gilliam and Sherman counties so a nurse would travel with the WIC clinic to each of the sites every other month to provide that access. We will need to do promotion for that.
  - The reason this program was chosen is this is a service area that's available elsewhere in the community. Not on the same walk-in basis but you can get immunizations, contraceptives and STD testing from your primary care provider. At NCPHD you can walk in and walk out with a birth control method in two hours. It might take up to 6 weeks to get in to see your primary care provider but it is available.
  - Teri stated this is not an easy decision for us. There is no where we can cut services that aren't going to have an impact on the community but this scenario seems to be the best way to go.
  - In addition, there will be 4 fewer employees next fiscal year to respond to a public health emergency because of the transfer of David Skakel to Wasco County. Also, because of the uncertainty we were unable to apply for a VISTA volunteer who has been trained and is able to respond.
  - Because of the loss of nursing staff, environmental health staff will be trained to respond to communicable disease reports. This will change the prioritization of their duties and they will be an integral part of the communicable disease team. An outbreak is top priority so other work waits.
- Linda Thompson asked if environmental health have enough staff to take care of the situation. Are they going to have to end up hiring people?
- Teri replied that there is no money to hire additional staff.
- Linda Thompson asked if we currently do our walk in clinics 5 days a week and how many clients to you see a day.
- Teri said, yes. Monday – Friday 8:30am to 12:00pm and the 1:00pm to 5:00pm. The number of clients per day depends. It can be anywhere from 4 to 25.
- Bill Hamilton stated that he understood what Teri said about the services being provided by other agencies or other sources in the county. This scenario will reduce revenue by about \$91,000.
- Teri stated yes we estimate about \$91,000 family planning revenue would be lost.
- Bill Hamilton asked Teri if there are other non-revenue generating programs that she's looked at.
- Teri replied that communicable disease is the only nursing program that's not revenue generating and it's mandated very specifically.
  - Mike Smith stated he thought that was a discussion at the leadership team. So Many of the things that we do the money is specifically for that program so we had to look at things that are general fund support that you could choose to cut. A lot of those programs you would either just stop doing them and not take the money from the state, or you would do them. A lot of the programs are break-even, not counting the admin portion of it. You do with the money you get what you can with it and try to look at general fund contributions as where can you find those cuts within that and with the employee space. I think it was really brave and interesting of the leadership team because I challenged them right away to see what could we do and how would we do this to make it affective. Because you could look at programs and say we are willing to stop doing this.
  - Teri stated then you put yourself at risk of losing local public health authority.
  - Commissioner Smith stated, "Yes and you are really not saving yourself any money necessarily because you are supported by general fund dollars and the clinic is really where a lot of that is."
- Teri stated, "We've reduced our FTE by 2 ½ in the last two years without service reductions and we can't reduce FTE anymore without service reductions, it's just not possible. We're running as lean as we possibly can."
- Commissioner Smith asked the board if they have any other suggestions or questions.

- Roger Whitely asked if Gilliam and Sherman were going to try and work around that so they don't have to suffer.
  - Teri stated, "We don't provide family planning and walk-in immunizations in Sherman and Gilliam County right now. Those clients come in to The Dalles to get it. Now it's only going to be available to them one day a week. That's why we're going to travel out with the WIC clinic to provide some additional access, however it's not going to be the same level of access for anyone; and Wasco County clients can certainly come out to the WIC clinic. It will be broadly advertised that they can travel out to Arlington, Condon and Rufus to see the nurse that is with the WIC clinic."
  - Linda Thompson stated, "A lot of times those people can't travel that far. They are on a limited budget. If you have this walk-in one day week and you are seeing 4 to 25 people a day now, you might be able to keep that whole day full but you're going to be dealing with the issue of people who can't come that particular day. So even though you might have the capacity to see 30 clients, you might not have 30 clients."
  - Teri stated, "That's absolutely true. The nurse practitioner clinic will continue to be booked on Monday and Tuesday and as people walk in for family planning if she can work them in we will. But there's going to be an impact. In 2013 we averted 180 pregnancies. An additional 100 days of closure could result in 74 unintended pregnancies per year due to limited access. Those costs just roll on up. There are lots of studies that show that unintended and unwanted pregnancies where families are not prepared, those children's births cost more, their medical care costs more, they cost more to educate, they cost more to the social services system, and they cost more to the correction system."
  - Roger Whitley stated, "So in the long run, it's going to cost Wasco County more money."
  - Teri stated, "Almost 60% of children born in Wasco County are born into poverty. The statewide number is a little over 50% and we are close to 60% in Wasco County."
  - Commissioner Smith stated, "We need direction on what to do if the funding reductions occur. We need to have a plan to move forward. How quickly can something like this be implemented."
    - Teri stated that it could be implemented in 2 weeks.
  - Commissioner Smith stated, "We have two employees that may be laid off so we are looking at a higher unemployment rate."
    - Teri stated that is true. If we lay off two employees they will be eligible for unemployment. We do not self insure for unemployment, we are part of a pool. Right now our rate is low because we don't have any history but as we add history then our unemployment costs next year will likely go up.
  - In looking at the proposal, Commissioner Smith wasn't sure if the board has to actually approve that or if it's something we have in place in case it is needed.
    - Teri stated she would like the board to approve it today, unless the board wants to approve it on the 23<sup>rd</sup> of June along with the budget and fee schedule. She needs to have board approval to issue layoff notices.
    - If a different number other than \$314,000 comes back the board would then revisit the staff reduction scenario at the June 23, 2015 board of health meeting.
    - After discussion, a motion was made to approve the proposed reduction scenario as presented.
- b. Review of A/P checks issued (May 2015)
- At the last board meeting, Fred Schubert asked why there were missing check numbers on the report. It was explained to the board that the check numbers listed in the Payroll EFT (electronic fund transfer) section will always have one to three numbers not listed. The reason for this is EDEN reserves numbers for each EFT in a queue and until it has been released for payment it will not be listed on this report. The two payments that this affects are PERS and our unemployment. The payment to PERS is not released until the EDEN amount is verified and reconciled with the amount reported from PERS. The other is the payment for our unemployment. This payment is paid on a quarterly basis.
  - The board asked that checks being held in the queue be listed on the report as such. When the payment is released, it should show in red on the report so the board knows that payment has now been issued.
- c. Program Highlights

- Modernizing Oregon’s Public Health System presentation.
  - Discussed the current situation for public health in Oregon
  - Factors that affect health
  - Task Force on the future of public health services HB 2348 (2013)
  - Conceptual framework for governmental public health services
  - State public health budget by fund type
  - State investment in public health: Per capita State investment in public health
    - The median is \$27.40. Oregon spends \$13.37 per capita and is ranked 46.
  - Reviewed recommendation made by the Future of Public Health Task Force
- d. Contracts Review
  - Teri reviewed the following contracts with the board:
    - Cytocheck Laboratory
    - Regence BCBS of Oregon Medical Group Agreement
- e. Director’s Report
  - Teri presented report to the board.
- f. Email from John Zalaznik
  - Commissioner Kramer stated he wanted clarification on policy. He shared with the board an email he received from John Zalaznik regarding a possible action being taken with a mobile unit located in Wasco County. He was concerned that he was the only board member to have received this email and thinks all board members should have been notified as well. His understanding of John’s email was that it implied that the board would be making a decision in regards to taking action. He stated that this is the first notification of this type that he has received.
  - Teri explained to the board that past and present practice has been if there is an issue in your County, we notify the commissioner in that County. There is no action for the board to take because it is in Statute. John’s intent was to make Commissioner Kramer aware of a possible action being taken in the county that Commissioner Kramer represents. This is the first issue we’ve had since Commissioner Kramer became a representative to the health board. This is not a policy, only a practice. A policy can be written if that is the board’s desire. John’s email was only a heads-up to Commissioner Kramer.
  - Other board members voiced their opinion that they did not feel it was necessary for the entire board to be notified of possible enforcement issues with restaurants not located in their respective counties. Commissioner Kramer disagreed and feels the whole board should be notified. Commissioner Kramer asked that the subject matter be dropped.

Motion to adjourn was made and the meeting was adjourned at 4:08 pm

\_\_\_\_\_  
Commissioner Michael Smith, Chair

\_\_\_\_\_  
Date

**{Copy of 4/27/15 & 5/12/15 board of health meeting minutes, Quarterly Progress Report with Appendices, 2016 Proposed Budget, Modernization of Public Health Handout, May 2015 Accounts Payable Checks Handout, Cytocheck Laboratory Agreement, Regence BCBS of Oregon Medical Group Agreement and Director’s Report attached and made part of this record.}**

## Staff Reduction Implementation to Absorb the Wasco County Funding Reduction

NCPHD Leadership Team consisting of the Director, Nursing Supervisor, Environmental Health Supervisor and Health Officer have met twice since May 19, 2015 to consider how to implement the funding reduction in the adopted Wasco County budget. To maintain current service level, NCPHD Budget Committee approved a contribution from Wasco County of \$395,033. The Wasco County Budget Committee approved a contribution of \$314,000. This represents a difference of \$81,033.

To absorb this reduction the Leadership Team recommends the following reduction in force:

Elimination of (1) PHN position-----	\$73,531
Elimination of (1) Billing Specialist position-----	\$46,355
Total-----	\$119,866

**Service Impact:** Reductions of walk-in services for reproductive health, immunization and STD testing services from 5 days per week to 1 day per week are proposed. Clinical nursing staff was consulted and data was reviewed. The day per week will be expressed as two afternoons per week, Wednesday and Thursday. Reproductive health appointments would continue to be available 2 days per week, and the Nurse Practitioner would accommodate walk-in reproductive health and STD testing as able to work it into the schedule. Reproductive health services, immunization services and STD testing are available from other providers throughout the community by appointment so this scenario only eliminates the walk-in aspect of this service. Nurses would travel with the WIC staff to Condon, Arlington and Rufus on an every-other-month basis to provide access to Gilliam and Sherman County clients impacted by the service cuts in The Dalles. The duties of the Billing Specialist will be reduced with decreased clients seen. The Billing Specialist duties would be absorbed by Program Secretary and Office Specialist II staff. In addition to direct impacts on clinic services, each of these positions is filled by an employee who is trained to respond to a public health emergency. Reductions in staff represent a smaller work force to respond to outbreaks and public health emergencies.



**Fiscal Impact:** The reproductive health clinic and walk-in services generate approximately \$914 per day in revenue collected through fees. Closing the clinic 2 days per week will result in decreased revenue of approximately \$91,000 using current fiscal information. We would need to follow revenue closely and make further reductions if revenue continues to be significantly negatively impacted. The total lost revenue between Wasco County reductions and lost fee collection is approximately \$172,033.

**Community Impact:** In 2013, Oregon Health Authority/Public Health Division data shows that NCPHD averted 180 pregnancies. That can be seen as 0.74 pregnancies for every day of operation (243 days of operation per year). An additional 100 days of closure could result in 74 unintended pregnancies per year due to limited access. It is those citizens most vulnerable who are unable to plan, make and keep appointments, or afford OTC (over the counter) contraception while waiting to obtain services. The impacts on STD rates in the community are difficult to quantify. In 2014, NCPHD saw 136 clients for STD testing during walk-in clinic. Many of these clients have other medical providers but choose testing and treatment at NCPHD for confidentiality issues. Immunizations, while available at primary care providers and pharmacies, may be delayed for young children waiting to establish with a provider, or those children not engaged with a provider who have the opportunity for immunization 'catch-up' while in the office for a WIC appointment.

This scenario is far from perfect. It was chosen as the services reduced are available through other providers in the community. All other nursing staff is working in revenue generating programs that are not available through other providers. Some are funded through direct service contracts and some are funded through a mixture of state and federal funding and OHP fees.

County funding received from Wasco, Sherman and Gilliam Counties are unrestricted. These funds are used to supplement service delivery in those areas where fees and funding through contract with the Oregon Health Authority Public Health Division does not match the cost of service delivery. Family planning and immunizations are both highly subsidized by County funds.

**NCPHD  
Accounts Payable Checks  
Issued - June 2015**

Check Date	Check Number	Vendor Name	Amount	
6/10/2015	143	IRS	\$11,621.64	<b>Payroll A/P (EFT) Electronic Fund Transfer</b>
6/10/2015	144	ASIFLEX	\$390.00	
6/10/2015	145	P E R S	\$9,257.78	
6/10/2015	146	OREGON STATE, DEPT OF REVENUE	\$2,732.09	
6/25/2015	147	IRS	\$11,877.33	
6/25/2015	148	ASIFLEX	\$390.00	
Reserved in Que	149			
6/25/2015	150	OREGON STATE, DEPT OF REVENUE	\$2,800.54	
6/30/2015	151	IRS	\$465.22	
Reserved in Que	152			
Reserved in Que	153			
6/30/2015	154	OREGON STATE, DEPT OF REVENUE	\$103.64	
6/2/2015	10851	CIS TRUST	\$24,247.45	
6/2/2015	10852	OREGON STATE, HEALTH LICENSING OFFICE	\$150.00	
6/2/2015	10853	QWIK CHANGE LUBE CENTER INC.	\$42.50	
6/2/2015	10854	RICOH USA INC.	\$150.42	
6/2/2015	10855	SKAKEL, DAVID	\$15.00	
6/2/2015	10856	STAEHNKE, DAVID	\$100.08	
6/2/2015	10857	THE DALLES CHRONICLE	\$131.25	
6/11/2015	10858	AMERICAN ASSOCIATION, OF BIOANALYSTS	\$106.00	
6/11/2015	10859	BEERY ELSNER & HAMMOND LLP	\$112.50	
6/11/2015	10860	DEVIN OIL CO INC.	\$91.23	
6/11/2015	10861	H2OREGON BOTTLED WATER INC.	\$56.00	
6/11/2015	10862	HENRY SCHEIN	\$649.07	
6/11/2015	10863	HOOD RIVER GARBAGE	\$810.65	
6/11/2015	10864	MID-COLUMBIA MEDICAL CENTER	\$607.50	
6/11/2015	10865	OFFICE MAX INCORPORATED	\$113.58	
6/11/2015	10866	OPTIMIST PRINTERS	\$69.98	
6/11/2015	10867	OREGON STATE, DEPT OF ENVIRONMENTAL QUA	\$1,600.00	
6/11/2015	10868	SAIF CORPORATION	\$742.99	
6/11/2015	10869	SANOFI PASTEUR INC.	\$228.00	
6/11/2015	10870	SATCOM GLOBAL INC.	\$54.83	
6/11/2015	10871	TEMPLE DISTRIBUTING INC.	\$56.00	
6/11/2015	10872	THE DALLES DISPOSAL	\$666.66	
6/11/2015	10873	THE POOL & SPA HOUSE INC.	\$70.20	
6/11/2015	10874	THE TIMES-JOURNAL	\$171.00	
6/11/2015	10875	U.S. CELLULAR	\$116.78	
6/11/2015	10876	US BANK	\$3,450.01	
6/11/2015	10877	WASCO COUNTY	\$629.50	
6/11/2015	10878	CA STATE DISPURSEMENT UNIT	\$231.50	<b>Payroll A/P Checks</b>
6/11/2015	10879	NATIONWIDE RETIREMENT SOLUTION	\$2,494.40	
6/18/2015	10880	BICOASTAL MEDIA LLC, BICOASTAL COLUMBIA RIVER	\$288.00	
6/18/2015	10881	COX, MARIA DEL PILAR	\$75.00	
6/18/2015	10882	EAGLE NEWSPAPERS, INC	\$232.50	
6/18/2015	10883	HAYSTACK BROADCASTING, INC.	\$240.00	
6/18/2015	10884	MID-COLUMBIA OUTPATIENT CLINIC	\$150.00	
6/18/2015	10885	OFFICE MAX INCORPORATED	\$138.32	

6/18/2015	10886	OPTIMIST PRINTERS	\$490.50
6/18/2015	10887	PORTLAND STATE UNIVERSITY, - OREGON SOLUTIONS	\$8,000.00
6/18/2015	10888	PSC ENVIRONMENTAL SERVICES	\$21,088.96
6/18/2015	10889	QWIK CHANGE LUBE CENTER INC.	\$42.50
6/18/2015	10890	THE DALLES CHRONICLE	\$425.25
6/18/2015	10891	THE TIMES-JOURNAL	\$45.00
6/18/2015	10892	UPS	\$102.81
6/26/2015	10893	CYTOCHECK LABORATORY LLC	\$180.00
6/26/2015	10894	HOOD RIVER, SHELTERED WORKSHOP	\$78.00
6/26/2015	10895	OR STATE PUBLIC, HEALTH LABORATORY	\$147.50
6/26/2015	10896	RAGE GRAPHIX & DESIGN INC.	\$509.00
6/26/2015	10897	RICOH USA INC.	\$143.81
6/26/2015	10898	THE DALLES CHRONICLE	\$125.00
57	<b>TOTAL AMOUNT:</b>		<b>\$110,105.47</b>

NCPHD Board of Health authorizes check numbers 10851 through 10898 and payroll EFT check numbers 143 through 154 totalling \$110,105.47.

Signed: \_\_\_\_\_  
Commissioner Michael Smith, Chair

\_\_\_\_\_ Date



**Public Health**  
Prevent. Promote. Protect.

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**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

*“Caring For Our Communities”*

## **PERTUSSIS OUTBREAK UPDATE**

As of July 9, 2015

NCPHD has received report of 19 total cases of Pertussis (Whooping Cough) in Wasco County residents.

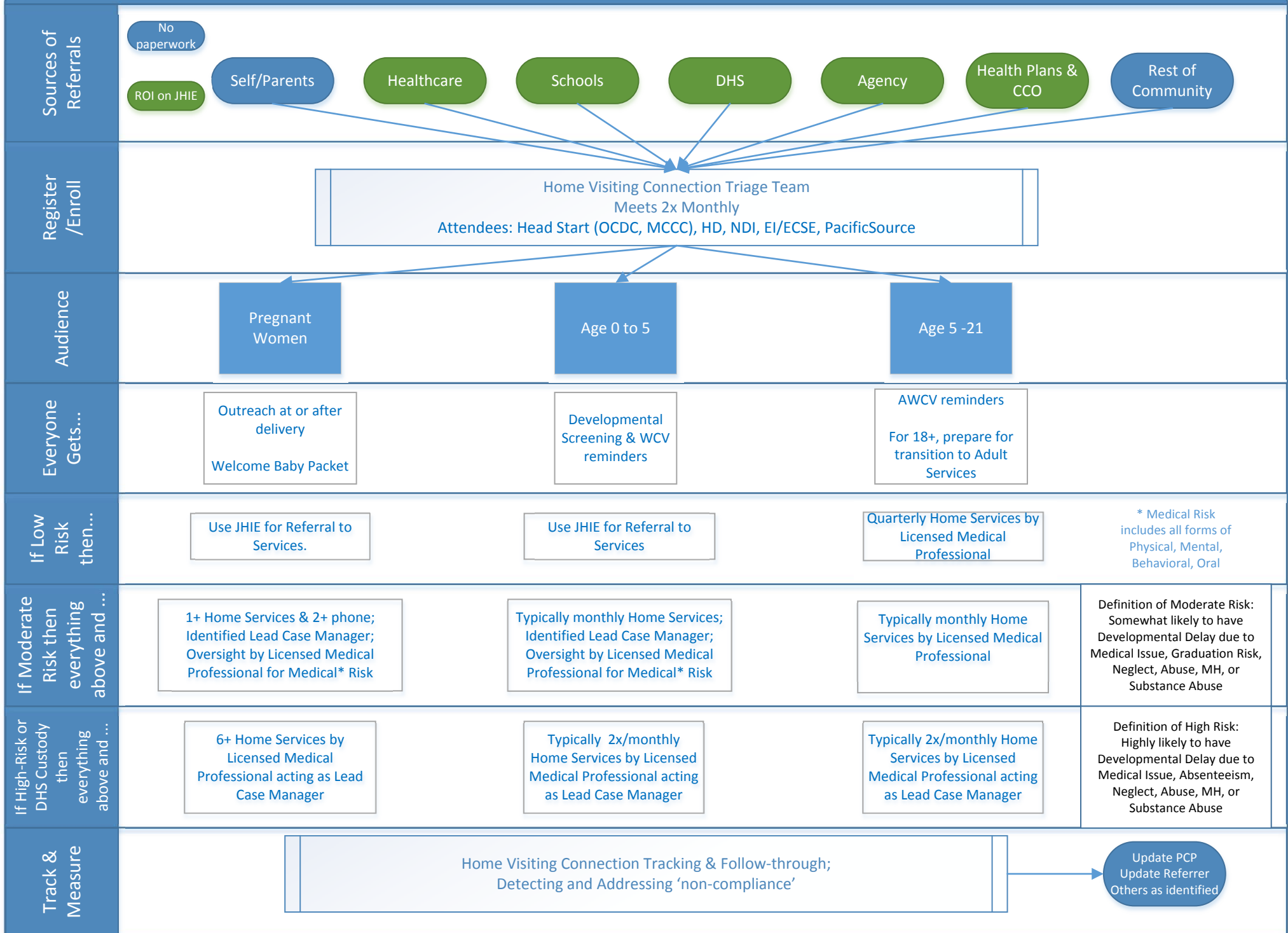
- 13 cases have been confirmed by laboratory testing.
- 4 cases are determined to be presumptive based on contact with a confirmed cases and symptoms consistent with Pertussis.
- 2 cases are currently suspect awaiting laboratory confirmation.

The median age of the cases is 8 years old. The majority of cases live in The Dalles. Initially person to person was occurring during the end of the school year and several of the cases shared classrooms.

NCPHD is holding a free vaccine clinic this afternoon from 4-7 at The Dalles Middle School. 100 doses of vaccine are available for this clinic. More vaccine may be available based on demand and continuation of the outbreak.

We are working closely with area health care providers and schools, and the Public Health Division.

# Connecting Children and Families to Services



In compliance with the Americans with Disabilities Act, this document is available in alternate formats such as Braille, large print, audio recordings, Web-based communications and other electronic formats. To request an alternate format, please send an e-mail to [dhs-oha.publicationrequest@state.or.us](mailto:dhs-oha.publicationrequest@state.or.us) or call 503-378-3486 (voice) or 503-378-3523 (TTY) to arrange for the alternative format.

Agreement #142025

**FOURTEENTH AMENDMENT TO OREGON HEALTH AUTHORITY  
2013-2015 INTERGOVERNMENTAL AGREEMENT FOR THE  
FINANCING OF PUBLIC HEALTH SERVICES**

This Fourteenth Amendment to Oregon Health Authority 2013-2015 Intergovernmental Agreement for the Financing of Public Health Services, effective July 1, 2013 (as amended the "Agreement"), is between the State of Oregon acting by and through its Oregon Health Authority ("OHA") and Gilliam, Wasco, and Sherman Counties, acting by and through the North Central Public Health District ("LPHA"), the entity designated, pursuant to ORS 431.375(2), as the Local Public Health Authority for Gilliam, Wasco, and Sherman Counties.

**RECITALS**

WHEREAS, OHA and LPHA wish to modify the set of Program Element Descriptions set forth in Exhibit B of the Agreement;

WHEREAS, OHA and LPHA wish to modify the Financial Assistance Award set forth in Exhibit C of the Agreement; and,

**AGREEMENT**

NOW, THEREFORE, in consideration of the premises, covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Exhibit B "Program Element Descriptions" is amended as follows:

Program Element #09: Public Health Emergency Preparedness Program (PHEP) Ebola Supplement 2 is hereby added as set forth in Exhibit 1, "Program Element #09: Public Health Emergency Preparedness Program (PHEP) Ebola Supplement 2" attached hereto and incorporated herein by this reference.

2. Section 1 of Exhibit C entitled "Financial Assistance Award", "Financial Assistance Award for the period July 1, 2014 to June 30, 2015" only of the Agreement is hereby superseded and replaced in its entirety by Attachment 1 attached hereto and incorporated herein by this reference. Attachment 1 must be read in conjunction with Section 4 of Exhibit C, entitled "Explanation of Financial Assistance Award" of the Agreement.

3. The current total award amount as of this Amendment is: \$1,271,679.00.

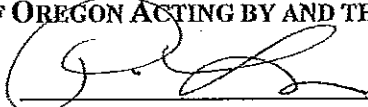
4. LPHA represents and warrants to OHA that the representations and warranties of LPHA set forth in Section 2 of Exhibit E of the Agreement are true and correct on the date hereof with the same effect as if made on the date hereof.
5. Capitalized words and phrases used but not defined herein shall have the meanings ascribed thereto in the Agreement.
6. Except as amended hereby, all terms and conditions of the Agreement remain in full force and effect. The parties expressly agree to and ratify the Agreement as herein amended.
7. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of this Amendment so executed shall constitute an original.
8. This Amendment becomes effective on the date of the last signature below.

*THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK*

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the dates set forth below their respective signatures.

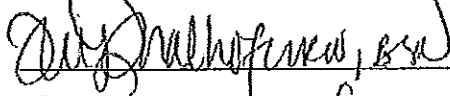
**APPROVED:**

**STATE OF OREGON ACTING BY AND THROUGH ITS OREGON HEALTH AUTHORITY (OHA)**

By:   
Name: Priscilla Lewis  
Title: Deputy Public Health Director

Date: 5/11/15

**GILLIAM, WASCO, AND SHERMAN COUNTIES ACTING BY AND THROUGH THE NORTH CENTRAL PUBLIC HEALTH DISTRICT (LPHA)**


By:   
Name: Teri L. Thalhofer, RN, BSN

Title: Director

Date: 4/29/2015

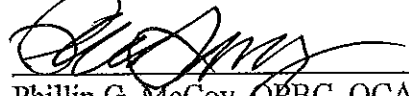
**DEPARTMENT OF JUSTICE – APPROVED FOR LEGAL SUFFICIENCY**  
*Amendment form group-approved by D. Kevin Carlson, Senior Assistant Attorney General, by email on June 24, 2014. A copy of the emailed approval is on file at OCP.*

**OHA PUBLIC HEALTH ADMINISTRATION**

Reviewed by:   
Name: Carole Yann (or designee)  
Title: Program Support Manager

Date: 5/11/15

**OFFICE OF CONTRACTS & PROCUREMENT (OCP)**

By:   
Name: Phillip G. McCoy, OPBC, OCAC  
Title: Contract Specialist

Date: 5/13/15



## EXHIBIT 1

### Program Element #09: Public Health Emergency Preparedness Program (PHEP) Ebola Supplement 2

#### 1. Description and Purpose.

- a. Funds provided under this Agreement to Local Public Health Authorities (LPHA) for Program Element (PE) 09 Public Health Emergency Preparedness Program (PHEP) Ebola Supplement 2 may only be used in accordance with, and subject to, the requirements and limitations set forth in this PE 09.
- b. PHEP Ebola Supplement 2 funding is targeted to address Public Health Preparedness Capabilities including but not limited to:
  - (1) Community Preparedness,
  - (2) Public Health Surveillance and Epidemiological Investigation,
  - (3) Public Health Laboratory Testing,
  - (4) Non-Pharmaceutical Interventions,
  - (5) Responder (Worker) Safety and Health
  - (6) Emergency Public Information and Warning/Information Sharing, and
  - (7) Medical Surge.

#### 2. Definitions Relevant to PHEP and Ebola Supplement 2.

- a. Budget Period: Budget Period is defined as the intervals of time into which a multi-year project period is divided for budgetary/funding purposes. For purposes of this Program Element, Budget Period is July 9, 2014 through June 30th. The funding period for the PHEP Ebola Supplement is 18 months. (Fiscal Year (FY) 2016 (07/15-06/16) and FY 2017 (07/16-09/16)).

*Note: retroactive funding for PE 09 has been authorized by the CDC to July 9, 2014.*

- b. CDC: the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.
- c. CDC Public Health Capabilities: as described online at:  
<http://www.cdc.gov/phpr/capabilities/>
- d. Health Security, Preparedness and Response (HSPR): A state level program that is a joint effort with the Conference of Local Health Officials (CLHO) and Native American tribes to develop plans and procedures to prepare Oregon to respond to, mitigate, and recover from public health emergencies.
- e. Public Health Emergency Preparedness (PHEP): local public health systems designed to better prepare Oregon to respond to, mitigate, and recover from, public health emergencies.

3. **General Requirements.** All of LPHA's PHEP Ebola Supplement 2 services and activities supported in whole or in part with funds provided under this Agreement and particularly as described in this Program Element Description shall be delivered or conducted in accordance with the following requirements and to the satisfaction of OHA:

- a. Non-Supplantation. Funds provided under this Agreement for this Program Element shall not be used to supplant state, local, other non-federal, or other federal funds.
- b. Use of Funds. Funds awarded to LPHA under this Agreement for this Program Element may only be used for activities related to the CDC Public Health Preparedness Capabilities (Community Preparedness, Public Health Surveillance and Epidemiological Investigation, Public Health Laboratory Testing, Non-Pharmaceutical Interventions, Responder Safety and Health, Emergency Public Information and Warning/Information Sharing, and Medical Surge) in accordance with an approved Budget using the template set forth as Attachment 1 to this Program Element Description. Modifications to the budget totaling \$5,000 or more require submission of a revised budget to the HSPR liaison and receive final approval by OHA HSPR.
- c. Conflict between Documents. In the event of any conflict or inconsistency between the provisions of the PHEP Ebola Supplement 2 work plan or budget (as set forth in Attachments 1 and 2) and the provisions of this Agreement, this Agreement shall control.

4. **Budget and Expense Reporting.**

- a. Proposed Budget for Initial Award Period (July 9, 2014 – June 30, 2015). Using the Proposed Budget Template set forth as Attachment 1, Part 1 to this PE 09 (also available through the HSPR liaison) and incorporated herein by this reference, LPHA shall provide to OHA by May 1, 2015, a budget, based on actual award amounts, detailing LPHA's expected costs to operate its PHEP Ebola Supplement 2 program during the initial award period.
- b. Actual Expense to Budget for Initial Award Period. Using the Actual Expense to Budget Template set forth as Attachment 1, Part 2 to this PE 09 (also available through the HSPR liaison) and incorporated herein by this reference, LPHA shall provide to OHA by September 15, 2015 the actual expenses for operation of its PHEP Ebola Supplement 2 program during the initial award period.
- c. Formats other than the proposed budget and expense to budget templates set forth in Attachment 1 to this PE will not satisfy the reporting requirements of this Program Element Description.
- d. All capital equipment purchases of \$5,000 or more using PHEP Ebola Supplemental 2 funds will be identified under the "Capital Equipment" line item category.

**ATTACHMENT 1**  
**TO PROGRAM ELEMENT #09 - PART 1: PROPOSED BUDGET TEMPLATE**  
**PE 09 Preparedness Program Ebola Supplement 2 FY 2015**

County \_\_\_\_\_  
 July 9, 2014 - June 30, 2015

	Proposed		Actual	3 Mos Total
<b>PERSONNEL</b>			Subtotal	\$0.00
	Annual Salary	% FTE		
<i>(Position Title and Name)</i>	\$0	0.00%		\$0
Brief description of activities, for example, This position has primary responsibility for _____ County PHEP activities.				
	\$0	0.00%		\$0
	\$0	0.00%		\$0
Fringe Benefits @ ( )% of describe rate or method				\$0
<b>TRAVEL</b>				\$0
Total In-State Travel: (describe travel to include meals, registration, lodging and mileage)	\$0			\$0
Out-of-State Travel: (describe travel to include location, mode of transportation with cost, meals, registration, lodging and incidentals along with number of travelers)	\$0			\$0
<b>CAPITAL EQUIPMENT (individual items that cost \$5,000 or more)</b>				\$0
				\$0
<b>SUPPLIES, MATERIALS and SERVICES (office, printing, phones, IT support, etc.)</b>				\$0
	\$0			\$0
	\$0			\$0
<b>CONTRACTUAL (list each Contract separately and provide a brief description)</b>				\$0
				\$0
<b>OTHER</b>				\$0
	\$0			\$0
	\$0			\$0
	\$0			\$0
<b>TOTAL DIRECT CHARGES</b>				\$0
TOTAL INDIRECT CHARGES @ ____% of Direct Expenses:	\$0			\$0
<b>TOTAL BUDGET:</b>				\$0

Date, Name and phone number of person who prepared budget

**ATTACHMENT 1**  
**TO PROGRAM ELEMENT #09 - PART 2: ACTUAL EXPENSE TO BUDGET TEMPLATE**  
**PE 09 Preparedness Program Ebola Supplement 2 FY 2015**

\_\_\_\_\_ County

Period of the Report July 9, 2014-June 30, 2015)

	Budget	Expense to date	Variance
<b>PERSONNEL</b>			
Salary (Administrative & Support Staff)	\$0		\$0
Fringe Benefits	\$0		\$0
<b>TRAVEL</b>			
In-State Travel:	\$0		\$0
Out-of-State Travel:	\$0		\$0
<b>CAPITAL EQUIPMENT</b>	\$0		\$0
<b>SUPPLIES</b>	\$0		\$0
<b>CONTRACTUAL</b>	\$0		\$0
<b>OTHER</b>	\$0		\$0
<b>TOTAL DIRECT</b>	\$0	\$0	\$0
<b>TOTAL INDIRECT</b>	\$0		\$0
<b>TOTAL:</b>	\$0	\$0	\$0

Date, name and phone number of person who prepared expense to budget report

**Notes:**

ATTACHMENT 2  
TO PROGRAM ELEMENT #09 - WORK PLAN  
*[RESERVED]*

**Attachment 1 to Amendment #14 to Agreement #142025  
Financial Assistance Award for the period July 1, 2014 to June 30, 2015**

State of Oregon Oregon Health Authority Public Health Division		Page 1 of 2	
<b>1) Grantee</b> Name: North Central Public Health District		<b>2) Issue Date</b> April 17, 2015	<b>This Action</b> AMENDMENT FY2015
Street: 419 E. 7th Street, Room 100 City: The Dalles State: OR Zip Code: 97058-2676		<b>3) Award Period</b> From July 1, 2014 Through June 30, 2015	
<b>4) OHA Public Health Funds Approved</b>			
Program	Previous Award	Increase/ (Decrease)	Grant Award
PE 01 State Support for Public Health	32,415	0	32,415 ( d )
PE 03 TB Case Management	1,016	0	1,016 ( k )
PE 09 Public Health -- Ebola -- Emergency Preparedness	0	5,023	5,023
PE 12 Public Health Emergency Preparedness	151,499	0	151,499
PE 13 Tobacco Prevention & Education	93,666	0	93,666
PE 40 Women, Infants and Children FAMILY HEALTH SERVICES	165,458	0	165,458 ( a,b,h )
PE 41 Reproductive Health Program FAMILY HEALTH SERVICES	56,135	0	56,135 ( e,f,l )
PE 42 MCH/Child & Adolescent Health -- General Fund FAMILY HEALTH SERVICES	8,786	0	8,786 ( g,i )
PE 42 MCH-TitleV -- Child & Adolescent Health FAMILY HEALTH SERVICES	8,922	0	8,922 ( g,j )
PE 42 MCH-TitleV -- Flexible Funds FAMILY HEALTH SERVICES	20,808	0	20,808 ( g,j )
PE 42 MCH/Perinatal Health -- General Fund FAMILY HEALTH SERVICES	4,682	0	4,682 ( g,i )
PE 42 Babies First FAMILY HEALTH SERVICES	14,947	0	14,947
<b>5) FOOTNOTES:</b>			
h) Effective July 2014, payments to LPHA's are state/Medicaid 50% split (CFDA 93.778 for July \$2,042 for Breastfeeding Promotion.			
i) Effective July 2014, payments to LPHA's are state/Medicaid 50% split (CFDA 93.778 for July and \$6,127 for Breastfeeding Promotion.			
c) \$32,415 grant award Includes populations of Gilliam, Sherman and Wasco counties.			
d) Includes populations of Gilliam, Sherman and Wasco counties.			
e) \$39,365 is Title X funds for FY2015: \$8,770 is Title V funds for FY2015.			
f) North Central Public Health District includes Wasco, Sherman, and Gilliam counties.			
g) Funds will not be shifted between categories or fund types. The same program may be funded by more than one fund type, however, Federal funds may not be used as match for other Federal funds ( such as Medicaid ).			
h) \$4,036 represents year-end one-time funding to local agencies.			
<b>6) Capital Outlay Requested in This Action:</b>			
Prior approval is required for Capital Outlay. Capital Outlay is defined as an expenditure for equipment with a purchase price in excess of \$5,000 and a life expectancy greater than one year.			
PROGRAM	ITEM DESCRIPTION	COST	PROG. APPROV

State of Oregon  
Oregon Health Authority  
Public Health Division

<b>1) Grantee</b> Name: North Central Public Health District  Street: 419 E. 7th Street, Room 100 City: The Dalles State: OR Zip Code: 97058-2676	<b>2) Issue Date</b> April 17, 2015	<b>This Action</b> AMENDMENT FY2015
<b>3) Award Period</b> From July 1, 2014 Through June 30, 2015		

Program	Previous Award	Increase/ (Decrease)	Grant Award
PE 42 Oregon MothersCare FAMILY HEALTH SERVICES	8,138	0	8,138 (j)
PE 43 Immunization Special Payments FAMILY HEALTH SERVICES	17,941	0	17,941
PE 50 Safe Drinking Water Program	42,183	0	42,183
<b>TOTAL</b>	626,596	5,023	631,619

**5) FOOTNOTES:**

h) Effective July 2014, payments to LPHA's are state/Medicaid 50% split (CFDA 93.778 for July through June 2015)

i) Effective July 2014, payments to LPHA's are state/Medicaid 50% split (CFDA 93.778 for July through Dec 2014. Payments for January 2015 through June 2015 are from CFDA 93.994)

k) Award reduction due to reduced availability of funds in calendar year 2015.

l) \$8,000 is for one-time lump sum payment for the Health Information Technology grant.

**6) Capital Outlay Requested in This Action:**  
 Prior approval is required for Capital Outlay. Capital Outlay is defined as an expenditure for equipment with a purchase price in excess of \$5,000 and a life expectancy greater than one year.

PROGRAM	ITEM DESCRIPTION	COST	PROG, APPROV

## EMR END-USER SOFTWARE SUBSCRIPTION AGREEMENT

This Master Solution Services Agreement ("Agreement"), effective as of **March 13, 2015** ("Effective Date"), is entered into between , Ahlers & Associates, a Texas corporation (AHLERS), and **North Central Public Health District** ("CLIENT"). This Agreement sets forth the terms and conditions whereby PRACTICESUITE shall provide its proprietary Solution (as defined below) and related services to CLIENT on the terms set forth below and AHLERS will provide hosting and primary support and related services to CLIENT on the terms set forth below. Now, therefore, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### 1. Definitions.

- (a) "Solution" means the turnkey healthcare computing solution that includes: (i) the hosted PRACTICESUITE and third party software applications and (ii) CLIENT care, support, maintenance and other services as further described in Section 2 and Section 6 and 7 hereto ("Services"). The parties may amend this Agreement to include additional Hardware, Software or Services from time to time by attaching mutually agreed upon addendums.
- (b) For purposes of this Agreement, an "Authorized User" is an employee or consultant of CLIENT and, with respect to the practice portal component of the Solution only, a patient of CLIENT that has accepted the terms relating to the use of the Solution. PRACTICESUITE may change, update, modify, or upgrade Solution at any time at its sole discretion.
- (c) Updates. For purposes of this Agreement, an "update" means a release or version of the Software containing minor functional enhancements, error corrections or fixes that is indicated by a change in the numeric identifier for the Software in the digit to the right of the decimal.
- (d) Software subscription shall mean hosted programs provided by PRACTICESUITE.

### 2. Software Subscription and Services.

- (a) General: Subject to the terms of this Agreement, AHLERS hereby grants CLIENT a non exclusive, non transferable subscription to use the Solution as provided by PRACTICESUITE and AHLERS solely to be used for purpose for CLIENT's internal business operations of the CLIENT, including use by CLIENT's Authorized Users (as defined above).
- (b) Hosted Services: AHLERS will provide CLIENT with access to the online hosted software subscription, data storage and data access for software and services of CLIENT's patient, financial and clinical data and its secured electronic communication with third parties.
- (c) Optional hosting of Practice Portal and online communications with patients.

### 3. Pricing, Payment Terms, Interest, Taxes.

- (a) CLIENT agrees to pay the setup and subscription fees as set forth in Exhibit A.
- (b) Terms of payment are within the sole discretion of AHLERS.
- (c) Payments: Payments for Online Software Setup and Monthly Online Software Subscription and related services as expressed in Exhibit A are due upon acceptance of this Agreement. Recurring Monthly Online Software Subscriptions are billed in advance and due in full upon the first day of each month. Other usage based services are billed in arrears and due upon receipt.



- (d) All payments will be processed through AHLERS unless agreed otherwise. All sales and payments made hereunder are final and are non refundable unless explicitly stated and overridden in any other provisions under this Agreement.
- (e) Dispute of invoices: Client shall have 90 days from the receipt of invoices to dispute any portions of the invoices and any dispute thereafter shall be construed as WAIVED.

#### 4. Term and Termination.

- (a) Term. This Agreement shall commence on the Effective Date and continue in perpetuity. Upon termination of this Agreement, the parties shall discuss the return or disposal of the subscription service.
- (b) Termination for no cause: Either party may terminate this Agreement with a 30 days written notice for no cause or breach.
- (c) Termination for breach or cause. CLIENT or AHLERS may terminate this Agreement at any time, upon written notice, if the other party breaches a material term of this Agreement and fails to cure such breach within 30 days of written notice of such breach by the non-breaching party. Either party may terminate this Agreement effective immediately if the other party: (i) terminates or suspends its business activities; (ii) makes an assignment for the benefit of creditors; (iii) becomes subject to control of a trustee, receiver or similar authority; or (iv) becomes subject to any bankruptcy or insolvency proceeding and such proceeding is not dismissed within 60 days.
- (d) Termination for failure to meet service level commitment: CLIENT shall have the right to terminate this Agreement at any time if the system availability and uptime commitment as defined in the Service Level Policy is not met for two consecutive months or the software subscription is not available during the peak hours for a period of more than continues eight or more hours. Such termination notice must be provided in writing within 5 business days of such failure event.
- (e) Effect of Termination. Upon any expiration or termination:
  - (i) AHLERS shall provide to CLIENT all of CLIENT's data in a commercially reasonable format. Patient demographics shall be provided at no cost. For transactional data, AHLERS shall be entitled to usual and customary data extraction charges. For the purpose of EHR, transactional data shall mean data that is not part of the patient encounter notes and for the purposes of scheduling and billing module, transactional data shall mean everything excluding patient demographics data.
  - (ii) Upon termination date, access to the online subscription shall be terminated, and other than the breach of section d above on part of AHLERS, all unpaid fees shall be due and payable in full immediately.
  - (iii) AHLERS shall maintain a copy of the DATA in accordance with and for the period of time as required and applicable by law.

#### 5. Installation and Training.

- (a) Configuration. PRACTICESUITE and/or AHLERS shall be responsible for providing CLIENT with sufficient information to enable CLIENT to configure the Solution at the Location.
- (b) Training. AHLERS shall also provide training as set forth in the Exhibit A to CLIENT's employees regarding the use and implementation of the Solution. The parties shall mutually agree upon the logistics of such session including the date, location and number of attendees. CLIENT may request any additional training, provided

such additional training shall be subject to AHLERS availability and payment by CLIENT of AHLERS then-current fees.

6. **CLIENT Care (Customer Support Services).** During the term of this Agreement, AHLERS will use commercially reasonable effort to provide support services; such support shall be remote support only, (UNLESS EXPLICITLY STATED OTHERWISE) from the AHLERS Service facilities and could be in the form of phone, or email . In the event, if the Third Party Software is incapable of functioning to the satisfaction of CLIENT, PRACTICESUITE shall be responsible to provide replacement Third Party Software and its failure to do so shall constitute a basis for the CLIENT to terminate this Agreement without ANY liability to PRACTICESUITE or AHLERS.
7. **Third Party Software.** PRACTICESUITE program uses third party software and agrees to use reasonable efforts to document and escalate Software errors to the Software manufacturer for resolution; provided, however, neither PRACTICESUITE nor AHLERS are responsible for correcting any errors in the third party Software.
8. **CLIENT Responsibilities.**
  - (a) General. CLIENT shall be responsible for: (i) providing sufficient information regarding errors or nonconformities in the Solution to AHLERS; (ii) providing all reasonable cooperation to AHLERS with respect to the Software; (iii) assuming all risk related to use or misuse by CLIENT's Authorized Users, contractors, agents or other third parties; including unauthorized use or misuse of access passwords; (iv) CLIENT agrees to maintain User ID and password as private and confidential information and shall not allow sharing of password; (v) CLIENT agrees to immediately deactivate accounts of employees, restrict remote access, limit daily access hours or any other authorized users, that do not or need not have access to the system or notify AHLERS for assistance; (vi) AHLERS strongly recommends CLIENT should secure a backup internet connection from a different service provider to be able to connect to PRACTICESUITE in the event of the failure of the primary internet connection.
  - (b) CLIENT is responsible for necessary internet connection, compatible operating system software and hardware that meets the minimum system and security requirements as published in the PRACTICESUITE website under FAQs.
  - (c) CLIENT understands and agrees that each CLIENT is allowed 5 GB of total data storage per practice. As an option, PRACTICESUITE can provide the configuration assistance to a local machine within the CLIENT's office to store scanned paper charts. PRACTICESUITE can be configured to connect to the CLIENT's local server or machine. The security and safeguard of the data stored on client's local machine is beyond the scope of the services provided by PRACTICESUITE therefore is beyond the scope of this Agreement.
  - (d) In connection with EHR, PRACTICESUITE shall provide general clinical contents (encounter sheets, canned sheets, flow-sheets, progress monitor and others), configurations and related data as it pertains to the CLIENT specialty. CLIENT agrees to review this data, make changes as need to suit CLIENT's needs.
  - (e) PRACTICESUITE and AHLERS shall create connectivity with CLIENT's external entities such as labs, radiology center, hospitals pharmacies and others, CLIENT shall be responsible for the privacy and related HIPAA and HITECH Regulations requirements with these entities.
  - (f) PRACTICESUITE provides an optional online secured Online Practice Portal module that provides patient messaging. All patient messages within the Portal are HIPAA compliant. For messages directly sent to the patient's email address and patient's cell phone (SMS messaging or text messaging) without the use of the Portal, CLIENT shall be responsible to maintain HIPAA compliance of these messages such that these messages shall not include any PHI, private and confidential information of the patients. CLIENT shall also be responsible for managing the access of the patient to the portal.

**9. PRACTICESUITE and AHLERS Responsibilities.**

- (a) To insure that PRACTICESUITE and PRACTICESUITE's employees and AHLERS and AHLERS employees abide by all applicable federal and state statutes, regulations, and rules relating to all applicable services hereunder, and (ii) maintaining the privacy and confidentiality of patient medical information in its possession as set forth in Section 16 and Section 17.
- (b) PRACTICESUITE and AHLERS understand and agree that CLIENT is the OWNER of all CLIENT data and that AHLERS is storing the data on behalf of the CLIENT.
- (c) During the term of this Agreement, at the sole discretion of the CLIENT, in writing, PRACTICESUITE may send CLIENT's records in an encrypted electronic format (CD, zip file) to the CLIENT in a readable format with necessary documentation on the interpretation of the file. Upon termination or expiration of this Agreement, neither PRACTICESUITE nor AHLERS will be responsible for these records after delivery to the CLIENT. Additional reasonable usual and customary charges may be applied at PRACTICESUITE or AHLERS' discretion for this service upon termination of this Agreement.
- (d) Maintenance And Upgrade: PRACTICESUITE and AHLERS agree not to perform maintenance or upgrades that would materially and adversely affect the Services except (i) when maintenance or upgrades are performed during the hours of 10:00 p.m. to 7:00 a.m., Eastern Time (the "Routine Window"), (ii) when the deferral of such maintenance or upgrades to a routine window would materially and adversely affect the security or performance of AHLERS' data centers. PRACTICESUITE and AHLERS shall perform maintenance or upgrades in such a manner as to utilize the redundancy of any Services, to minimize the adverse impact on the Services and notify CLIENT as far in advance as practicable of any maintenance, downtimes or upgrades.
- (e) External Connectivity: PRACTICESUITE and AHLERS provide connectivity services to external lab, radiology, hospital and other medical devices as part of their hosted software subscription to enable CLIENT to share data between these systems and PRACTICESUITE. THE monthly software subscription paid under this agreement shall include the connectivity interface. Additional development and support work is involved for the development of the connectivity and maintenance of the connectivity services. PRACTICESUITE and AHLERS will work with the external entities to develop such interfaces by directly charging the external entities and there will be NO COST to the CLIENT. Such external connectivity availability is dependent upon the approval of the project and related cost from the external entities.

**10. Proprietary Rights.** All right, title, and interest in CLIENT's data will remain the property of CLIENT. PRACTICESUITE and AHLERS respectively retain sole and exclusive ownership of all right, title and interest in and to the Solution, and any updates, upgrades or modifications thereof, or in any ideas, know-how, changes, improvements, enhancements, development and additions or modification to programs and data (encounter sheets, canned sheets, lookup values and other data) and programs during the course of this Agreement.

**11. Confidential Information.** CLIENT agrees that any information regarding the Solution that is marked "confidential" or "proprietary," or which by its nature would be confidential, is proprietary to PRACTICESUITE and disclosure or use of such nonpublic information would cause substantial detriment to PRACTICESUITE. Neither CLIENT nor any of its employees or any Authorized Users will use for their own account or for the account of any third party or disclose to any third party any nonpublic information regarding the Solution. Further, CLIENT agrees that neither PRACTICESUITE nor AHLERS wish to receive any information that may be considered confidential to CLIENT. Notwithstanding the foregoing, all CLIENT data accessible to PRACTICESUITE and AHLERS shall be treated confidentially in accordance with this Section.

**12. Warranty, Disclaimer and Remedies.**

- (a) Warranty. PRACTICESUITE warrants to CLIENT that it has the right and authority to grant the rights described in this Agreement and it will perform its obligations hereunder in a professional and workman like manner.

- (b) Disclaimer. Except for the limited warranty set forth in Section 12(a) above, the Solution services and all other services provided as set forth in Sections 6 and 7 are provided to CLIENT on an "AS IS" basis and without any additional warranty of any kind. NEITHER PRACTICESUITE NOR AHLERS MAKE ANY OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE SOLUTION, ANY DELAY OR FAILURE OF THE INTERNET, AND PRACTICESUITE EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Further, CLIENT expressly recognizes that neither PRACTICESUITE nor AHLERS warrant that the Software will meet all of CLIENT's requirements, that the use of the Software will be uninterrupted or error-free, that patches, updates, or workarounds will be provided, or that errors will be corrected in Software updates, according to this schedule, or in every case. PRACTICESUITE and AHLERS shall use commercially reasonable efforts to ensure that the Solution services are available to CLIENT at all times (excluding during scheduled & emergency maintenance downtime). CLIENT agrees that access to the Internet cannot be guaranteed and is outside the direct control of PRACTICESUITE and AHLERS and that CLIENT's inability to access the Internet, though no fault of PRACTICESUITE or AHLERS, shall in no event relieve CLIENT of its payment obligations hereunder. CLIENT agrees that its sole remedy with respect to any claims in connection with CLIENT's or its Authorized Users' use of the Solution, including use of the Hardware and Software, shall be with AHLERS. CLIENT further agrees that unless expressly agreed in writing, there are no intended third party beneficiaries to this Agreement.
- (c) Clinical and Non-Clinical Contents: Clinical and Non Clinical information contained on PRACTICESUITE's web-based solutions and website are general in nature and MUST NOT BE substituted for, or be used instead of, the independent judgment of a licensed health care professional and is ONLY designed to support, not replace, the relationship that exists between a patient and his/her health care practitioner, and any and all information does not constitute the practice of medicine or any other health care profession. Nothing in the PRACTICESUITE's web based solutions and website is intended as a recommendation or endorsement of any specific tests, drugs, products, procedures, health care providers, opinions, or other information that may be mentioned therein. Any reliance on any information appearing on PRACTICESUITE's web-based solutions and website or provided by PRACTICESUITE's personnel, others appearing on the site at the invitation of the "Website," and/or other visitors to the site or any third-party link from the site is solely at CLIENT's own risk.
- (d) Intellectual Property: PRACTICESUITE will indemnify and hold END-USER harmless from and against any claim by third parties pertaining to the infringement of U.S. copyrights, trademarks or patents arising out of END-USER's use of any of the PRACTICESUITE's Products as authorized hereunder, provided that the Products have not been altered, revised or modified by END-USER in a manner that causes the alleged infringement, and further provided that:
- (i) END-USER promptly notifies PRACTICESUITE and AHLERS in writing of such claim;
  - (ii) PRACTICESUITE will have sole control of the defense of any action on such claim and of all negotiations for its settlement or compromise;
  - (iii) END-USER agrees to cooperate with PRACTICESUITE and AHLERS in every reasonable way to facilitate the settlement or defense of such claim; and
  - (iv) should such PRACTICESUITE's Products become or, in PRACTICESUITE's opinion, be likely to become, the subject of an infringement claim, END-USER will permit PRACTICESUITE, at PRACTICESUITE's expense, to:
    - procure for END-USER the right to continue using such PRACTICESUITE's Products, or
    - replace or modify the same to become functionally equivalent yet non-infringing, or
    - upon the failure of (1) and (2) above, terminate, without penalty, END-USER's use of the affected PRACTICESUITE's Products, in which event PRACTICESUITE will refund to END-USER on a pro-rata basis any prepaid amounts related thereto.

- (e) Data Conversion: AS AN OPTIONAL SERVICE, PRACTICESUITE PROVIDE DATA EXTRACTION SERVICE TO CONVERT DATA FROM END-USER LEGACY SYSTEM INTO PRACTICESUITE. DATA EXTRACTION FROM OTHER SYSTEM OFTEN TIMES IS VERY DIFFICULT AND IS ERROR PRONE. PRACTICESUITE AGREES TO MAKE BUSINESS LIKE ATTEMPT TO EXTRACT AND CONVERT THE DATA INTO PRACTICESUITE. PRACTICESUITE DOES NOT MAKE ANY OTHER WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE COMPLETENESS AND ACCURACY OF THIS DATA EXTRACTION AND CONVERSION. PRACTICESUITE EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT PRACTICESUITE BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES OF ANY KIND, INCLUDING LOSS OF PROFITS, LOST BUSINESS AND LOSS OF DATA OR COMINGLING OR CORRUPTION OF DATA OR LOSS OR GOODWILL ARISING OUT OF OR RELATED TO THIS DATA EXTRACTION CONVERSION.

CLIENT AGREES TO PERFORM RECONCILIATION OF THE DATA CONVERSION FOR ACCURACY AND COMPLETENESS AND PRACTICESUITE AGREES TO CORRECT ANY CONVERSION RELATED ISSUES REPORTED WITHIN 30 DAYS OF THE CONVERSION.

- (f) Other Disclaimers: CLIENT understands & CLIENT expressly recognizes that:
- (i) PRACTICESUITE provides drug database, interaction and formularies and bidirectional connectivity to pharmacies through partnership with NewCrop LLC. NewCrop LLC requires CLIENT to accept online agreement for their portion of the service in accordance with the Newcrop Subscription Agreement. The usage of NewCrop service is subject to CLIENT acceptance of Newcrop eRx Subscription Agreement.
  - (ii) PRACTICESUITE and AHLERS encourage CLIENT email account configuration to download emails & electronic fax on a secure machine and delete it from the email server. PRACTICESUITE and AHLERS strongly discourage use of FREE email servers of yahoo, google, msn or hotmail or any email services that scans through emails for marketing purposes, this could potentially expose patient's PHI, private and confidential information.
  - (iii) As part of providing services to the CLIENT, PRACTICESUITE or AHLERS may be required to login to the CLIENT's account for the sole purpose of CLIENT service. PRACTICESUITE and AHLERS as set forth in Section 18 use reasonable efforts to ensure patient privacy and confidentiality.
  - (iv) The optional electronic fax service & email services and other services are provided by third party service providers.
- (g) Exclusive Remedies: For any breach of the warranties contained in Section 12, Client's exclusive remedy, and PRACTICESUITE and AHLERS' entire liability, shall be the correction of the cause of the breach of such warranty. Any error not reported to PRACTICESUITE or AHLERS by Client within 30 days of its discovery will be deemed waived and accepted by the Client.

**13. Limitation of Liability.** IN NO EVENT WILL PRACTICESUITE OR AHLERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES OF ANY KIND, INCLUDING LOSS OF PROFITS, LOST BUSINESS AND LOSS OF DATA OR COMINGLING OR CORRUPTION OF DATA OR LOSS OF GOODWILL ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE USE OF THE SOLUTION, OR ACCOMPANYING MATERIALS AND/OR SERVICES, ACCESS TO OR FAILURE TO ACCESS THE INTERNET OR OTHER INTERRUPTIONS OR OTHER PROGRAM RELATED ANOMOLY, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY WHETHER IN ACTION, IN CONTRACT OR TORT. THIS LIMITATION WILL APPLY EVEN IF PRACTICESUITE OR AHLERS HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. FURTHER, IN NO EVENT WILL PRACTICESUITE'S OR AHLERS' LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE SUM OF FEES PAID BY THE CLIENT FOR THE SOLUTION GIVING RISE TO THE LIABILITY DURING THE 3-MONTH PERIOD IMMEDIATELY PRIOR TO THE DATE THE CAUSE OF ACTION AROSE. UNDER THE PRICING AND OTHER TERMS AND CONDITIONS, THE PARTIES AGREE THAT THIS LIMITATION OF LIABILITY SPECIFIED HEREIN SECTION 13 REPRESENTS A REASONABLE ALLOCATION OF RISK.

14. **Limitation of Liability of Interface Connectivity with Third Parties.** Notwithstanding any other provisions of this Agreement, neither PRACTICESUITE nor AHLERS has any liability under this Agreement including the Business Associate Agreement for any disclosure of Protected Health Information ("PHI") made by means of access through PRACTICESUITE interfaces by or on behalf of the CLIENT or by means of access by any third party to the extent such third party obtained access to the interface as a result of intentional disclosure by the CLIENT. All interface requests made by the CLIENT or by a third party on behalf of the CLIENT shall be considered intentional disclosure.
15. **Limitation of Liability on Online Portal and Patient Messaging:** PRACTICESUITE provides an online secured online portal module that provides patient messaging. All patient messages within the portal are HIPAA compliant. Notwithstanding any other provisions of this Agreement, neither PRACTICESUITE nor AHLERS has any liability under this Agreement including the Business Associate Agreement for any disclosure of Protected Health Information ("PHI") made by means of access or transmission of PHI information patient's email address and phone.
16. **Force Majuro.** No party shall be liable for, and is excused from, any failure to perform or delay in the performance of its obligations under this Agreement due to causes beyond its control, including without limitation, interruptions of power or telecommunications services, failure of its suppliers or subcontractors, acts of nature, governmental actions, fire, flood, natural & other disaster or labor dispute.
17. **Indemnity.** CLIENT shall indemnify, defend and hold PRACTICESUITE or AHLERS, its officers, directors, employees, and licensees harmless from and against any and all liability, damage, loss, or expense, including reasonable attorneys' fees arising from any third party claim, demand, action or proceeding based upon CLIENT's or an Authorized User's use of the Solution in a manner not expressly authorized by this Agreement or in a manner contrary to applicable laws, or incurred in the settlement or avoidance of any such claim; provided, however, that PRACTICESUITE or AHLERS shall give prompt written notice to CLIENT of the assertion of any such claims and provided further that CLIENT shall have the right to select counsel and control the defense thereof, subject to the right of PRACTICESUITE or AHLERS to participate therein.
18. **COMPLIANCE WITH APPLICABLE LAW.** "CLIENT" agrees to comply with all such applicable international, federal, state and local laws, and to indemnify and hold PRACTICESUITE or AHLERS and its officers, directors, shareholders, supervisors, employees, affiliates, agents, and attorneys: including, without limitation, all persons acting by, through, under or in concert with any of them, harmless from any and all claims, losses, liabilities, damages, fines, penalties, costs and expenses (including attorneys' fees) arising from or relating to any acts or omissions of "CLIENT" which breach such laws.

PRACTICESUITE and AHLERS agree to comply with all such applicable international, federal, state and local laws, and to indemnify and hold Client and its officers, directors, shareholders, supervisors, employees, affiliates, agents, and attorneys: including, without limitation, all persons acting by, through, under or in concert with any of them, harmless from any and all claims, losses, liabilities, damages, fines, penalties, costs and expenses (including attorneys' fees) arising from or relating to any acts or omissions of PRACTICESUITE or AHLERS which breach such laws.

19. **COMPLIANCE WITH APPLICABLE PRIVACY AND SECURITY RULES.** PRACTICESUITE ("PRACTICESUITE") and AHLERS USE REASONABLE EFFORTS TO ENABLE THEIR TECHNOLOGY & SERVICES MEET ALL APPLICABLE PRIVACY AND SECURITY HIPAA AND HITECH ACT REQUIREMENTS. ACCORDINGLY, PRACTICESUITE and AHLERS WILL ENTER INTO A BUSINESS ASSOCIATE AGREEMENT AS A SUPPLEMENT TO THIS AGREEMENT.
20. **Waiver.** The waiver of a breach of any term hereof shall in no way be construed as a waiver of any other term or breach hereof. No failure of either party to pursue any remedy resulting from a breach in this agreement by the other party shall be construed as a waiver of that breach, nor as a waiver of any subsequent or other breach unless such waiver is signed and in writing.

21. **Severability:** If any provision of this Agreement shall be held by a court of competent jurisdiction to be unenforceable or invalid, the remaining provisions of this Agreement shall remain in full force and effect. This Agreement shall inure to the benefit of and be binding upon each party's successors and assigns. All parties agree to notify the other parties of any assignment or delegation of this Agreement. Any attempted assignment in violation of this Section shall be null and void.
22. **Governing Laws.** The Agreement, and all matters arising out of or relating to the Agreement shall be governed by the laws of the state of California, without giving effect to the principles regarding conflicts of laws.
23. **Dispute Resolution.** It is the intention of all parties that no dispute under this Agreement or with respect to relationship between parties will be the subject of any court action or litigation in the local, state, or federal judicial system. Any controversy, claim or dispute arising out of or relating to the performance, construction, interpretation or enforcement of this Agreement, including disputes as to the scope of this section shall, if not resolved through good faith negotiations between the parties will be subject to mediation and arbitration.

The parties recognize that the problem resolution processes of mediation and arbitration are appropriate and preferable to resolve issues between the parties. If any party hereto wishes to resolve an issue under or relating to this Agreement, then such party must give notice of a request for mediation to the other parties, which notice shall set forth the names of not less than three (3) mediators from the panel of the American Arbitration Association or other mutually agreed upon alternative dispute resolution service. The place of such mediation shall be in the Alameda County, California or in the county of the primary business address of PRACTICESUITE. The party receiving such notice shall agree upon one or more such mediators with ten (10) days of receipt of such notice and a mediation will be scheduled as soon as feasible between the parties and their respective advisors, and the parties and their advisors will cooperate fully with respect to sharing of information and attendance at meetings in order to seek resolution. If resolution of the matters between the parties cannot be resolved in mediation within twenty (20) days of the selection of a mediator by the party receiving such notice, then the matter shall be presented to formal arbitration pursuant to the rules utilized by the alternative dispute resolution service selected by an arbitrator from such service's panel agreed upon by the parties or, if the parties are unable to agree upon an arbitrator within ten (10) days of the completion of mediation, by a panel of three (3) arbitrators from such panel selected by such service's administrator. Arbitration shall take place in the venue in which the mediation shall have occurred as soon as possible and the decision of the arbitrator panel shall be binding upon the parties for all purposes. Each party shall bear for all their expenses in connection with the arbitration and mediation. It is the intention of the parties that this Agreement shall be construed and interpreted in a fair and equitable manner based upon the facts and circumstances of the parties taking into account the present intention of the parties to have a fair and equitable agreement under the terms and conditions set forth in this Agreement.

24. **No Construction Against Drafter.** This Agreement is not to be construed against the drafting party.
25. **Notices.** Any notice required or permitted to be given shall be delivered by hand, email, by overnight courier, by fax with confirming letter mailed under the conditions described herein, or by registered or certified mail, postage prepaid, return receipt requested, to the address of the other party first set forth above. Notice so given shall be deemed effective when received, or if not received by reason of fault of addressee, when delivered.
26. Nothing contained herein shall constitute a partnership between or joint venture by CLIENT and PRACTICESUITE and AHLERS, or constitute CLIENT, AHLERS, or PRACTICESUITE the agent of the other.
27. The parties agree that this Agreement constitutes the complete and exclusive understanding and agreement of the parties relating to the subject matter hereof and supersedes all prior understandings, proposals, agreements, negotiations, and discussions between the parties, whether written or oral.

By signing below, CLIENT acknowledges its acceptance and agreement with the terms contained in this Agreement, including all exhibits attached hereto which exhibits are made a part hereof and incorporated by reference.

**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

**AHLERS & ASSOCIATES**

By:  *Toni L. Thalhoffer, RMA*

By:  *Rich Ahlers*

Print Name: *Toni L. Thalhoffer, RMA*

Print Name: **RICH AHLERS**

Title: *Director*

Title: **PRESIDENT**

Date: *3/27/2015*

Date: **MARCH 13, 2015**

Address: **419 E. 7<sup>TH</sup> STREET, ROOM 100**

**THE DALLES, OREGON 97501**

Phone #: **(541) 506-2600**



**EXHIBIT A**

Monthly EMR Subscription Fee for one registered provider(s): \$ 350.00  
Initial Setup Fee \$ 2,000.00  
On-site Training Fee Six Days \$ 3,000.00

NORTH CENTRAL PUBLIC HEALTH DISTRICT

AHLERS & ASSOCIATES

By: X *Teri L. Thalhoffer, R.N., B.S.N.*

By: X *Rich Ahlers*

Print Name: *Teri L. Thalhoffer, R.N., B.S.N.*

Print Name: **RICH AHLERS**

Title: *Director*

Title: **PRESIDENT**

Date: *3/27/2015*

Date: **MARCH 13, 2015**

## APPLICATION SERVICE PROVIDER AGREEMENT ("AGREEMENT")

This Agreement is dated **March 13, 2015** (the "**Effective Date**") between Ahlers & Associates, an ASP Vendor with an address at 1710 Washington Avenue, Waco, TX, 76701, and **North Central Public Health District** (Agency Name), a Client with an address at **419 E. 7<sup>th</sup> Street, Room 100, The Dalles, Oregon 97501**.

The parties agree as follows:

1. **DEFINITIONS.** For purposes of this Agreement, "**Authorized User**" shall mean those individuals specified on Schedule A; "**Data**" shall have the meaning assigned in Section 9; "**Fees**" shall mean all fees stated on Schedule B; "**HIPAA**" shall mean the Health Insurance Patient Accountability Act of 1996 Public Law 104-191 and any regulations and rulings thereunder, including, without limitation, U.S. Department of Health and Human Services administrative data standards and related requirements; "**Service**" shall mean the ASP Vendor Internet-based Ahlers Integrated Solutions clinic management software system provided hereunder as described in Schedule A.
2. **SERVICE.**
  - (a) **Grant of Access Right.** ASP Vendor hereby grants Client a non-transferable and non-exclusive right to access the Service and to allow the Authorized Users to access the Service on a non-transferable and non-exclusive basis, subject to Client's and the Authorized Users' compliance with all terms and conditions of this Agreement.
  - (b) **Ownership.** Client acknowledges and agrees that ASP Vendor is the sole and exclusive owner of all right, title and interest to the Service.
  - (c) **Responsibility for Authorized Users.** Client hereby accepts responsibility for the acts and omissions of all Authorized Users as if Client engaged in such acts and omissions.
3. **FEES AND PAYMENT.** Client agrees to pay all Fees set forth in Schedule B.
4. **TERM AND TERMINATION.**
  - (a) **Term.** The term of this Agreement (together with any renewals, the "Term") begins on the Effective Date and expires one (1) year [QR-24] later. Immediately upon expiration this Agreement automatically renews on the same terms and conditions for additional successive periods of one (1) year on each anniversary of the Effective Date, unless either party gives the other party notice that the Agreement does not renew at least thirty (30) days before the end of the then applicable Term. [QR-18]
  - (b) **Survival.** The following captioned sections survive any termination, expiration or non-renewal of this Agreement: "Disclaimer", "Mutual Limitation of Liability", "Indemnity", "Survival" and "General", as well as any other provisions expressly stating that they are perpetual or survive this Agreement.
  - (c) **Termination for Insolvency.** If either party is adjudged insolvent or bankrupt, or upon the institution of any proceedings by it seeking relief, reorganization or arrangement under any Laws relating to insolvency, or if an involuntary petition in bankruptcy is filed against a party and the petition is not discharged within sixty (60) days after filing, or upon any assignment for the benefit of a party's creditors, or upon the appointment of a receiver, liquidator or trustee of any of a party's assets, or upon the liquidation, dissolution or winding up of its business (each, an "Event of Bankruptcy"), then the party affected by any

Event of Bankruptcy must immediately give notice of the Event of Bankruptcy to the other party, and the other party may terminate this Agreement by notice to the affected party.

(d) Termination for Breach. If either party breaches any provision contained in this Agreement, and the breach is not cured within thirty (30) days after the breaching party receives notice of the breach from the non-breaching party, the non-breaching party may then deliver a second notice to the breaching party immediately terminating this Agreement.

5. **CLIENT WARRANTIES**. Client represents and warrants that: (a) it has full right and authority to enter into this Agreement; (b) neither Client nor the Authorized Users will use the Service in any manner which is in violation of any law, ruling or governmental regulation.

6. **ASP VENDOR WARRANTIES; DISCLAIMER OF WARRANTIES**.

(a) ASP Vendor Warranties. ASP Vendor represents and warrants that: (a) it has full right and authority to enter into this Agreement; and (b) the Service will be operated in a professionally diligent manner.

(b) Disclaimer. EXCEPT AS STATED IN SECTION 6(a) (ASP VENDOR WARRANTIES), THE SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT ANY REPRESENTATIONS, GUARANTEES OR WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY OF TITLE, NONINFRINGEMENT, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ARISING FROM COURSE OF DEALING, USAGE, OR TRADE.

7. **MUTUAL LIMITATION OF LIABILITY**.

(a) Limitation. EXCEPT FOR BREACHES OF SECTIONS 2(c) (RESPONSIBILITY FOR AUTHORIZED USERS), AND 8 (INDEMNITY): (I) NEITHER PARTY, INCLUDING EACH PARTY'S PARENTS, SUBSIDIARIES, AFFILIATES, SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS, SHALL BE LIABLE TO THE OTHER OR ANY THIRD PARTY FOR ANY DAMAGES OTHER THAN GENERAL DAMAGES, SUCH AS, WITHOUT LIMITATION, INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOST SAVINGS AND LOST REVENUES ("**EXCLUDED DAMAGES**"), ARISING OUT OR RESULTING FROM THIS AGREEMENT, REGARDLESS OF WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF OR COULD HAVE FORESEEN THE EXCLUDED DAMAGES, THE NEGLIGENCE OF EITHER PARTY, AND THE THEORY OF LEGAL LIABILITY; AND (II) IN NO EVENT SHALL EITHER PARTY'S MAXIMUM AGGREGATE LIABILITY EXCEED THE AMOUNTS PAID HEREUNDER.

(b) Disclaimer of Actions Caused by and/or Under the Control of Client and Third Parties. ASP VENDOR DOES NOT AND CANNOT CONTROL THE FLOW OF DATA TO OR FROM ASP VENDOR'S NETWORK AND OTHER PORTIONS OF THE INTERNET OR THE ADMINISTRATION, CONTROL AND MAINTENANCE OF CLIENT'S NETWORK AND COMPUTERS (THE "**CLIENT NETWORK**"). SUCH FLOW DEPENDS IN LARGE PART ON THE PERFORMANCE OF INTERNET SERVICES AND THE CLIENT NETWORK AS PROVIDED AND CONTROLLED BY THIRD PARTIES AND/OR CLIENT. THE ACTIONS OR INACTIONS OF THIRD PARTIES, CLIENT, AND THE AUTHORIZED USERS CAN IMPAIR OR DISRUPT CLIENT'S CONNECTIONS TO THE INTERNET OR PORTIONS THEREOF AND THE TRANSMISSION OF DATA. ACCORDINGLY AND WITHOUT LIMITATION OF SECTION 7(a) (LIMITATION), ASP VENDOR DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATING TO SUCH EVENTS.

8. **INDEMNITY**.

(a) Indemnification. Any claim against ASP Vendor asserting a violation of HIPAA which arises from the Client's provision of the Data to the Service and/or ASP Vendor's use of the Data in compliance with all terms and conditions of this Agreement will be handled as follows: Client (the "**indemnifying party**") will defend or settle such claim at its sole expense, and indemnify and hold harmless ASP Vendor (the

"*indemnified party*") from and against any settlements, liabilities, damages, expenses and costs relating to such claim; provided the indemnified party permits the indemnifying party to control the defense or settlement, gives the indemnifying party reasonable access to the indemnified party's documents and personnel necessary to conduct such defense and settlement, and notifies the indemnifying party promptly in writing of the claim (except that failure to give prompt notice shall not relieve a party of its indemnification obligations hereunder unless such failure materially prejudices the defense of such claim). The indemnified party may participate in the indemnifying party's defense and settlement negotiations of any claim at the indemnified party's expense.

- (b) **Failure to Defend.** If the indemnifying party, within ten (10) days after receipt of notice of any such claim, fails to assume the defense thereof, the indemnified party shall, upon further notice to the indemnifying party, have the right to undertake the defense and settlement of such claim on behalf of and for the account and risk of the indemnifying party, subject to the right of the indemnifying party to assume the defense of such claim at any time prior to the settlement or final determination thereof.

## 9. DATA.

- (a) As between the parties Client is the exclusive owner of all right, title and interest in and to all data provided by Client to the Service (the "*Data*").
- (b) Client grants ASP Vendor a non-exclusive license to: (i) use the Data for the sole purpose of providing the Service hereunder; and (ii) use and disclose Data derived from Client's use of the Service if and only if such Data does not include any individually identifiable health information (as that term is defined in Title II, Subtitle F, Section 262 of HIPAA), and such use and disclosure does not otherwise violate HIPAA.

## 10. CUSTOMIZATIONS.

Any customizations of the Service requested by Client shall be performed under a Statement of Work executed by both parties in the form and substance of Schedule C.

## 11. GENERAL. *Entire Agreement and Amendments.*

This Agreement is the entire agreement between the parties and supersedes all earlier and simultaneous agreements regarding the subject matter, including, without limitation, any invoices, business forms, purchase orders, proposals or quotations. This Agreement may be amended only in a written document, signed by both parties. ***Independent Contractors, Third Party Beneficiaries, and Subcontractors.*** The parties acknowledge that they are independent contractors under this Agreement, and except if expressly stated otherwise, none of the parties, nor any of their employees or agents, has the power or authority to bind or obligate another party. Except if expressly stated, no third party is a beneficiary of this Agreement. Neither party is allowed to subcontract any of its duties or obligations under this Agreement. ***Governing Law and Forum.*** All claims regarding this Agreement are governed by and construed in accordance with the laws of Texas, applicable to contracts wholly made and performed in such jurisdiction, except for any choice or conflict of law principles, and must be litigated in Texas, regardless of the inconvenience of the forum, except that a party may seek temporary injunctive relief in any venue of its choosing. The parties acknowledge and agree that the United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from application to this Agreement. ***Assignment.*** This Agreement binds and inures to the benefit of the parties' successors and assigns. ***No Waivers, Cumulative Remedies.*** A party's failure to insist upon strict performance of any provision of this Agreement is not a waiver of any of its rights under this Agreement. Except if expressly stated otherwise, all remedies under this Agreement, at law or in equity, are cumulative and nonexclusive. ***Severability.*** If any portion of this Agreement is held to be unenforceable, the unenforceable portion must be construed as nearly as possible to reflect the original intent of the parties, the remaining portions remain in full force and effect, and the unenforceable portion remains enforceable in all other contexts and jurisdictions. ***Notices.*** All notices, including notices of address changes, under this Agreement must be sent by registered or certified mail or by overnight commercial delivery to the address set forth in this Agreement by each party. ***Captions and Plural Terms.*** All captions are for purposes of convenience only and are not to be used in interpretation or

enforcement of this Agreement. Terms defined in the singular have the same meaning in the plural and vice versa.

(Licensee:)

Accepted and Approved:

**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

**AHLERS & ASSOCIATES**

By:  

By:  

Print Name: Teri L. Thalhofer, RN, BSN

Print Name: RICH AHLERS

Title: Director

Title: PRESIDENT

Date: 3/27/2015

Date: MARCH 13, 2015

Address: 419 E. 7<sup>TH</sup> STREET, ROOM 100

THE DALLES, OREGON 97501

Phone #: (541) 506-2600

**SCHEDULE A**  
**Service and Authorized Users**

- Service: ASP Vendor will host the Ahlers Integrated Solutions (AIS) clinic management software system on its servers at 1710 Washington Avenue, Waco, TX. ASP Vendor will be responsible for housing the Client database and program to operate the AIS program and assisting in setting up the necessary programs on the Client workstations to enable the connection between Client and Ahlers. ASP Vendor will also make nightly backups of the Client database(s) and store these backups on other in-house servers as well as off site via secure internet connection. Licensing and support fees for the AIS components used by the Client are detailed in a separate license agreement.
- Authorized Users: ASP Vendor hereby authorizes the Client personnel stated below to access the Service.

*Up to 10 concurrent users may access the service at any given time.*

(Licensee:)

Accepted and Approved:

NORTH CENTRAL PUBLIC HEALTH DISTRICT

AHLERS & ASSOCIATES

By: X 

By: X 

Print Name: Teri L. Thalhofer, RN, BA

Print Name: RICH AHLERS

Title: Director

Title: PRESIDENT

Date: 3/27/2015

Date: MARCH 13, 2015

**SCHEDULE B**  
**Fees**

- Fee. Client shall pay ASP Vendor a one-time enrollment fee of \$1,500.00 and a monthly fee of \$300.00 per month.
- Payment. Invoices will be sent on the first of each calendar month and are due upon receipt. If Client disputes any portion of an invoice, Client shall timely pay the full invoiced amount and provide ASP Vendor, within thirty (30) days of payment, a written statement supporting Client's position regarding the dispute. ASP Vendor shall determine in its good faith business judgment whether such invoiced items were erroneous, and shall issue a credit to Client if it so determines. ASP Vendor reserves the right to change or modify the Fees upon not less than forty-five (45) days advance written notice to Client. In the event of notice of such change, Client may terminate this Agreement, without penalty, on the effective date of such change after at least thirty (30) days advance written notice to ASP Vendor.

(Licensee:)

Accepted and Approved:

**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

**AHLERS & ASSOCIATES**

By: X *Teri L. Thalhofen, BSW*

By: X *Rich Ahlers*

Print Name: *Teri L. Thalhofen, BSW*

Print Name: **RICH AHLERS**

Title: *Director*

Title: **PRESIDENT**

Date: *3/27/2015*

Date: **MARCH 13, 2015**



# Ahlers & Associates

1710 Washington Avenue  
Waco, Texas 76701

# INVOICE

Invoice #: RWAS31315  
Date: March 13, 2015  
Due: *Payable Upon Receipt*

**Bill To:**

PAULA RICHMOND  
WASCO SHERMAN PUBLIC HEALTH DEPT.  
419 EAST 7TH STREET, ROOM 100  
THE DALLES, OR 97501

Customer ID: RWAS

Description	Amount
AHLERS ELECTRONIC CHARTING (1 User)	
Ahlers Electronic Charting Initial Setup	2,000.00
Ahlers Electronic Charting On-Site Training Fee - 6 Days	3,000.00
AHLERS CLOUD SERVICES (10 Users)	
Ahlers Cloud Services Initial Setup	1,500.00
<b>TOTAL</b>	<b>6,500.00</b>

Make all checks payable to AHLERS & ASSOCIATES  
Questions? Contact our offices at (800) 888-1836 ext. 100, Mon. thru Fri., 8am - 5pm CST

**Thank You For Your Business!**

***SIMPLE SOFTWARE, SOLID SUPPORT***



## EXHIBIT B

1. The Licensed Program is the **Client Billing System** and it is designed to operate under the Windows™ 2000, XP, Vista, and Version 7 as well as Server 2003 and 2008 operating systems on IBM micro-computers or compatible system with Pentium Class microprocessor or higher.

The **Client Billing Software** will allow the Licensee to (1) calculate and print a demand bill, (2) produce a daily, monthly, and annual accounting of charges, receipts, and adjustments, (3) produce a detailed aged listing of patient receivables, and (4) produce statements for mailing to patients.

2. The Licensed Program will be used at:

419 E. 7<sup>th</sup> Street, Room 100  
The Dalles, Oregon 97501

3. Licensor will provide telephone support Monday - Friday during the hours of 8 a.m. to 5 p.m. Central Time. The ten concurrent licensed user and support fee for this module is \$50.00 per month.

(Licensee:)

Accepted and Approved:

NORTH CENTRAL PUBLIC HEALTH DISTRICT

AHLERS & ASSOCIATES

By:

X *Teri L. Thalhofner, BSN*

By:

X *Rich Ahlers*

Print Name:

*Teri L. Thalhofner, BSN*

Print Name:

Rich Ahlers

Title:

*Director*

Title:

President

Date:

*3/27/2015*

Date:

March 13, 2015

## EXHIBIT E

1. The Licensed Program is the **Appointment Scheduling System** and it is designed to operate under the Windows™ 2000, XP, Vista, and Version 7 as well as Server 2003 and 2008 operating systems on IBM micro-computers or compatible system with Pentium Class microprocessor or higher.

The **Appointment Scheduling System** allows the Licensee to schedule patient appointments, produce reports for patients due, produce reports detailing no-show percentages, and track a specific patient's no-show history.

2. The Licensed Program will be used at:

419 E. 7<sup>th</sup> Street, Room 100  
The Dalles, Oregon 97501

3. Licensor will provide telephone support Monday - Friday during the hours of 8 a.m. to 5 p.m. Central Time. The ten concurrent licensed user and support fee for this module is \$50.00 per month.

(Licensee:)

Accepted and Approved:

NORTH CENTRAL PUBLIC HEALTH DISTRICT

AHLERS & ASSOCIATES

By: X 

By: X 

Print Name: Teri L. Thalhafer RPH, BS

Print Name: Rich Ahlers

Title: Director

Title: President

Date: 3/27/2015

Date: March 13, 2015

## EXHIBIT I

1. The Licensed Program is the **Insurance Billing System** and it is designed to operate under the Windows™ 2000, XP, Vista, and Version 7 as well as Server 2003 and 2008 operating systems on IBM micro-computers or compatible system with Pentium Class microprocessor or higher.

The **Insurance Billing System** works in conjunction with the Client Billing System and allows the Licensee to (1) produce HCFA 1500 and CMS 1500 Claim forms for patients billed with a third-party source of payment, (2) produce a daily, monthly, and annual accounting by patient of charges, receipts, and adjustments for third-party payors and (3) produce a detailed aged listing of third-party payor receivables.

2. The Licensed Program will be used at:

419 E. 7<sup>th</sup> Street, Room 100  
The Dalles, Oregon 97501

3. Licensor will provide telephone support Monday - Friday during the hours of 8 a.m. to 5 p.m. Central Time. The ten concurrent licensed user and support fee for this module is \$50.00 per month.

(Licensee:)

Accepted and Approved:

NORTH CENTRAL PUBLIC HEALTH DISTRICT

AHLERS & ASSOCIATES

By:

X *Teri L. Thalhofer, RN, BA*

By:

X *Rich Ahlers*

Print Name:

*Teri L. Thalhofer, RN, BA*

Print Name:

Rich Ahlers

Title:

*Director*

Title:

President

Date:

*3/27/2015*

Date:

March 13, 2015

**AMENDMENT No. 2  
TO  
EOCCO Transformation Fund Grants Program  
Agreement**

**Grantor:** Eastern Oregon Coordinated Care Organization, LLC (“EOCCO”)  
601 SW 2nd Avenue  
Portland, Oregon 97204  
Principal Contact: Anne King

**Grantee:** North Central Public Health District  
419 East 7th Street  
The Dalles, Oregon 97058  
Principal Contact: Teri Thalhofer, Director

The purpose of this amendment is to extend the end date of the grant to **North Central Public Health District** at the request of the grantee.

The revised grant period is: August 15, 2014 to December 31, 2015 (the “Grant Period”)

Section B. Term is revised as follows:

**B. Term**

This Grant Agreement shall be effective from August 15, 2014 to December 31, 2015.

Section G. Grant Reports and Reconciliation is revised as follows:

**G. Grant Reports and Reconciliation**

Date Report is Due Reporting Period


November 15, 2014	August 15, 2014 – November 1, 2014
March 15, 2015	November 2, 2014 – March 1, 2015
July 5, 2015	March 2, 2015 – June 30, 2015
December 31, 2015	Final Report covering entire grant period


If not all the Grant Funds have been expended by December 31, 2015, Grantee shall pay back the unexpended funds no later than ten days after the date of its final financial report.

EOCCO will review the final financial report and will make any adjustments necessary to satisfy EOCCO’s Grant payment standards. In the event the adjustments alter the amount of unexpended funds, then the party owing the adjustment shall pay the difference required to reconcile the funds within ten days of EOCCO’s adjustment.

Grantee accepts responsibility for complying with this agreement's terms and conditions and will exercise full control over the Grant and the expenditure of Grant Funds.

On behalf of Grantee, I understand and agree to the above terms and conditions of the EOCCO Transformation Funds Grant Program Agreement and certify my authority to execute this agreement on Grantee's behalf.

Grantee Signature:   
Printed Name: Teri L. Thalhoffer, RN, BSN  
Title: Director  
Date: 6/10/2015

Moda Signature:   
Printed Name: Robin Richardson  
Title: EOCCO  
Date: June 25, 2015

MEDICAL EXAMINER SERVICES AGREEMENT  
BETWEEN  
SHERMAN COUNTY AND  
NORTH CENTRAL PUBLIC HEALTH DISTRICT

This Agreement between Sherman County, a political subdivision of the state of Oregon (County), and the North Central Public Health District, a public entity formed under ORS Chapter 190 (NCPHD).

FINDINGS

WHEREAS, Sherman County is required to provide medical examiner services and does not have a County Medical Examiner;

WHEREAS, Oregon law provides that the public health officer is the county medical officer where no other medical examiner is available;

WHEREAS, NCPHD has Health Officers who are able to provide medical examiner services and act as County Medical Examiner; and

WHEREAS, Sherman County now wishes to enter this Agreement with NCPHD for medical examiner services.

AGREEMENT

1. *Term.* This Agreement is effective on the date last signed below. The Agreement will continue in effect until June 30, 2016, or until terminated as provided below.
2. *Purpose.* The purpose of this Agreement is to set forth the obligations of Sherman County and the NCPHD for the provision of medical examiner for the County.
3. *Medical Examiner Services.* NCPHD will provide medical examiner services for the County as follows:
  - A. Providers will hold an active medical license in Oregon.
  - B. Providers will be available by phone 24 hours a day, seven days a week (or have another licensed physician available for calls) to city, county and state law enforcement.
  - C. Providers will be available at their discretion to be physically present at crime scenes as necessary and after consultation with the County District Attorney or a Deputy District Attorney.
  - D. Providers will work with city, county and state law enforcement to ascertain cause of death in designated Medical Examiner cases.
  - E. Providers will obtain medical records as needed, and interview family members and close friends of deceased as needed to ascertain cause of death in designated Medical Examiner cases. Providers will assist law enforcement in relaying medical information to

family members and friends of the deceased when appropriate.

F. Providers will complete death certificates in Medical Examiner cases.

G. Providers will complete Medical Examiner Reports and file with the Oregon State Medical Examiner's Office.

H. Providers will work with State Medical Examiner's Office as appropriate.

I. Providers will attend one week State Medical Examiner Training (for new County Medical Examiners and Deputy Medical Examiners) in August 2015.

J. Providers will log all hours spent working on medical examiner cases on a bi-monthly basis, and specify the work performed.

K. Providers will delegate administrative duties whenever possible to NCPHD staff.

L. Providers will be compensated at regular Health Officer hourly wage for performing Medical Examiner tasks.

4. *Compensation.* County will compensate NCPHD for medical examiner services at the rate of \$78.00 per hour of health officer services, \$26.00 per hour for secretary services and an additional five percent of the hourly rates toward NCPHD overhead. County will also reimburse NCPHD for training costs including registration fees, meals, lodging and travel expenses.

5. *Agreement Administration.* Representatives for purposes of this Agreement are:

NCPHD

Teri L. Thalhoffer, RN, BSN

Director

North Central Public Health District

419 East 7<sup>th</sup> Street

The Dalles, OR 97058

541-506-2600

SHERMAN COUNTY

Gary Thompson

County Judge

Sherman County

PO Box 365 / 500 Court Street

Moro, OR 97039

541-565-3416

Any notice required under this Agreement will be delivered to these representatives.

6. *Indemnification.* Subject to the limits of the Oregon Tort Claims Act, and Article XI, Section 10 of the Oregon Constitution, the County and NCPHD will each indemnify, defend and hold the other, their officers, agents and employees, harmless from and against any claims, suits or liability arising out of the any and all work done in furtherance of this Agreement.

7. *Independent Contractor.* The NCPHD is engaged as an independent contractor and is not an employee, agent, or representative of the County.

8. *Non-assignment/Third Party Beneficiaries.* This Agreement may not be assigned to third parties. There are no third party beneficiaries of this Agreement.

9. *Governing Law/Venue.* This Agreement is governed and construed in accordance with the laws of the State of Oregon. Any claim, action, suit or proceeding will be brought and conducted exclusively within the Circuit Court of Wasco County, Oregon.

10. *Disputes.* In the event of any dispute relating to this Agreement, the parties agree to attempt in good faith to resolve the dispute through mediation or other non-binding alternative dispute resolution process prior to litigation.

11. *Amendments.* This Agreement may be amended at any time by a document approved and executed by the County and NCPHD.

THE GOVERNING BODIES approve this Agreement and authorize their representatives to sign it as shown below.

NORTH CENTRAL PUBLIC HEALTH  
DISTRICT

By: Judy Malhotra, BSN

Title: Director

Date: 6/19/2015

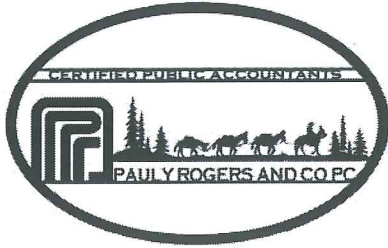
SHERMAN COUNTY

By: [Signature]

Title: County Judge

Date: 6/17/15





**PAULY, ROGERS, AND CO., P.C.**  
12700 SW 72<sup>nd</sup> Ave. ♦ Tigard, OR 97223  
(503) 620-2632 ♦ (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

February 18, 2015

North Central Public Health District  
419 East Seventh Street  
The Dalles, OR 97058

We are pleased to confirm our understanding of the services we are to provide for the year ended June 30, 2015. We will audit the basic financial statements of North Central Public Health District as of and for the year ended June 30, 2015.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

We have also been engaged to report on supplementary information other than RSI that accompanies the financial statements. We will subject the supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole.

### **Audit Objectives**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The objective also includes reporting on (1) Internal Control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*; (2) Internal control related to major programs and an opinion on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control

**North Central Public Health District**  
**February 18, 2015**

over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of the accounting records of North Central Public Health District, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions to the financial statements or the Single Audit compliance opinion are other than unmodified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed our opinions, we may decline to express opinions or issue a report as a result of this engagement. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

**Management Responsibilities**

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. You are also responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the written representation letter our assistance with the preparation of the financial statements and schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further you are responsible for designating an individual with suitable skill, knowledge, or experience to oversee our assistance any other nonattest services we provide; and for evaluating the adequacy and results of those nonattest services and accepting responsibility for them. Nonattest services are not conducted in accordance with *Government Auditing Standards*.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation of the basic financial statements in conformity with U.S. generally accepted accounting principles.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance with laws, regulations, contracts and agreements, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are responsible for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of the controls. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorizations and recorded properly.

**North Central Public Health District**  
**February 18, 2015**

Management is responsible for preparation of the schedule of expenditures of federal awards in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for the presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) that you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions underlying the measurement or presentation of the supplementary information.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Management is also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence, and if applicable, (4) unrestricted access to component information, persons at components (including management and those charged with governance, or component auditors, if applicable). Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. Management agrees to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

**North Central Public Health District**  
**February 18, 2015**

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken on to address significant findings and recommendations resulting from those audits, attestation engagements performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing information.

We will provide you with an auditor's assistance package prior to our arrival at each stage of fieldwork. This package will detail the schedules and information that we expect your employees to have prepared by the time we arrive. We understand that your employees will have all auditor assistance package items ready and will type all confirmations we request and will locate any invoices selected by us for testing. *The fee for the examination is based on the completion of these supporting schedules and providing other assistance on a timely basis.*

**Schedules and Financial Statements Prepared by Management**

Management is responsible for ensuring that all accounts are reconciled, preparing the financial statements and all supplementary schedules, preparing the notes to the financial statements, and preparing and reviewing the management's discussion and analysis section. Our responsibility is to audit the financial statements, which includes a review of the notes to the financial statements. Any additional work to assist with the work listed above or any other requested work will be billed at our hourly rate. We will obtain approval of any additional fees before we begin any extra work. We have included our fees for assistance in preparation of the financial statements and notes in our fee section below.

**General Audit Procedures**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by errors, fraud, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements (whether caused by errors or fraud), illegal acts, misappropriation of assets, or noncompliance may exist and not be detected by us. Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations, immaterial illegal acts, or illegal acts that do not have a direct effect on the financial statements or major programs. However, we will inform you of any material errors and abuse that come to our attention and any fraud that comes to our attention. We will also inform you of any illegal acts that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later period for which we are not engaged as auditors.

**North Central Public Health District  
February 18, 2015**

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters.

**Audit Procedures – Internal Controls**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, Government Auditing Standards, and OMB Circular A-133.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed.

**Audit Procedures – Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Circular A-133 Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of the major programs. The purpose of these procedures will be to express an opinion the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

**Audit Administration, Fees and Other Items**

Roy R. Rogers is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

At the conclusion of the engagement, we will provide copies of our reports to various local and state agencies, as they require. However, it is management's responsibility to submit these reports. At the conclusion of the engagement, we will provide information to management as to where the reporting packages should be submitted and the number to submit.

The District hereby indemnifies Pauly, Rogers and Co., P.C. and its partners, principals and employees and holds them harmless from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the District's management, regardless of whether such person was acting in the District's interest. This indemnification will survive termination of this letter.

The workpapers for this engagement are the property of Pauly, Rogers and Co., P.C. and constitute confidential information. However, we may be requested to make certain information available to grantor agencies pursuant to authority given to it by law or regulation. If requested, access to such workpapers will be provided under the supervision of Pauly, Rogers and Co., P.C. personnel. Furthermore, upon request, we may provide photocopies of selected workpapers to grantor agencies. The grantor agency may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The workpapers for this engagement will be retained for a minimum of three years after the date the auditors' report is issued or for any additional period requested by a federal awarding agency or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the workpapers.

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as we progress through the audit and are payable upon presentation. The fees for our services should not exceed the following:

Audit Services:	
Financial Statement Audit (including single audit)	\$ 13,800
Non-Audit Services:	
Assistance in preparation of Financials Statements (including review, printing and binding of reports)	<u>2,100</u>
Total	<u>\$ 15,900</u>

This fee includes up to 15 bound copies of the report plus one unbound copy. Additional copies will be billed at the rate of \$40 per copy. This fee is based on the anticipated cooperation from your personnel and on the assumption that the books will be closed, balanced, reconciled, with all material accruals recorded, all auditor requested information prepared prior to our arrival, and that unexpected circumstances will not be encountered during the audit. Our fee is also based upon the scope of work that was done in the previous year. If there is additional activity this year, beyond the scope of last year's work, we will need to charge for that additional work. We will give you a change of scope letter explaining the added work and our estimated fees, which must be

**North Central Public Health District**  
**February 18, 2015**

signed by you, before we can continue the engagement or before we perform the additional work. Additional time may be necessary due to work which is beyond the scope of the engagement indicated above. Such work could include, but is not limited to, additional agreed upon procedures, audit testing required under the Single Audit Act Amendments of 1996 that was not previously specified, and reconciliations and/or adjustments needed to bring financial statements into conformity with generally accepted accounting principles. The additional time will be billed at our standard hourly billing rates for the individuals who perform those services.

If the District does not have substantially all items on the preparation list available and ready for audit, including all accounts reconciled, the District must contact us to re-schedule the audit. Cancellation for any reason must be communicated to the in-charge auditor at least three days prior to the first scheduled date of fieldwork, otherwise a mobilization fee of \$500 will be charged to the District. If the audit team arrives at the District's offices to conduct fieldwork and finds that the books and records are not adequately prepared for audit, the audit team will have to re-schedule fieldwork until such time that the District's books and records are adequately prepared for audit and a mobilization fee of \$500 will be charged to the District.

Upon issuance of any invoices, there is a 30 day grace period for payment before a finance charge is assessed on any outstanding balance. Should any outstanding balance for our services exceed 31 days, you will be notified in writing of the balance due for the specified work performed, and we will perform no further services until we are paid in full. A total of three letters will be sent before we begin collection procedures after 120 days. You agree to reimburse us for all administrative, collection service, attorney, and other related filing fees and costs associated with the collection of our fees.

Requests to present the annual financial report to the board of governance or delegated committee will be assessed based on the availability of management during the time requested. An additional fee may be assessed for the presentation based on travel expenses, and time spent for travel, preparation and the presentation. The utilization of a virtual meeting (conference phone call or Skype) may result in a lower presentation fee.

Any claim arising out of services rendered to this agreement shall be resolved in accordance with the laws of the State of Oregon. It is agreed by the District and Pauly, Rogers and Co., P.C. or any successors in interest that no claim arising out of services rendered pursuant to this agreement by or on behalf of the District shall be asserted more than two years after the date of this engagement report issued by us.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained on those sites or to consider the consistency of other information in the electronic site with the original document.

We have provided staff to work with your District as auditors. In the future, you may decide that you need the services of one or more full-time employees for this work. At that time, we can assist you in identifying qualified individuals. However, because of the knowledge that our staff has obtained about your District, you may wish to hire one or more of them. If this should occur, we will charge you a recruiting fee equivalent to twenty percent of the annual salary offered to our employee to compensate us for the loss of our valued and extensively trained employee.

**North Central Public Health District**  
**February 18, 2015**

We appreciate the opportunity to be of service to the North Central Public Health District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. This letter will continue in effect until canceled by either party per the terms of our original contract.

Sincerely,



Roy R. Rogers, CPA  
PAULY, ROGERS AND CO., P.C.

Signature: 

Title: Director

Date: 6/10/2015



AGREEMENT FOR  
Document Destruction SERVICES  
BETWEEN

North Central Public Health District (NCPHD)

AND  
Shred 4 Less

This is an agreement by and between NCPHD  
(hereinafter called) (CUSTOMER) and Shred 4 Less (hereinafter called,) (CONTRACTOR).

- I. Statement of Purpose: This agreement details the services to be provided by CONTRACTOR in the provision of Document Destruction.

**II. CONTRACTORS Scope of Work, Roles and Responsibilities:**

Contractor shall provide document shredding containers. These containers will have operational locks on them and will meet all the requirements for State, Federal Laws and NAID AAA Certifications. The Contractor will empty all the containers on the agreed upon schedule. The documents in the container will be rolled out to the truck where it will be shredded on site. At no time will the containers be left unattended while unlocked. The contractor will make sure all documents are shredded prior to leaving the job and will follow all policies and procedures to prevent a breach of confidentiality. The contractor will sign a document destruction manifest at the time of each pick up, this will be the certification of destruction.

**B. Scheduling of Services:**

CONTRACTOR will pick up the shredding containers from the Customer at the agreed upon frequency, be it monthly or bi-monthly (frequency may change if requested by Customer). Should one of these days fall on a national holiday CONTRACTOR will pick the containers within the next two business days. Should there be inclement weather that closes roads, preventing waste transportation; CONTRACTOR will pick up the waste as soon as the roads are re-opened.

**C. Pricing and Supplies:**

The Contractor will charge a flat fee per container per pick up. There will be no other fees.

**Fee for a 64 gallon container is \$39.00**  
**Fee for a Cabinet style container is \$22.00**  
**Record Storage at \$1.00 per box per month**  
**Record Retrieval once a month Free**  
**Record Retrieval 24 hour notice \$75.00**

**Monthly invoices are sent out on the first of each month.**

**D. Disposal Documents:**

All documents will be shredded on site in a manner that is NAID AAA Certified. Requiring Shred 4 Less to conduct full back ground checks, random urine analysis, and routine security updates and training on all Shred 4 Less employees.

**E. Reporting of Waste Disposal:**

CONTRACTOR will provide **Customer** with proper documentation in compliance with, State and Federal regulations.

**F. Length of Contract:**

The term of this contract is for 60 months to commence on July 1, 2015. **At no time during this 60 months shall the prices increase.**

III

**A. Termination:**

This contract may only be terminated if CONTRACTOR fails to comply with the terms and service of this agreement. Failure is defined as not completing the responsibilities defined in section (II) (A) (B) (C) (D). OR if Customer sends a certified letter giving 30 days written notice of cancelation with just cause including failure to perform Section (II) (A) (B) (C) (D) OR just cause being Customer is closing the business, or moving the business out of service area.

**B. Governing Law:**

This contract shall be governed by the construed in accordance with the laws of the State of Oregon. Any claim, action, or suit between CONTRACTOR and Customer that arises out of or relates to performance of this contract shall be brought and conducted solely and exclusively within the Circuit Court of Multnomah County for the State of Oregon. Provided, however, that if any such claim, action, or suit may be brought only in a federal forum, it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon

**C. Notices:**

All notices, certificates, or other communications rendered shall be sufficiently given when delivered or mailed postage prepaid to the representatives of the parties at their respective places of business as set forth on the face of the contract.

**D. Severability:**

The parties agree that if any term or provisions of this agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular term or provision held to be invalid.

**E. Assignments of Subcontracts:**

Contractor may not subcontract any interest or obligation under this contract without the prior written consent of Customer.

**F. Amendments:**

These terms of the agreement shall not be waived, altered, modified, supplemented, or amended, in any manner whatsoever, except by written instrument signed by the parties.

**G. Compliance with Law and Record keeping:**

In the performance of all services to be provided hereunder, Contractor and Customer agree to comply with all applicable permits, all applicable federal, state, and local laws, regulations and ordinances and all lawful orders, rules, regulations and guidelines of any duly constituted authority, including but not limited to, social security and income tax withholding laws, unemployment compensation laws, and environment, health and safety laws, rules and regulations, including any manifesting requirements. Contractor and its subsidiaries and affiliates have obtained all necessary permits, licenses, zoning and other federal, state or local authorizations required to perform the services hereunder and, upon request of Customer, Contractor shall furnish copies thereof to Customer. Contractor and Customer shall keep and retain adequate books and records and other documentation including personnel records, correspondence, instructions, plans, receipts, vouchers, copies of all manifests and tracking records and any other records or reports or memoranda, consistent with and for periods required by applicable regulatory requirements and guidelines pertaining to performance of the services required by this agreement.

They further agree to comply with Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, The Americans with Disabilities Act of 1990 (Pub L No. 101-0336), ORS 659.425 and all amendments of, and regulations and administrative rules established pursuant to these laws and all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.

**H. Access to Records:**

The Contractor shall maintain all fiscal records relating to this contract in accordance with generally accepted accounting principles and shall maintain any other records relating to this contract in such a manner as to clearly document Contractor's performance hereunder. Customer and its representatives, and if applicable, the federal government and their duly authorized representatives shall have access to such fiscal records and to all other books, documents, papers, plans and writings of Contractor which relate to this contract, to perform examination, and audits and make excerpts and transcripts.

**I. Indemnity and Responsibility for Damages:**

Contractor shall be responsible for all damage to property, injury to persons, and loss, expense, inconvenience, and delay which may be caused by, or result from, the conduct of work under this contract, or from any act, omission, or neglect of Contractor, its subcontractors, or employees. Contractor shall indemnify, defend and hold harmless Customer and its officers, employees and agents from all claims, suits, and actions of any nature including fines, and/or penalties arising out of or related to the activities or omissions of Contractor or its officers subcontractors, agents, or employees under or in connection with this contract.

**J. Insurance:**

Insurance requirements set forth below do not in any way limit the amount or scope of liability of Contractor under this Contract. The amounts listed indicate only the minimum amounts of insurance coverage Customer is willing to accept to help insure full performance of all terms and conditions of this Contract. During the term of this contract Contractor shall maintain in force at its own expense each of the insurances as listed below:

Primary Coverage: Insurance carried by Contractor under this Contract shall be the primary coverage and will not seek any contribution from any insurance or self-insurance carried by Customer,

Commercial General Liability: Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, Commercial General Liability Insurance covering bodily injury and property damage. This insurance shall include personal injury coverage, contractual liability coverage from the indemnity provided for under this Contract and product/completed operations liability. Combined single limit per occurrence shall not be less than \$1,000,000.00 or the equivalent. Each annual aggregate limit shall not be less than \$3,000,000.00, when applicable.

Automobile Liability: Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, automobile liability policy or policies insuring against liability for bodily injury, death, or damage to property and relating to the use, loading or unloading of any of Contractor's automobiles (including owned, hired and non-owned vehicles). Such coverage shall include pollution liability endorsement (CA 99 48 or its equivalent) and the Motor Carrier Act (MCS 90) endorsement. Coverage shall be in an amount of not less than Two Million Dollars (\$2,000,000.00) each accident.

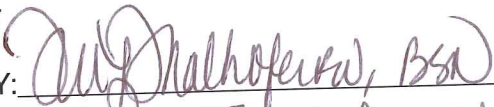
Workers' Compensation: The Contractor, its subcontractors, if any, and all employers providing work, labor, or materials under this Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage that satisfies Oregon Law for all their subject workers. This shall include Employer's Liability Insurance with coverage limits of not less than \$100,000.00 each accident. Contractors who perform the work without the assistance or labor of any employee need not obtain such coverage.

**K. Force Majeure:**

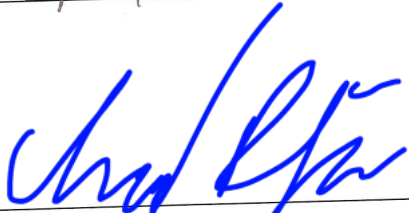
Neither party shall be held responsible for delay or default caused by fire, riot, acts of God and war which is beyond its reasonable control. The affected party shall, however, make a reasonable effort to remove or eliminate such a causes or delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under the contract.

L. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. THERE ARE NO UNDERSTANDINGS, AGREEMENTS, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. NO AMENDMENT, CONSENT OR WAIVER OF TERMS OF THIS AGREEMENT SHALL BIND EITHER PARTY UNLESS IN WRITING AND SIGNED BY, ALL PARTIES. ANY SUCH AMENDMENT, CONSENT, OR WAIVER SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. BY THE SIGNATURE BELOW OF ITS AUTHORIZED REPRESENTATIVE, THE PARTIES ACKNOWLEDGE HAVING READ AND UNDERSTOOD THE AGREEMENT AND AGREE TO BE BOUND BY ITS TERMS AND CONDITIONS.

Customer

BY:   
Print: Jen L. Thalhofer, RN, BSN  
Date: 06/12/2015

Shred 4 Less

BY:   
Print: Chad Robinson  
Date: 06/15/2015

Please Mail To:

Shred 4 Less  
PO Box 4043  
Salem Or 97302  
(503)881-3201



**Public Health**  
Prevent. Promote. Protect.

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**NORTH CENTRAL PUBLIC HEALTH DISTRICT**

*“Caring For Our Communities”*

## **DIRECTORS REPORT – July 2015**

The majority of my time the last month has been spent in two areas. First is the implementation of the funding reduction. The need to take a reduction in force created significant work on the part of the leadership team including work around human resource issues and staff morale. The two affected staff received written notice in person on June 23<sup>rd</sup>. Their last day of employment was July 7, 2015.

NCPHD staff, including myself, have been working on two outbreaks of gastrointestinal illness that required significant outreach and communication with community partners, as well as case management of ill clients.

The Pertussis outbreak has also created significant work in the area of case management of ill community members and their contacts, as well as working with community partners, the health care community and the media. Work with the Oregon Public Health Division has been ongoing.

Staff are working closely with the Acute and Communicable Disease Program as well as the Immunization Program. Significant work and time have been put into organizing the immunization clinic scheduled for July 8, 2015.

At a time of significant change and staff loss, we are also in the middle of implementation to our new Electronic Health Record.

Work continues around the National Accreditation work plan.

Respectfully submitted,

Teri L. Thalhofer, RN, BSN