

LETTER OF AGREEMENT
KAISER FOUNDATION HOSPITALS, SOUTHERN CALIFORNIA REGION
COMMUNITY BENEFIT CHARITABLE CONTRIBUTIONS PROGRAM

31066

This Letter of Agreement (hereinafter "Agreement") regarding Community Benefit Funds ("Memorandum"), dated as of December 10, 2008 is entered into by and between **Kaiser Foundation Hospitals**, a California nonprofit, public benefit corporation (hereinafter "KFH") and **City of Long Beach**, a charter city organized in the State of California and not subject to federal or state income tax.

This Agreement sets forth the understanding of the parties hereto as to the terms and conditions under which KFH shall donate funds in the amount of **\$80,000.00 payable over a two year funding period beginning January 1, 2009 through January 1, 2011 for the Department of Health and Human Services' Oral Health Services Smile Bright Program**. *Second year funding is contingent upon meeting the terms and conditions of the grant.* Such terms and conditions are as follows:

1. **Tax Exemption Status**: Grantee represents that at all times relevant herein, it is a charter city organized in the State of California and not subject to federal or state income tax.
2. **Purpose of Grant**. Grantee shall use entire Grant to support the specific goals, objectives, activities, and outcomes as stated in the Grantee's funding application and, for Grants greater than \$25,000, as submitted in the evaluation plan.
3. **Expenditure of Funds**. This Grant (together with any income earned upon investment of grant funds) is made for the purpose outlined in the Grantee's Evaluation Plan and may not be expended for any other purpose without KFH's prior written approval.
4. **Prohibited Uses**. In no event shall Grantee use any of the funds from this Grant to (a) support a political campaign, (b) support or attempt to influence any government legislation, except making available the results of non-partisan analysis, study or research, or (c) grant an award to another party or for any purpose other than one specified in Section 170(c)(2)(b) of the Internal Revenue Code of 1986 as amended.
5. **Return of Funds**. KFH reserves the right to discontinue, modify or withhold payments to be made under this Agreement or to require a total or partial return of any funds, including any unexpended funds under the following conditions:
 - (a) If KFH, in its sole discretion, determines that the Grantee has not performed in accordance with this Agreement or has failed to comply with any term or condition of this Agreement.
 - (b) If Grantee loses its status as an eligible Grantee under Paragraph 1 above.
 - (c) Any portion of the funds is not used for the approved purpose
 - (d) Such action is necessary to comply with the requirements of any law or regulation applicable to Grantee or to KFH or to this Grant.

6. Records, Audits and Site Visits. KFH is authorized to conduct audits, including on-site audits, at any time during the term of this Grant and within four years after completion of the Grant. Grantee shall allow KFH and its representatives, at its request, to have reasonable access during regular business hours to Grantee's files, records, accounts, personnel and client or other beneficiaries for the purpose of making such audits, verifications or program evaluations as KFH deems necessary or appropriate concerning this Grant. Grantee shall maintain accounting records sufficient to identify the Grant and to whom and for what purpose such funds are expended for at least four (4) years after the Grant has been expended.

7. No Assignment or Delegation. Grantee may not assign, or otherwise transfer, any rights or delegates any of Grantee's obligations under this Agreement without prior written approval from KFH.

8. Records and Reports. Grantee shall submit written progress report(s) to KFH, as follows:

(a) *For Grants \$25,000 and below:* Grantee shall submit one written final progress report within 45 calendar days after completion of the grant period, using the report format provided by KFH.

(b) *For Grants over \$25,000:* Grantee shall submit written progress reports within 45 calendar days of each six-month period following the grant award, and a final progress report within 45 calendar days after completion of the grant period, using the report format provided by KFH.

Grantee shall be primarily responsible for the content of the evaluation report. If KFH determines IRB approval is necessary, as part of the evaluation process, Grantee shall follow KFH IRB approval processes and procedures.

9. Required Notification. Grantee is required to provide KFH with immediate written notification of any change in Grantee's tax exempt status or when Grantee is unable to expend the grant funds for the approved purposes described in the Evaluation Plan.

10. Identification of KFH. Grantee shall identify KFH as a supporting organization in all published material relating to the subject matter of this Grant. Whenever possible and appropriate, Grantee shall publicly acknowledge KFH for this Grant.

11. Equal Employment Opportunity. Grantee agrees to comply with and be bound by the nondiscrimination and affirmative action clauses contained in: Executive Order 11246, as amended, relative to equal opportunity for all persons without regard to race, color, religion, sex or national origin; the Vocational Rehabilitation Act of 1973, as amended, relative to the employment of qualified handicapped individuals without discrimination based upon their physical or mental handicaps; the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, relative to the employment of disabled veterans and veterans of the Vietnam Era, and the implementing rules and regulations prescribed by the Secretary of Labor in Title 41, Part 60 of the Code of Federal Regulations (CFR).

12. Immigration Act Requirements. Grantee shall comply during the term of this Agreement with the provisions of the Immigration Reform and Control Act of 1986 and any regulations promulgated thereunder. Grantee hereby certifies that it has obtained a


properly completed Employment Eligibility Certificate (INS Form I-9) for each worker performing services related to the program described in the Evaluation Plan.

13. Licensing and Credentials. Grantee agrees to maintain, in full force and effect, all required governmental or professional licenses and credentials for itself, its facilities and for its employees and all other persons engaged in work in conjunction with this Grant.

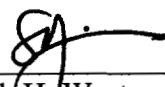
14. Payment of Grant. First payment by KFH will be contingent upon a signed Agreement between KFH and Grantee. Subsequent payments (if any) are contingent upon compliance with this Agreement, including timely receipt of reports as outlined in Paragraph 8 above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Kaiser Foundation Hospitals

By: 
Angela Coron
Managing Director, Community Benefit

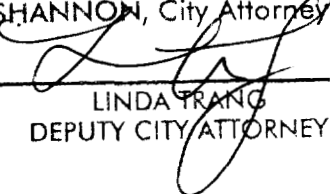
Grantee

By: 
Patrick H. West
City Manager
City of Long Beach

Assistant City Manager

APPROVED PURSUANT
TO SECTION 501 OF
THE CITY CHARTER.

APPROVED AS TO FORM
March 17, 20 09
ROBERT E. SHANNON, City Attorney

By: 
LINDA TRANG
DEPUTY CITY ATTORNEY