

Exhibit 1

COUNTY OF VENTURA CONTRACT NUMBER # _____

C O N T R A C T

This Contract entered into this 1st day of October 2023, by, and between, the County of Ventura, a political subdivision of the State of California, hereinafter called "County" and P&A Group, Inc., hereinafter called "Contractor."

W I T N E S S E T H

WHEREAS, it is necessary and desirable that Contractor be engaged by County for the purpose of performing professional services hereinafter described:

NOW, THEREFORE, IT IS HEREBY AGREED by the parties as follows:

1. **SERVICES TO BE PERFORMED BY CONTRACTOR**

In consideration of the payments hereinafter set forth, Contractor will perform services for County in accordance with the terms, conditions and specifications set forth herein and Exhibit A, attached hereto.

2. **PAYMENTS**

In consideration of the services rendered in accordance with all terms, conditions and specifications set forth herein and in Exhibit A, County will make payment to Contractor in the manner specified in Exhibit A.

3. **INDEPENDENT CONTRACTOR**

No relationship of employer and employee is created by this Contract, it being understood that Contractor is an independent contractor, and neither Contractor nor any of the persons performing services for Contractor pursuant to this Contract, whether said person be member, partner, employee, subcontractor, or otherwise, will have any claim under this Contract or otherwise against County for sick leave, vacation pay, retirement benefits, social security, workers' compensation, disability, unemployment insurance benefits, or employee benefits of any kind.

It is further understood and agreed by the parties hereto that, except as provided in this Contract, Contractor in the performance of its obligation hereunder is subject to the control or direction of County merely as to the result to be accomplished by the services hereunder agreed to be rendered and performed and not as to the means and methods for accomplishing the results.

If, in the performance of this Contract, any third persons are employed by Contractor, such persons will be entirely and exclusively under direction, supervision and control of Contractor. All terms of employment, including hours, wages, working conditions, discipline, hiring and discharging or any other terms of employment or requirements of law, will be determined by Contractor, and County will have no right or authority over such persons or the terms of such employment, except as provided in this Contract.

The Contractor will comply with all of the provisions of the Worker's Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments, thereto; and all similar State and Federal acts or laws applicable; and will indemnify and hold harmless the County from and against all claims, demands, payments, suits, actions, proceedings and judgments of every nature and description, including attorney's fees and costs, presented, brought or recovered against the County, for or on account of any liability under any of said Acts which may be incurred by reasons of any work to be performed under this Contract.

4. NON-ASSIGNABILITY

Contractor will not assign this Contract or any portion thereof, to a third party without the prior written consent of County, and any attempted assignment without such prior written consent will be null and void and will be cause, at County's sole and absolute discretion, for immediate termination of this Contract.

5. TERM

This Contract will be in effect from October 1, 2023, through September 30, 2028 subject to all the terms and conditions set forth herein.

This Contract may, upon mutual agreement, be extended for up to two (2) additional one (1) year periods.

Time is of the essence in the performance of this contract.

Continuation of the Contract is subject to the appropriation of funds for such purpose by the County's Board of Supervisors. If funds to affect such continued payment are not appropriated, County may terminate this project as thereby affected and Contractor will relieve County of any further obligation, therefore.

6. TERMINATION

The County Purchasing Agent may terminate this Contract at any time for any reason by providing 30 days' written notice to Contractor. In the event of termination under this paragraph, Contractor will be paid for all work provided to the date of termination, as long as such work meets the terms and conditions of this Contract. On completion or termination of this Contract, County will be entitled to immediate possession of, and Contractor will furnish on request, all computations, plans, correspondence, and other pertinent data gathered or computed by Contractor for this particular Contract prior to any termination. Contractor may retain copies of said original documents for Contractor's files. Contractor hereby expressly waives any and all claims for damages or compensation arising under this Contract except as set forth in this paragraph in the event of such termination.

This right of termination belonging to the County of Ventura may be exercised without prejudice to any other remedy which it may be entitled at law or under this Contract.

7. **DEFAULT**

If Contractor defaults in the performance of any term or condition of this Contract, Contractor must cure that default by a satisfactory performance within 10 days after service upon Contractor of written notice of the default. If Contractor fails to cure the default within that time, then County may terminate this Contract without further notice.

The foregoing requirement for written notice and opportunity to cure does not apply with respect to paragraph 4 above.

8. **INDEMNIFICATION, HOLD HARMLESS AND WAIVER OF SUBROGATION**

All activities and/or work covered by this Contract will be at the risk of Contractor alone. Contractor agrees to defend, indemnify, and save harmless the County, including all of its boards, agencies, departments, officers, employees, agents and volunteers, against any and all claims, lawsuits, whether against Contractor, County or others, judgments, debts, demands and liability, including without limitation, those arising from injuries or death of persons and/or for damages to property, arising directly or indirectly out of the obligations herein described or undertaken or out of operations conducted or subsidized in whole or in part by Contractor, save and except claims or litigation arising through the sole negligence or wrongdoing and/or sole willful misconduct of County. Contractor agrees to waive all rights of subrogation against County for losses arising directly or indirectly from the activities and/or work covered by this Contract.

9. **INSURANCE PROVISIONS**

A) Contractor, at its sole cost and expense, will obtain and maintain in full force during the term of this Contract the following types of insurance:

- 1) General Liability "occurrence" coverage in the minimum amount of \$1,000,000 combined single limit (CSL) bodily injury & property damage each occurrence and \$2,000,000 aggregate, including personal injury, broad form property damage, products/completed operations, and broad form blanket contractual.
- 2) Commercial Automobile Liability coverage in the minimum amount of \$1,000,000 CSL bodily injury & property damage, including owned, non-owned, and hired automobiles. Also, to include Uninsured/Underinsured Motorists coverage in the minimum amount of \$100,000 when there are owned vehicles.
- 3) Workers' Compensation coverage, in full compliance with California statutory requirements, for all employees of Contractor and Employer's Liability in the minimum amount of \$1,000,000.

- 4) Professional Liability coverage in the minimum amount of \$1,000,000 each occurrence and \$2,000,000 aggregate.

- B) All insurance required will be primary coverage as respects County and any insurance or self-insurance maintained by County will be excess of Contractor's insurance coverage and will not contribute to it.

- C) County is to be notified immediately if any aggregate insurance limit is exceeded. Additional coverage must be purchased to meet requirements.

- D) The County, and any applicable Special Districts are to be named as Additional Insured as respects to work done by Contractor under the terms of this Contract for General Liability Insurance.

- E) Contractor agrees to waive all rights of subrogation against the County, its Boards, Agencies, Departments, any applicable Special Districts, Officers, Employees, Agents and Volunteers for losses arising from work performed by Contractor under the terms of this Contract.

- F) Policies will not be canceled, non-renewed or reduced in scope of coverage until after sixty (60) days written notice has been given to the County of Ventura, Risk Management Division.

- G) Contractor agrees to provide County with the following insurance documents on or before the effective date of this Contract:
 1. Certificates of Insurance for all required coverage.
 2. Additional Insured endorsement for General Liability Insurance.
 3. Waiver of Subrogation endorsement (a.k.a.: Waiver of Transfer Rights of Recovery Against Others, Waiver of Our Right to Recover from Others) for Workers' Compensation.

Failure to provide these documents will be grounds for immediate termination or suspension of this contract.

10. **NON-DISCRIMINATION**

A) General.

No person will on the grounds of race, color, national origin, religious affiliation or non-affiliation, sex, age, handicap, disability, or political affiliation, be excluded from participation in, be denied the benefits, or be subjected to discrimination under this Contract.

B) Employment.

Contractor will insure equal employment opportunity based on objective standards of recruitment, selection, promotion, classification, compensation, performance evaluations, and management relations, for all employees under this Contract. Contractor's personnel policies will be made available to County upon request.

11. **SUBSTITUTION**

If particular people are identified in Exhibit A as working under this Contract, the Contractor will not assign others to work in their place without written permission from the County Purchasing Agent. Any substitution will be with a person of commensurate experience and knowledge.

12. **INVESTIGATION AND RESEARCH**

Contractor by investigation and research has acquired reasonable knowledge of all conditions affecting the work to be done and labor and material needed, and the execution of this Contract is to be based upon such investigation and research, and not upon any representation made by the County or any of its officers, agents or employees, except as provided herein.

13. **CONTRACT MONITORING**

The County will have the right to review the work being performed by the Contractor under this Contract at any time during Contractor's usual working hours. Review, checking, approval or other action by the County will not relieve Contractor of Contractor's responsibility for the thoroughness of the services to be provided hereunder. This Contract will be administered by the County's Employee Benefit Manager or his/her authorized representative.

14. **ADDENDA**

County may from time to time require changes in the scope of the services required hereunder. Such changes, including any increase or decrease in the amount of Contractor's compensation which are mutually agreed upon by and between County and Contractor will be effective when incorporated in written amendments to this Contract.

15. **CONFLICT OF INTEREST**

Contractor covenants that Contractor presently has no interest, including, but not limited to, other projects or independent contracts, and will not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. Contractor further covenants that in the performance of this Contract no person having such interest will be employed or retained by Contractor under this Contract.

16. **CONFIDENTIALITY**

Any reports, information, data, statistics, forms, procedures, systems, studies and any other communication or form of knowledge given to or prepared or

assembled by Contractor under this Contract which County requests in writing to be kept confidential, will not be made available to any individual or organization by Contractor without the prior written approval of the County except as authorized by law.

17. **NOTICES**

All notices required under this Contract will be made in writing and addressed or delivered as follows:

TO COUNTY: County of Ventura
General Services Agency
Procurement Services
800 South Victoria Avenue, L#1080
Ventura, CA 93009

TO CONTRACTOR: P&A Group
17 Court Street, Suite 500
Buffalo, NY 14202

Either party may, by giving written notice in accordance with this paragraph, change the names or addresses of the persons of departments designated for receipt of future notices. When addressed in accordance with this paragraph and deposited in the United States mail, postage prepaid, notices will be deemed given on the third day following such deposit in the United States mail. In all other instances, notices will be deemed given at the time of actual delivery.

18. **MERGER CLAUSE**

This Contract supersedes any and all other contracts, either oral or written, between Contractor and the County, with respect to the subject of this Contract. This Contract contains all of the covenants and contracts between the parties with respect to the services required hereunder. Contractor acknowledges that no representations, inducements, promises or contracts have been made by or on behalf of County except those covenants and contracts embodied in this Contract. No contract, statement, or promise not contained in this Contract will be valid or binding.

19. **GOVERNING LAW**

The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties under this Contract, will be construed pursuant to and in accordance with the laws of the State of California.

20. **SEVERABILITY OF CONTRACT**

If any term of this Contract is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the Contract terms will remain in full force and effect and will not be affected.

21. **CUMULATIVE REMEDIES**

The exercise or failure to exercise of legal rights and remedies by the County in the event of any default or breach hereunder will not constitute a waiver or forfeiture of any other rights and remedies and will be without prejudice to the enforcement of any other right or remedy available by law or authorized by this Contract.

22. **COMPLIANCE WITH LAWS**

Each party to this Contract will comply with all applicable laws.

23. **CONSTRUCTION OF COVENANTS AND CONDITIONS**

Each term and each provision of this Contract will be construed to be both a covenant and a condition.

24. **NON-EXCLUSIVITY**

The County reserves the right to contract with providers of similar services and/or equipment other than the Contractor when it is reasonably determined to be in the best interest of the County.

IN WITNESS WHEREOF the parties hereto have executed this Contract.

COUNTY OF VENTURA

CONTRACTOR*

Authorized Signature

Authorized Signature

Printed Name

Printed Name

Title

Title

Date

Date

Tax Identification Number

Secretary of State Entity Number

CONTRACTOR*

Authorized Signature

Printed Name

Title

Date

* If a corporation, this Contract must be signed by two specific corporate officers.

The first signature must be from either (1) the Chief Executive Officer, (2) the Chairman of the Board, (3) the President, or (4) a Vice President.

The second signature must be from either (a) the Secretary, (b) an Assistant Secretary, (c) the Chief Financial Officer (or Treasurer), or (d) and Assistant Treasurer.

In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signatory to bind the company for this Contract.

EXHIBIT "A"

CONTRACTOR RESPONSIBILITIES

1. **Services.** P&A shall provide the following services with respect to the Plan:
 - a. provide to each employee eligible to participate in the Plan (a "**Participant**") an electronic payment card that may be used to pay expenses that are eligible for reimbursement, and such additional cards for use by family members of the Participant as he or she reasonably shall request;
 - b. substantiate the eligibility of expenses paid by use of an electronic payment card to the extent required by applicable law;
 - c. provide Participants with a form to use in submitting benefit claims to P&A for processing;
 - d. receive, review and, when authorized by the Plan and by applicable law, approve claims;
 - e. from time to time, notify the Employer of the aggregate amount of funds needed from the Employer to pay pending approved claims and receive said funds as transmitted by the Employer;
 - f. pay approved benefit claims from funds made available by the Employer for that purpose. Claims shall be paid by check or, where authorized by a Participant, by direct electronic deposit to a bank account of the Participant;
 - g. provide such other services as shall be reasonably necessary to process claims under the Plan;
 - i. perform such benefits discrimination testing as P&A shall deem necessary to assure the Plan's continuing compliance under Code Section 105(h); and
 - j. prepare any annual return (Form 5500 Series or equivalent) required by applicable federal law with respect to the Plan for filing by the Employer with respect to each Plan Year ending prior to the termination of this Agreement.

P&A shall use its best efforts to perform the above services in accordance with applicable law, in accordance with the Plan document pursuant to which the Plan is maintained by the Employer and any amendments thereto, and in accordance with an administrative manual detailing its claims procedures that will be provided to the Employer by P&A following the execution of this Agreement.

P&A further shall use its best efforts to perform the above services in a competent and professional manner. If P&A becomes aware of any error that has occurred in the performance of any of these services, P&A shall take any actions necessary to correct said error as soon as is practicable.

2. **Compensation.** As compensation for the services rendered hereunder, the Employer shall pay P&A such fees as are set forth in **the Compensation Schedule set forth herein**. P&A may modify this fee schedule as of the beginning of any Plan Year commencing after the initial term of this Agreement, as described in Section 5. P&A shall notify the Employer in writing of any modification to the fee schedule not less than ninety (90) days before the beginning of the Plan Year in which the

modification is to become effective. Should the Employer be unwilling to accept any such modification, it may exercise its right to terminate the Agreement in accordance with Section 5.

3. Employer Responsibilities.

- a. The Employer shall notify P&A in writing of any event or occurrence that affects the group of employees who are eligible to participate in the Plan.
- b. The Employer shall provide P&A on a timely basis with such other information as P&A deems necessary or appropriate for the discharge of its responsibilities hereunder, including any information that must be obtained from the Employer to prepare annual reports for the plan.

COMPENSATION SCHEDULE

Payment terms are Net 30 Days upon receipt of invoice, in arrears for services rendered. Reimbursement for travel and expenses are to be in accordance with the County's expense reimbursement policy (Administrative Manual).

The Employer shall pay to P&A:

1. **INSTALLATION FEE.** \$0.00

2. **MONTHLY ADMINISTRATION FEES.** Administration fees for each calendar month commencing while this Agreement remains in effect.

P&A shall provide the Employer with invoices for administrative fees on a monthly basis. The fees for a given month shall equal the sum of (A) \$2.20 for each individual who was eligible for the reimbursement of expenses under the Plan as of the first day of the preceding month, including (i) any individual who, on that date, would have been eligible for reimbursement but for the fact that he or she already had been reimbursed for the full amount of benefits available to him or her under the terms of the Plan; and (ii) any individual whose eligibility for the Plan had terminated prior to that date but who, on that date, remained eligible to submit post-termination run-out claims under the terms of the Plan or whose family members remained eligible to submit such claims; and (B) \$2.20 for each Participant in possession of an activated electronic payment card for use in securing payment of eligible expenses under the Plan as of the first day of the preceding month.

Monthly fees shall be due and payable within thirty (30) days after P&A provides the Employer with an invoice with respect to same.

2. **ANNUAL REPORT PREPARATION.** \$300.00 for each annual return (Form 5500 Series or equivalent) that is prepared by P&A pursuant to this Agreement.

3. **REQUESTED ADDITIONAL SERVICES AND MATERIALS.** For such services and materials requested by the Employer that are in addition to the services and materials described in Section 1 of this Agreement, P&A shall be entitled to such additional compensation from the requesting party as is mutually agreed upon by the requesting party and P&A.

4. **MAILING EXPENSES.** The cost of any mailing required under the Agreement the rate for which exceeds the first-class rate charged by the U.S. Post Office.

5. **RECOUPMENT OF PENALTIES AND FEES.** The amount of any penalty or like fee that is imposed on P&A as a result of any action or inaction by the Employer or by the employees or other agents of the Employer with respect to the administration of the Plan, including but not limited to returned check charges or ACH rejection fees. P&A shall be entitled to immediately recoup any such penalty or fee from the Employer after giving the Employer written notice that P&A has paid such amount.

6. P&A agrees to the following performance guarantees during the term of this Agreement:

	HRA Performance Standard	Established Target	Fees at Risk
1	Implementation & Accurate/Timely Reporting	Assuming all necessary paperwork is received at a minimum of 30 days in advance of the effective date, the plan will be fully implemented on its effective date. Reporting will be accurate and timely 98% of the time. Transactional/Non-payment accuracy will be 98%	2%
2	Claims Performance	100% of claims will be adjudicated within 5 business days with a minimum of 98% processing and financial accuracy.	2%
3	Customer Service/Client Satisfaction	Call abandonment rates will be less than 4%. Customer service calls will be answered on an annual average rate of 30 seconds 98% of the time. Overall client satisfaction will be as mutually agreed upon between each client and P&A.	2%
4	Account Administration	A dedicated Account Manager will provide administration of HRA services. This individual will be directly available to the employer Monday through Friday during normal business hours. Voicemails and e-mails will be returned within 1 business day. If ever this individual is unavailable, their assistant, team leader, or department supervisor will be available.	2%
5	Employee Education/ Website Accessibility	All necessary educational materials to promote the successful participation in the annual enrollment process will be furnished. Unscheduled website downtime will be less than 1%. Administration systems will be functional 99.99% of the time.	2%
TOTAL FEES AT RISK:			10%

Performance Standards are measured annually, and payment is made within 30 days if failure to meet any of the targets.