WESTSIDE REGIONAL CENTER

CONTRACT POLICY

I. Background.

The Westside Regional Center (WRC) recognizes the importance of transparency and accountability to the community it serves. As established in the Lanterman Developmental Disabilities Services Act (Lanterman Act), WRC is committed to reporting information with accuracy and transparency and maintaining full compliance with the laws, rules and regulations that govern WRC's business. The purpose of the Contract Policy is to establish guidelines for the approval of contracts in the amount of $250,000 or more by the WRC Board of Directors in accordance with Welfare and Institutions Code (WIC) section 4625.5.

II. Policy

A. The Board shall comply with the Lanterman Act and any revisions and amendments thereto.

B. All contracts of two hundred fifty thousand dollars ($250,000) or more shall be reviewed and approved by the WRC Board of Directors prior to entering into the contract. (WIC 4625.5 (a).)

C. No WRC contract of $250,000 or more shall be valid unless approved by the WRC Board of Directors in compliance with this written policy. (WIC 4625.5(b)).

D. For purposes of this policy, contracts shall not include:

1. Vendor approval letters issued by WRC pursuant to Section 54322 of Title 17 of the California Code of Regulations. (WIC 4625.5(c)).
2. Purchase of Service authorizations for individuals served by the Corporation.

E. The power to approve contracts of two hundred fifty thousand dollars ($250,000) or more lies solely with the full WRC Board of Directors. However, in the event that a contract of two hundred and fifty thousand dollars ($250,000) or more, requires immediate review and approval prior to the next regularly scheduled Board meeting, the contract will be valid if the Executive Committee votes to approve the contract and the Executive Committee's approval is expressly ratified by resolution by the Board of Directors. If the Executive Committee's approval is not ratified by resolution by the Board of Directors, the contract shall not be valid.

F. The Finance Committee may review and make a recommendation to the full WRC Board of Directors to act on a contract.

III. Procedures

A. When applicable, contracts in the amount of $250,000 or more may be reviewed by WRC's legal counsel.

B. At the time WRC delivers the board packets to the Board of Directors, the Board packets may notify the Board of Directors of those contracts that the Board will be asked to review and approve. Upon request of any Board member, the Executive Assistant to the Board will provide a copy of such contract/s to the requesting Board members before the Board meeting.

C. The CFO or the CFO's designee shall present to the WRC Board of Directors all contracts in the amount of $250,000 or more for review and approval. If the Board of Directors does not approve the contract, the CFO, or the CFO's designee, shall notify the vendor, in writing, that the contract

was denied. The CFO or the CFO's designee shall endeavor to provide written notice to the vendor within ten (10) business days after the Board of Directors' decision not to approve the contract. If the Board of Directors approves the contract, the Board shall authorize the Executive Director or any Officer of the Corporation to execute the contract, unless the contract pertains to real property or a contract with the Department of Developmental Services, in which case, it shall be signed by the Board President.

D. Contracts presented to the Board of Directors for review and approval shall include the following information:

1. The name of the vendor or service provider.
2. The purpose of the contract.
3. The contract term.
4. The total amount of the contract.
5. The rate of payment or payment amount.
6. The method or process utilized to award the contract (i.e. request for proposal, cost statement, other).
7. The method or process utilized to establish the rate or the payment amount.

E. Proposed Material Change to Prior Contract. The WRC Board of Directors shall be notified in writing of any proposed material change to a contract that had been previously approved by the WRC Board of Directors. The WRC Board may elect to call a special meeting to vote to approve or deny the proposed material change if it so desires, which meeting shall occur no more than ten (10) days from the date notice is given. If the WRC Board does not give notice of a special meeting within three (3) days of receiving notice of the proposed material change, such material change shall be deemed approved. For the purposes of this policy, a material change is equivalent to ten percent (10%) or more of the original contract value.

IV. Guiding Principles

A. The public funds that support the service system are expended in a fashion that is cost-effective, consumer-directed, consistent with good business practices, and that reflects diligent stewardship.

B. The WRC Board of Directors is representative of, and accountable to, its stakeholders and the community it serves.

C. WRC aspires to the highest standards of ethical conduct: doing what we say; reporting information with accuracy and transparency; and maintaining full compliance with the laws, rules and regulations that govern WRC's business.

D. The WRC Board of Directors will possess the highest personal and professional ethics, integrity and values, and be committed to representing the long-term interests of the Los Angeles community it serves.