

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SERVICE CONTRACT
C-08-395-09-30

THIS CONTRACT is made and entered in this 30th day of **September, 2008** by and between the COUNTY OF HIDALGO, TEXAS ("County"), and **Dr. Lorie Ochoa, PHR** a Texas Sole Proprietor ("Company").

WHEREAS, Company has offered to perform certain services for Hidalgo County as more particularly prescribed on Exhibit "A" which is attached hereto and incorporated herein by reference (the "Service"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services, the Commissioners Court of County desires to award a contract to Company to perform the Services.

NOW, THEREFORE, in mutual consideration of the foregoing and the further consideration of the following, the parties hereto agree as follows:

1. County and Company hereby agree that this Contract is entered into in order to provide the Services at the offices of Hidalgo County. This Contract does not extend to any third parties any duties or benefits conferred in any manner hereunder or otherwise.
2. Company hereby promises and agrees to render and provide, during the term of this Contract, and shall be obligated to render and provide the Services. Company agrees in performing the Services that it will use proper professional standards, comply with any and all appropriate laws and regulations in providing the Services, and devote such time as is necessary to safely and efficiently provide the Services.
3. This Contract shall be for a period beginning **September 30, 2008** through completion of services and as further detailed in scope of services, unless earlier terminate as herein provided.
4. As a condition of this Contract, Company shall hold and maintain throughout the term of this Contract all licenses and permits required, of which may be required by any authority during the term hereof to provide the Services.
5. As consideration for rendering the Service provided for in this Contract, the County agrees to pay Company the amounts specified in Exhibit "B" attached hereto payable against written invoice submitted by Company.

terminate this Agreement upon ninety (90) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

15. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

WITNESS our hands in duplicate originals this _____ day of _____ 2008

COUNTY OF HIDALGO

By: _____
Juan D. Salinas III, County Judge

ATTEST:

Arturo Guajardo Jr., County Clerk

COMPANY: Dr. Lorie Ochoa PHR

Approved on Commissioners' Court September 30, 2008

APPROVED AS TO FORM:
Atlas & Hall, L.L.P.

By: _____

EXHIBIT "A"

SCOPE OF SERVICES

Human Capital Executive

Human Resource Audit Proposal

**Submitted to Hidalgo County
Dr. Lorie Ochoa, PHR**



08

HR Audit Proposal

Rationale

Human Resource (HR) departments are a critical component in the success of each organization. No other department can impact the employee experience as much as the HR department. However, should policies and procedures not be adhered to in a consistent manner, companies can be held liable for the mismanagement of policies or employee complaints. Public and private organizations throughout the world are utilizing human resource audits to improve systems, thereby, improving productivity and increasing the organization's Return on Investment (ROI). Organizations are also using human resource audits to spotlight areas of weakness and possible non-compliance with federal regulations.

On a frequent basis, business journals are reporting staggering amounts that courts are awarding to individuals who have filed lawsuits against their employer. In 2007, the Equal Employment Opportunity Commission received 26,663 charges of retaliation discrimination and resolved 22,265. Their annual report reflected that \$124 million was awarded to the charging parties and aggrieved individuals obtained through litigation.

In addition, the Department of Labor, the National Labor Relations Board, and other federal agencies continue to sanction organizations with harsh penalties for not maintaining compliance with federal and state regulations and policies as reflected in the Employee Handbook. Many of these lawsuits could have been prevented if companies would have maintained structured and consistent human resource policies and procedures.

The July 2008 Texas Employment Law Newsletter referenced Hagen v. EchoStar Satellite_F3rd_(5th Circuit 2008). The case revealed that EchoStar failed to follow through on a complaint alleging non-compliance with the Federal Labor Standards Act (FLSA). The 5th Circuit agreed that when the company's managers failed to adequately and consistently investigate an employee complaint, the employee's rights under the law were compromised. The lack of action ultimately led to an adverse action. Not only was the company liable for the lack of follow-through, but the manager was also liable on a personal level.

Needs

In an environment where companies are maximizing their resources and minimizing expenses, HR audits are an excellent tool to highlight non-compliance issues and decrease the likelihood of potential labor lawsuits.

An audit of each Precinct's organizational structure and protocols and practices can serve as an excellent tool to determine compliance with local, state, and federal regulations and determine the quality and consistency of employment procedures.

The purpose of this proposal is to communicate how an HR Audit can serve as a tool to increase the effectiveness in the recruitment and retention of human capital as well as the employee relations process.

Through a multi-phase process, the HR Audit will be used to 1) Assess current systems and make recommendations for upgraded processes, 2) Provide training to Managers on required federal and state mandates, and 3) Conduct random departmental audits to ensure compliance. Each phase will culminate with a confidential and written summary that will be forwarded to each member of Commissioner's Court.

Upon completion of each phase, Commissioner's Court may discuss which elements can be infused and formalized into regularly scheduled processes.

To initiate this recommended HR Audit, each Precinct may be audited in phases, beginning with Precinct One. Upon completion of all phases, additional Precincts may be incorporated into subsequent HR Audits, at the discretion of the respective Precinct Commissioner..

Phase I of the Human Resource Audit will reflect the reorganization and consolidation of Precinct One (1). The audit will be comprised of a four-step process including Information Gathering, Evaluation, Analysis, and Action Planning. A series of discussions will take place with Precinct One Commissioner Sylvia Handy, the Hidalgo County Human Resource Director, and Precinct One employees to assess needs. Data will be compiled to ensure that each position has the appropriate job title, list of specific responsibilities, and how the position meets the overall needs of Precinct One.

Phase II of the Human Resource Audit reflects the Training and Development component for Precinct One. National Human Resource journals report that almost 50% of Companies do not offer adequate training and development opportunities. Additional studies show that employees are not benefitting from management support to enhance individual development and career growth.

Organizations which do provide structured professional development have enhanced employee productivity and staff morale. In addition,

retention rates are increased and turnover cost are minimized. To maximize the HR Audit, training will be designed to formalize consistent and high quality implementation of HR protocols throughout Precinct One.

Based on the Needs Assessment conducted during Phase I, training will be designed and offered to employees within Precinct One.

Phase III of the Human Resource Audit will reflect continued discussions with supervisors in Precinct One, compliance audits, and developmental training. By incorporating this phase, Precinct One will engage in a proactive design, serving as the infrastructure to enhance human capital.

The time frame for these visits will take place quarterly after Phase II and Phase III have been completed.

Precinct One-Phase I HR Audit, Assessment, Recommendations

Scope of Audit:

A. Analyze HR Department Protocols and Resources to reorganize and consolidate positions to increase productivity and efficiency.

- **Assess Precinct One Organization and HR Protocols**
- **Assess Employee Job Descriptions and Responsibilities**
- **Assess Precinct Mission Statements in coordination with County Mission Statement**
- **Assess Precinct One Recruitment and Selection Process**
- **Assess Precinct One On-boarding/New Employee Orientation**
- **Assess Federally Required Posters/Notices in Precinct One Facilities**
- **Assess Precinct One Compliance with Policies**
- **Assess Precinct One Compliance with Federal regulations (USERRA, HIPPA, FMLA) as well as State and Local policies**

B. Assess Precinct One Personnel files for Accuracy

- **Compliance with I-9 Documentation**
- **Compliance with Sexual Harassment Policy**
- **Compliance with Random Drug Testing Policy**
- **Compliance with IT Policy**
- **Compliance with Affirmative Action Plan**
- **Maintenance of Employee Data**

C. Develop and Submit Written Recommendation to reorganize and consolidate positions to increase productivity and efficiency.

Precinct One-Phase II Training and Development

A. Survey Employees to determine understanding, knowledge, and accessibility of local, state, and federal employment guidelines.

B. Provide hands-on training to HR staff on recommended protocols and required regulations. Training will include, but not be limited to the following:

- **Appropriate Interviewing Questions**
- **Appropriate Employee Documentation**
- **Federal and State Labor Regulations**
- **Compliance with the Hidalgo County Employee Handbook.**

C. Develop and Submit Written Summary of Activities and Findings

Phase III Compliance Visits

A) Develop a schedule to conduct quarterly visits with Precinct One to discuss the following:

- **Results of Surveys**
- **Maintenance of Employee Data**
- **Address HR issues**
- **Review Recruitment and Retention Processes**

B) Determine federally-required poster compliance at the Precinct One facilities

C) Conduct HR Training for Supervisors on the following topics:

- **Documenting Time**
- **Employee Leave**
- **Sexual Harassment**
- **Federal and State Labor Laws**

D) Develop and Submit Written Summary of Activities and Findings



CERTIFICATION INSTITUTE

SOCIETY FOR HUMAN RESOURCE MANAGEMENT

Hereby Certifies That

Maria L. Trevino-Ochoa

having met with distinction the high standards of education, experience
and demonstrated knowledge established by this Institute,

has been certified as a

Professional in Human Resources

Witness the signatures of the duly authorized officers of this Institute:

ATTEST:

7/1/2008 - 6/30/2011

PERIOD OF CERTIFICATION

Carol D. Galbreath

CHAIR

Laura S. Singleton

TREASURER

6/25/2005

CERTIFIED SINCE

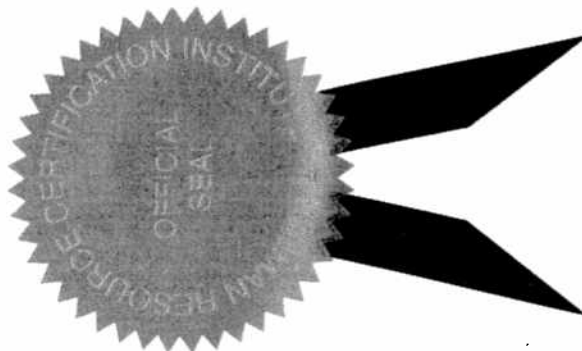


EXHIBIT "B"

FEE SCHEDULE

Budget and Timeline for Phase I, II, and III Precinct One

Phase I (HR Audit)	4Weeks	\$2,000.00
Phase II (Training & Dev.)	4 Weeks	\$1,000.00
Phase III (Compliance Visits)	3 Quarters	\$1,000.00

	TOTAL	\$4,000.00

EXHIBIT "C"

CERTIFICATE OF INSURANCE

TEXAS LIABILITY INSURANCE CARD

LORIE OCHOA

2204 N H ST
 MCALLEN TX 78501-5683



FARMERS

Policy Number: 19 04187-17-15
 Effective Date: 10-07-2008
 Expiration Date: 04-07-2009

Veh.	Year	Make	Model	VIN
#1	2004	FORD	EXPEDITION XLT 2WD	1FMRU15W04LA47527
#2	****	*****	*****	*****
#3	****	*****	*****	*****

FARMERS TEXAS COUNTY MUTUAL INSURANCE COMPANY

1-800-225-0011

This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insureds and may provide coverage for other persons and other vehicles as provided by the insurance policy.

Agent Name: Bernardo Ramirez III, LUTCF
 Phone No: (956) 783-5000

9-01 A1662201