



Contract Number

21-439 A-3

SAP Number

4400066772

Department of Behavioral Health

Department Contract Representative Desiree Alfaro
Telephone Number (909) 388-0932

Contractor Step Up on Second, Inc.
Contractor Representative Eddie Estrada
Telephone Number (909) 963-5355
Contract Term July 1, 2021, through December 31, 2026

Original Contract Amount \$40,580,650
Amendment Amount \$4,118,554
Total Contract Amount \$44,699,204
Cost Center 9209092200
Grant Number (if applicable) _____

IT IS HEREBY AGREED AS FOLLOWS:

AMENDMENT NO. 3

WITNESSETH:

IN THAT CERTAIN **Contract No. 21-439** by and between the San Bernardino County, hereinafter called the County and Step Up on Second, Inc., referenced above, hereinafter called Contractor, the following changes are hereby made and agreed to:

I. ARTICLE I Definition of Terminology, paragraph K, is hereby added to read as follows:

- K. Behavioral Health Services Act (BHSA) - Proposition 1 Behavioral Health Services Act (BHSA): The BHSA, passed in 2024, replaces the Mental Health Services Act (MHSA) of 2004. The MHSA imposed a one percent (1%) tax on personal income over one million dollars (\$1,000,000) to serve individuals with serious mental illness (SMI) and individuals that may be at risk of developing serious mental health conditions. The BHSA reforms funding to prioritize services for people with the most significant mental health needs, while adding the treatment of substance use disorders

(SUD), expanding housing interventions, and increasing the behavioral health workforce. It also enhances oversight, transparency, and accountability at the state and local levels.

II. ARTICLE IV. FUNDING AND BUDGETARY RESTRICTIONS, paragraph I, is hereby amended to read as follows:

- I. The contract amendment amount of \$4,118,554 shall increase the total contract amount from \$40,580,650 to \$44,699,204 for the contract term.

III. ARTICLE V. Provisional Payment, is hereby deleted and replaced in its entirety to read as follows:

V. Combined Cost Reimbursement and Fee for Service Provisional Payment

Cost Reimbursement Provision:

- A. During the term of this Agreement, the County shall reimburse Contractor in arrears for eligible expenditures provided under this Agreement and in accordance with the terms. County payments to Contractor for performance of eligible services hereunder are provisional until the completion of all settlement activities.
- B. County's adjustments to provisional reimbursements to Contractor will be based upon State adjudication of Medi-Cal claims, contractual limitations of this Agreement, application of various County, State and/or Federal reimbursement limitations, application of any County, State and/or Federal policies, procedures and regulations and/or County, State or Federal audits, all of which take precedence over monthly claim reimbursement. State adjudication of Medi-Cal claims, audits, as such payments, are subject to future County, State and/or Federal adjustments.
- C. All expenses claimed to DBH must be specifically related to the contract. After fiscal review and approval of the billing or invoice, County shall provisionally reimburse Contractor, subject to the limitations and conditions specified in this Agreement, in accordance with the following:
 1. The County will reimburse Contractor based upon Contractor's submitted and approved claims for rendered services/activities subject to claim adjustments, edits, and future settlement and audit processes.
 2. Reimbursement for Outreach, Education and Support services (Modes 45 and 60) provided by Contractor will be at net cost.
 3. Reimbursement Rates for Institutions for Mental Diseases: Pursuant to Section 5902 § of the WIC, Institutions for Mental Diseases (IMD), which are licensed by the DHCS, will be reimbursed at the rate(s) established by DHCS.
 4. Reimbursement for mental health services claimed and billed through the DBH treatment claims processing information system will utilize provisional rates.
 5. It is the responsibility of Contractor to access MyAvatar reports and make any necessary corrections to the denied Medi-Cal services and notify the County. The County will resubmit the corrected services to DHCS for adjudication.
 6. In the event that the denied claims cannot be corrected, and therefore DHCS will not adjudicate and approve the denied claims, Contractor is required to follow

DBH's Overpayment Policy COM0954, which has been provided or will be provided to Contractor at its request.

- D. Contractor shall bill the County monthly in arrears for services provided by Contractor on claim forms provided by DBH. All claims submitted shall clearly reflect all required information specified regarding the services for which claims are made. Contractor shall submit the organization's Profit and Loss Statement with each monthly claim. Each claim shall reflect any and all payments made to Contractor by, or on behalf of patients. Claims for Reimbursement shall be completed and forwarded to DBH within ten (10) days after the close of the month in which services were rendered. Following receipt of a complete and correct monthly claim, the County shall make payment within a reasonable period. Payment, however, for any mode of service covered hereunder, shall be limited to a maximum monthly amount, which amount shall be determined as noted.
1. For each fiscal year period (FYs 21/22, 22/23, 23/24, 24/25, 25/26), no single monthly payment for any mode of service shall exceed one-twelfth (1/12) of the maximum allocations for the mode of service unless there have been payments of less than one-twelfth (1/12) of such amount for any prior month of the Agreement. To the extent that there have been such lesser payments, then the remaining amount(s) may be used to pay monthly services claims which exceed one-twelfth (1/12) of the maximum for that mode of service. Each claim shall reflect the actual costs expended by the Contractor subject to the limitations and conditions specified in this Agreement.
- E. Monthly payments for Short-Doyle Medi-Cal (SD/MC) billable mode of services, mode 5, 10 and/or 15, will be based on actual units of service reported on Charge Data Invoices claimed to the State times the provisional rates in the DBH claiming system, and non-billable mode of services, mode 45 and 60, will be based on cost reimbursement, provided that the total of all payments to Contractor [and all other contract providers if applicable for an aggregate] for **Full-Service Partnership** shall not exceed Contracted amount or County's Maximum Obligation. (The current CalAIM Payment Reform Rate Schedule is set forth in Exhibit I attached hereto.) The provisional rates will be reviewed at least once a year throughout the life of the Contract and shall closely approximate final actual cost per unit rates for allowable costs. All approved provisional rates will be superseded by actual cost per unit rate.
1. In accordance with WIC 14705 (c) Contractor shall ensure compliance with all requirements necessary for Medi-Cal reimbursement.
- F. Contractor shall report to the County within sixty (60) calendar days when it has identified payments in excess of amounts specified for reimbursement of Medicaid services [42 C.F.R. § 438.608(c)(3)].
- G. All approved provisional rates, including new fiscal year rates and mid-year rate changes, will only be effective upon Fiscal Designee approval.
- H. Contractor shall make its best effort to ensure that the proposed provisional reimbursement rates do not exceed the following: Contractor's published charges and Contractor's actual cost.

- I. Contractor shall maximize the Federal Financial Participation reimbursement by claiming all possible SD/MC Medi-Cal services and correcting denied services for resubmission, if applicable.
- J. Pending a final settlement between the parties based upon the post Contract audit, it is agreed that the parties shall make preliminary settlement within one hundred twenty (120) days of the fiscal year or upon termination of this Agreement.
- K. Contractor shall input Charge Data Invoices (CDI's) or equivalent into the County's billing and transactional database system by the seventh (7th) day of the month for the previous month's Medi-Cal based services. Contractor will be paid based on Medi-Cal claimed services in the County's billing and transactional database system for the previous month. Services cannot be billed by the County to the State until they are input into the County's billing and transactional database system.
- L. Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.
- M. Contractor shall be in compliance with the Deficit Reduction Act of 2005, Section 6032 Implementation. As a condition of payment for services, goods, supplies and merchandise provided to beneficiaries in the Medical Assistance Program ("Medi-Cal"), providers must comply with the False Claims Act employee training and policy requirements in 1902(a) of the Social Security Act [42 U.S.C. 1396(a) (68)], set forth in that subsection and as the Federal Secretary of the United States Department of Health and Human Services may specify.
- N. As this contract may be funded in whole or in part with Mental Health Services Act funds signed into law January 1, 2005, Contractor must verify client eligibility for other categorical funding, prior to utilizing MHSA funds. Failure to verify eligibility for other funding may result in non-payment for services. Also, if audit findings reveal Contractor failed to fulfill requirements for categorical funding, funding source will not revert to MHSA. Contractor will be required to reimburse funds to the County.
- O. Contractor agrees that no part of any Federal funds provided under this Contract shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the Executive Schedule at <http://www.opm.gov/> (U.S. Office of Personnel Management).
- P. County is exempt from Federal excise taxes, and no payment shall be made for any personal property taxes levied on Contractor or any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.
- Q. Contractor shall have a written policy and procedures which outline the allocation of direct and indirect costs. These policies and procedures should follow the guidelines set forth in the Uniform Grant Guidance, Cost Principles and Audit Requirements for Federal Awards. Calculation of allocation rates must be based on actual data (total direct cost, labor costs, labor hours, etc.) from current fiscal year. If current data is not available, the most recent data may be used. Contractor shall acquire actual data necessary for indirect costs allocation purpose. Estimated costs must be reconciled to actual cost. Contractor must notify DBH in writing if the indirect cost rate changes.

- R. As applicable, for Federally Funded Program, Contractor shall charge the County program a de Minimis fifteen percent (15%) of the Modified Total Direct Cost (MTDC) as indirect cost. If Contractor has obtained a “Federal Agency Acceptance of Negotiated Indirect Cost Rates”, the contractor must also obtain concurrence in writing from DBH of such rate.

For non-Federal funded programs, indirect cost rate claimed to DBH contracts cannot exceed fifteen percent (15%) of the MTDC of the program unless pre-approved in writing by DBH or Contractor has a “Federal Agency Acceptance of Negotiated Indirect Rates.”

The total cost of the program must be composed of the total allowable direct cost and allocable indirect cost less applicable credits. Cost must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both, reference Title II Code of Federal Regulations (CFR) §200.414 indirect costs. All cost must be based on actual costs instead of estimated costs.

S. Prohibited Payments

1. County shall make no payment to Contractor other than payment for services covered under this Contract.
2. Federal Financial Participation is not available for any amount furnished to an excluded individual or entity, or at the direction of a physician during the period of exclusion when the person providing the service knew or had reason to know of the exclusion, or to an individual or entity when the County failed to suspend payments during an investigation of a credible allegation of fraud [42 U.S.C. section 1396b(i)(2)].
3. In accordance with Section 1903(i) of the Social Security Act, County is prohibited from paying for an item or service:
 - a. Furnished under contract by any individual or entity during any period when the individual or entity is excluded from participation under title V, XVIII, or XX or under this title pursuant to sections 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act.
 - b. Furnished at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under title V, XVIII, or XX or under this title pursuant to sections 1128, 1128A, 1156, or 1842(j)(2) of the Social Security Act and when the person furnishing such item or service knew, or had reason to know, of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).
 - c. Furnished by an individual or entity to whom the County has failed to suspend payments during any period when there is a pending investigation of a credible allegation of fraud against the individual or entity, unless the County determines there is good cause not to suspend such payments.
 - d. With respect to any amount expended for which funds may not be used under the Assisted Suicide Funding Restriction Act (ASFRA) of 1997.

- T. If DHCS or the County determines there is a credible allegation of fraud, waste or abuse against government funds, the County shall suspend payments to the Contractor.

Fee-For-Service (FFS) Provision:

- U. Monthly payments for SD/MC billable mode of services, mode 5, 10 and/or 15, will be based on actual units of service reported on Charge Data Invoices claimed to and reimbursed by the State, and services deemed by the State to be DBH responsibility at the rates specified on the referenced agreed upon **(FFS) reimbursement rates** for this agreement, and non-billable mode of service, mode 45 and 60, will be based on cost reimbursement, provided that the total of all payments to Contractor [and all other contract providers if applicable for an aggregate] for **Full-Service Partnership** shall not exceed Contracted amount or County's Maximum Obligation.
- V. Contractor shall bill the County monthly in arrears for services provided by Contractor on claim forms provided by DBH. All claims submitted shall clearly reflect all required information specified regarding the services for which claims are made. Claims for Reimbursement shall be completed and forwarded to DBH within ten (10) days after the close of the month in which services were rendered. Following receipt of a complete and correct monthly claim, the County shall make payment within a reasonable period.
- W. The Parties acknowledge that each party is solely responsible for any tax obligations it may incur as a result of the payment or receipt of the Settlement Amount, as applicable.
- X. Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor's designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.
- Y. Contractor shall be in compliance with the Deficit Reduction Act of 2005, Section 6032 Implementation. As a condition of payment for services, goods, supplies and merchandise provided to beneficiaries in the Medical Assistance Program ("Medi-Cal"), providers must comply with the False Claims Act employee training and policy requirements in 1902(a) of the Social Security Act [42 U.S.C. 1396(a) (68)], set forth in that subsection and as the Federal Secretary of the United States Department of Health and Human Services may specify.
- Z. As this contract may be funded in whole or in part with Mental/Behavioral Health Services Act funds signed into law January 1, 2005, Contractor must verify client eligibility for other categorical funding, prior to utilizing Mental/Behavioral Health Services Act funds. Failure to verify eligibility for other funding may result in non-payment for services. Also, if audit findings reveal Contractor failed to fulfill requirements for categorical funding, funding source will not revert to Mental/Behavioral Health Services Act. Contractor will be required to reimburse funds to the County.
- AA. Contractor agrees that no part of any Federal funds provided under this Contract shall be used to pay the salary of an individual per fiscal year at a rate in excess of Level 1 of the Executive Schedule at <http://www.opm.gov/> (U.S. Office of Personnel Management).
- BB. County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Contract.
- CC. The FFS reimbursement rates are established by DBH for San Bernardino County. DBH

will take into consideration requests for changes to Contract funding as applicable and appropriate. All requests for changes must be submitted in writing by Contractor to the DBH Deputy Director of Full-Service Partnership, or designee. Any modification must be approved in writing by DBH and shall be subject to all applicable provisions of this Contract.

DD. Contractor may contact DBH Quality Management directly with questions pertaining to appropriate and compliant documentation via telephone at (909) 386-8227, or via email at DBH-QualityManagementDivision@dbh.sbcounty.gov so that DBH QM may respond or direct questions to a designee for response.

IV. Section VII. Annual Cost Report Settlement, is hereby deleted and replaced in its entirety to read as follows:

VII. RESERVED

V. ARTICLE XIII. DURATION AND TERMINATION, paragraph A, is hereby amended to read as follows:

a. The term of this Agreement shall be from July 1, 2021, through December 31, 2026.

VI. Section XVI. Personnel, Paragraph L is hereby added to read as follows:

L. Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439), if Applicable

Contractor has disclosed to the County using Attachment III – Levine Act - Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439), whether it has made any campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Contractor’s proposal to the County, or (2) 12 months before the date this Contract was approved by the Board of Supervisors. Contractor acknowledges that under Government Code section 84308, Contractor is prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer for 12 months after the County’s consideration of the Contract.

In the event of a proposed amendment to this Contract, the Contractor will provide the County a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Contractor or by a parent, subsidiary or otherwise related business entity of Contractor.

VII. ARTICLE XVIII. Licensing, Certification, and Accreditation, paragraph G.3.a, is hereby amended to read as follows:

a. S&I List can be accessed at <https://data.chhs.ca.gov/dataset/provider-suspended-and-ineligible-list-s-i-list>.

VIII. SCHEDULE A Planning Estimates and SCHEDULE B Program Budget are hereby added as attached.

IX. ATTACHMENT III. Levine Act – Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439) is hereby added as attached.

X. Exhibit I - CalAIM Payment Reform Rate Schedule, reimbursement rates are hereby added as attached.

All other terms, conditions and covenants in the basic agreement remain in full force and effect.

This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Amendment (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Amendment upon request:

SAN BERNARDINO COUNTY

►

Dawn Rowe, Chair, Board of Supervisors

Dated: _____
SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

STEP UP ON SECOND, INC.

(Print or type name of corporation, company, contractor, etc.)

By ► _____
(Authorized signature - sign in blue ink)

Name _____
Tod Lipka
(Print or type name of person signing contract)

Title _____
CEO
(Print or Type)

Dated: _____

Address _____
1328 Second Street
Santa Monica, CA 90401

FOR COUNTY USE ONLY

Approved as to Legal Form

►

Dawn Martin, Deputy County Counsel

Date _____

Reviewed for Contract Compliance

►

Michael Shin, Administrative Manager

Date _____

Reviewed/Approved by Department

►

Joshua Dugas, Acting Director

Date _____

SCHEDULE A - Planning Estimates
 CalAIM/Fee for Service

Contractor Name: Step Up On Second, Inc
 RU #: 36IKF7
 Contract # / RFP #: DBH 21-439
 Address: 290 N D Street Ste #700
 City, State, Zip Code: San Bernardino CA 92401
 Date Form Completed: 5/21/2026
 Prepared by: Eddie Estrada
 Title: Vice President

SAN BERNARDINO COUNTY
 DEPARTMENT OF BEHAVIORAL HEALTH
 Homeless and Supportive Services - Full Service
 Partnership

FY 2026-2027
 July 1, 2026 - December 31, 2026

LINE #	MODE OF SERVICE	15 (Outpatient)				45 (Outreach)	60 (Support)		TOTAL	
		Case Management & ICC (01-09)	Behavioral Health Services (10-50)	Medication Support (60-69)	Crisis Intervention (70)	Community Client Services (20-29)	Client Housing Support (70)	Client Flexible Support (72)		
1	100% Distribution %	12.00%	73.90%	7.00%	7.00%	0.10%			100.00%	
EXPENSES										
2	SALARIES	276,657	1,703,743	161,383	161,383	2,305			2,305,471	
3	BENEFITS	63,725	392,440	37,173	37,173	531			531,042	
(2+3 must equal total staffing costs)		340,382	2,096,183	198,556	198,556	2,837	0	0	2,836,513	
4	OPERATING EXPENSES	105,049	646,927	61,279	61,279	875	390,632	16,000	1,282,041	
5	TOTAL EXPENSES (2+3+4)	445,431	2,743,110	259,835	259,835	3,712	390,632	16,000	4,118,554	
AGENCY REVENUES										
6	PATIENT FEES								0	
7	PATIENT INSURANCE								0	
8	MEDI-CARE								0	
9	GRANTS/OTHER								0	
10	TOTAL AGENCY REVENUES (6+7+8+9)	0	0	0	0	0	0	0	0	
11	CONTRACT AMOUNT (5-10)	445,431	2,743,110	259,835	259,835	3,712	390,632	16,000	4,118,554	
FUNDING										
	Mix %	Share %								
	85.97%	MEDI-CAL (FFP) 50.00%	191,468	1,179,126	111,690	111,690			1,593,974	
	14.03%	MHSA/BHSA 0.00%	62,494	384,858	36,455	36,455	3,712	390,632	930,606	
		Other (Please specify)	191,468	1,179,126	111,690	111,690			1,593,974	
		FUNDING TOTAL	445,431	2,743,110	259,835	259,835	3,712	390,632	16,000	4,118,554
		NET COUNTY FUNDS (Local Cost) MUST = ZERO	0	0	0	0	0	0	0	
		STATE FUNDING (Including Realignment)	253,962	1,563,984	148,145	148,145	3,712	390,632	16,000	2,524,580
		FEDERAL FUNDING	191,468	1,179,126	111,690	111,690	0	0	0	1,593,974
		TOTAL FUNDING	445,431	2,743,110	259,835	259,835	3,712	390,632	16,000	4,118,554
		TARGET COST PER UNIT OF SERVICE	\$4.55	\$4.55	\$7.73	\$4.55				
		UNITS OF SERVICE	97,929	603,080	33,627	57,125				791,761

APPROVED:

 06/02/26
 PROVIDER AUTHORIZED SIGNATURE DATE

 06/02/26
 DBH PSAS SERVICES DATE

 06/03/26
 DBH PROGRAM MANAGER DATE

Tod Lipka
 PROVIDER AUTHORIZED SIGNER (PRINT NAME)

Thelma Rodriguez
 DBH PSAS SERVICES (PRINT NAME)

edith lockerman
 DBH PROGRAM MANAGER (PRINT NAME)

SCHEDULE B

**SAN BERNARDINO COUNTY
DEPARTMENT OF BEHAVIORAL HEALTH
SCHEDULE B
Homeless and Supportive Services - Full Service
Partnership
FY 2026-2027
July 1, 2026 - December 31, 2026**

Prepared by: Eddie Estrada
Title: Vice President

Contractor Name: Step Up On Second, Inc
 RU # 36IKF7
 Contract # / RFP # DBH 21-439
 Address: 290 N D Street Ste #700
 City, State, Zip Code: San Bernardino CA 92401
 Date Form Completed: 5/21/2026

Operating Expenses - Please list all operating costs charged to this program, including administrative support costs and management fees along with a detail explanation of the categories below.

ITEM	TOTAL COST TO ORGANIZATION	% CHARGED TO OTHER FUNDING SOURCE	TOTAL COST TO OTHER FUNDING SOURCE	PERCENT CHARGED TO PROGRAM	TOTAL COST TO PROGRAM
1 Client Housing Support (70)	\$390,632	0%	\$0	100%	\$390,632
2 Client Flexible Support (72)	\$16,000	0%	\$0	100%	\$16,000
3 Supplies & Equipment	\$35,514	0%	\$0	100%	\$35,514
4 Rent, Repairs, Utilities, Dues	\$99,818	0%	\$0	100%	\$99,818
5 Staff Development & Trainings	\$42,144	0%	\$0	100%	\$42,144
6 Computer Software & E.H.R	\$25,229	0%	\$0	100%	\$25,229
7 Telephone & Communication	\$31,093	0%	\$0	100%	\$31,093
8 Staff Travel & Meetings	\$85,007	0%	\$0	100%	\$85,007
9 Insurance	\$62,950	0%	\$0	100%	\$62,950
10 Leased Equipment and Vehicles	\$30,602	0%	\$0	100%	\$30,602
11 Consulting	\$46,635	0%	\$0	100%	\$46,635
12 Indirect Expenses	\$416,417	0%	\$0	100%	\$416,417
13		100%	\$0		\$0
SUBTOTAL B:	\$1,282,041		\$0		\$1,282,041
GROSS COSTS TOTAL STAFFING AND OPERATING EXPENSES:					\$4,118,554

**SAN BERNARDINO COUNTY
DEPARTMENT OF BEHAVIORAL HEALTH
SCHEDULE B
BUDGET NARRATIVE
FY 2026-2027
July 1, 2026 - December 31, 2026**

Prepared by: Eddie Estrada
Title: Vice President

Contractor Name: Step Up On Second, Inc
 RU # 361KF7
 Contract # / RFP # DBH 21-439
 Address: 290 N D Street Ste #700
 City, State, Zip Code: San Bernardino CA 92401
 Date Form Completed: 5/21/2026

Budget Narrative for Operating Expenses. Explain each expense by line item. Provide an explanation for determination of all figures (rate, duration, quantity, Benefits, FTE's, etc.) for example explain how overhead or indirect cost were calculated.

ITEM	Justification of Cost
1 Client Housing Support (70)	Cost to provide client related housing support such as rent, utilities, arrears, unit damages, deposits, storage cost, emergency housing and other expenses following the MHSA expenditure guide of allowable expenses
2 Client Flexible Support (72)	Estimated cost to provide clients public transportation, vehicle repairs, educational and/or employment related supplies
3 Supplies & Equipment	Cost such as office supplies, laptops, printing materials, paper, ink, postage, courier, etc. are included.
4 Rent, Repairs, Utilities, Dues	Cost such as office rent, utilities, vehicle parking space, water, office repairs or maintenance, office furniture replacements, local state, and county fees, membership dues (NAEH, NCHC, etc.), are included.
5 Staff Development & Trainings	Cost include staff onboarding, livescan, in-service trainings, team building activities, CEUs, national conferences, and other offsite trainings.
6 Computer Software & E.H.R	Expenses such as Welligent, E.H.R., Microsoft, Acrobat, Intacct Accounting Software, Triplog and other softwares are included.
7 Telephone & Communication	Cost covers staff cell phone plans (Verizon, AT&T), telephone network phones and internet (Windstream, Frontier, and Spectrums
8 Staff Travel & Meetings	Expense covers staff mileage and parking reimbursement, fuel for company vehicle gas, staff travel, etc.
9 Insurance	Cost covers expenses such as General Liability, Umbrella, D&O, and vehicle insurances.
10 Leased Equipment and Vehicles	Leased equipment includes printer leases, company vehicles, vehicle maintenance, etc.
11 Consulting	Expenses covers items such as Xobewe - IT Consultant, legal, etc.
12 Indirect Expenses	Indirect cost such as executive salary and benefits, E.H.R, teck, Accountiy & Support, Administrative staff, HR support, corporate office related costs.
13	

SCHEDULE B

**SAN BERNARDINO COUNTY
DEPARTMENT OF BEHAVIORAL HEALTH
SCHEDULE B
FY 2026-2027
July 1, 2026 - December 31, 2026**

14.18%
Rate Per Minute

Mode 15			
CM&ICC (01-09)	BHS (10-50)	MSS (60-69)	CI (70)
Weighted Rate	Weighted Rate	Weighted Rate	Weighted Rate
\$ 4.55	\$ 4.55	\$ 7.73	\$ 4.55

Contractor Name: Step Up On Second, Inc
 RU # 36IKF7
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 Address: 290 N D Street Ste #700
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 Date Form Completed: 5/21/2026

Est. Vacancy Rate
of Clinical Staff
10.00%

MONTH	Estimated Units of Service (Minutes)	Planned Clinical FTE's	Projected Revenue Generated by Service Type				Clients Served		
			Mode 15				Starting Census		Monthly Census
			CM&ICC (01-09)	MHS (10-50)	MSS (60-69)	CI (70)	Admissions (Episodes Opened)	Discharges (Episodes Closed)	
Jul-26	131,960	55.00	74,238	457,185	43,306	43,306		50	558
Aug-26	131,960	55.00	74,238	457,185	43,306	43,306		50	508
Sep-26	131,960	55.00	74,238	457,185	43,306	43,306		50	458
Oct-26	131,960	55.00	74,238	457,185	43,306	43,306		50	408
Nov-26	131,960	55.00	74,238	457,185	43,306	43,306		8	400
Dec-26	131,960	55.00	74,238	457,185	43,306	43,306			400
Jan-27			-	-	-	-			400
Feb-27			-	-	-	-			400
Mar-27			-	-	-	-			400
Apr-27			-	-	-	-			400
May-27			-	-	-	-			400
Jun-27			-	-	-	-			400
TOTAL	791,761		445,431	2,743,110	259,835	259,835	0	208	608
Total Revenue						3,708,210.08	Unduplicated Clients Served		608
							Estimated Cost Per Client:		\$6,099

SCHEDULE B

	Mode 15				
	CM&ICC (01-09)	MHS (10-50)	MSS (60-69)	CI (70)	TOTAL
Total Minutes of Services	97929	603080	33627	57125.29	791761
Total Monthly Minutes of Services (Average)	8161	50257	2802	4760.44	65980
Dosage (minutes) per client per month	19	118	7	11.13	154
Dosage (hours) per client per month	0.32	1.96	0.11	0.19	2.57

Avg Monthly Census	Expected Length of Program (months)
428	6.00

Total Hours Per Unduplicated Client for Duration of the Program: 15.43



Levine Act – Campaign Contribution Disclosure (formerly referred to as Senate Bill 1439)

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting or opposing the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Contractor: Step Up on Second, Inc.
2. Is the entity listed in Question No. 1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?
 Yes If yes, skip Question Nos. 3-4 and go to Question No. 5 No
3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision: Tod Lipka
4. If the entity identified in Question No. 1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):
 N/A

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
N/A	

6. Name of agent(s) of Contractor:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and/or Agent(s):
N/A		

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name
N/A	

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes If **yes**, please provide the contribution information in Question 11.

10. Has an agent of Contractor made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No

Yes If **yes**, please provide the contribution information in Question 11.

11. Name of Board of Supervisor Member or other County elected officer: N/A

Name of Contributor: N/A

Date(s) of Contribution(s): N/A

Amount(s): N/A

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Contractor certifies that the statements made herein are true and correct. Contractor acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County. Contractor understands that the other individuals and entities (excluding agents) listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County.

CaAIM PAYMENT REFORM RATE SCHEDULE

EXHIBIT I

San Bernardino County Department of Behavioral Health
 CaAIM Payment Reform Rate Schedule
 Effective January 1, 2026

Individual		
	Hourly Payment Rate	
	Contracted Program Category 1	Contracted Program Category 2
DHCS Equivalent		
Certified AOD Counselor	\$ 257.82	\$ 276.24
Mental Health Rehabilitation Specialist	\$ 233.86	\$ 250.56
Other Qualified Practitioner	\$ 233.86	\$ 250.56
Peer Support Specialists	\$ 245.55	\$ 263.09
Community Health Worker	\$ 239.70	\$ 256.82
LCSW (Licensed, Waivered or Registered)	\$ 310.83	\$ 333.03
MFT/LPCC (Licensed, Waivered or Registered)	\$ 310.83	\$ 333.03
Licensed Psychiatric Technician	\$ 218.48	\$ 234.08
Psychologist (Licensed or Waivered)	\$ 480.32	\$ 514.63
Licensed Vocational Nurse	\$ 254.85	\$ 273.05
Medical Assistant	\$ 175.19	\$ 187.70
Licensed Physician	\$ 1,194.33	\$ 1,279.64
Nurse Practitioner	\$ 593.92	\$ 636.34
Occupational Therapist	\$ 413.76	\$ 443.32
Physician Assistant	\$ 535.65	\$ 573.92
Registered Nurse	\$ 485.12	\$ 519.77

Service Description	Per Occurrence Payment Rate
Interactive Complexity	13.22
Interpretive Services	22.32

Contracted Program Category 1
All other Specialty Mental Health Services
All Substance Use Disorder & Recovery Services providing outpatient DMC-ODS

Contracted Program Category 2
All Full Service Partnerships
Therapeutic Behavioral Services
Children's Residential Intensive Services