

**California Institute for Behavioral Health Solutions
California Youth Opioid Response Services Contract**

This California Youth Opioid Response Services Contract (the “**Agreement**”) is entered into as of **May 1, 2025** (the “**Effective Date**”) by and between the California Institute for Behavioral Health Solutions, a California nonprofit corporation (“**CIBHS**”), with its principal address at 1760 Creekside Oaks Dr., Ste. 175, Sacramento, CA 95833, and the following contractor (the “**Grantee**”):

Grantee Name: _____

Legal Entity Type: _____

Principal Address: _____

Email Address: _____

Telephone Number: _____

CIBHS and the Grantee are sometimes collectively referred to herein as the “**Parties**,” or, individually, as a “**Party**.”

Recitals:

WHEREAS, CIBHS is the recipient of a government grant intended to address the opioid epidemic in California as described in that certain contract number 24-40154 effective as of September 30, 2024 (the “**Prime Contract**”) , by and between the State of California Department of Health Care Services (“**DHCS**”) and Sierra Health Foundation: Center for Health Program Management (“**SHF**”), together with that certain Medication-Assisted Treatment (MAT) SOR 4 Project Subcontractor Agreement (contract number CA25MAT22834) (the “**Subcontractor Agreement**”), effective as of September 30, 2024, by and between SHF and CIBHS (collectively, the “**Grant Contracts**”);

WHEREAS, the terms and conditions of the Prime Contract are incorporated into the Subcontractor Agreement, and therefore all references to the Grant Contracts herein shall incorporate the applicable provisions of the Prime Contract and/or the Subcontractor Agreement, as applicable;

WHEREAS, in order to effectuate the purpose of the grant, CIBHS must engage with contractors to provide services to affected populations in California by (1) increasing access to medication-assisted treatment using FDA-approved medications for the treatment of Opioid Use Disorder (“**OUD**”), reducing unmet treatment needs, and reducing opioid overdose-related deaths through the provision of prevention, treatment and recovery activities for OUD resulting from the use of prescription opioids, heroin, illicit fentanyl and fentanyl analogs; and (2) supporting prevention, treatment, and recovery support services to address stimulant misuse and use disorders, including for cocaine and methamphetamine; and

WHEREAS, CIBHS agrees to engage Grantee to effectuate the purpose of the grant, and Grantee agrees to such engagement, pursuant to and subject to the conditions set forth in this Agreement including, without limitation, the agreement by Grantee to be bound and obligated to the terms and conditions of the Grant Contracts to the same extent CIBHS is bound to each of DHCS and SHF, respectively, thereunder;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CIBHS and Grantee hereby agree as follows, with the above Recitals incorporated herein by this reference:

Agreement

I. TERM AND TERMINATION

1) **Term.** The term of this Agreement shall commence on the Effective Date and continue until the earlier of (a) September 29, 2027, or (b) termination of this Agreement pursuant to Section I. 2) below (the “**Term**”).

2) **Termination.**

- a. CIBHS may terminate this Agreement for any reason in its sole discretion by providing Grantee with thirty (30) days’ prior written notice.
- b. CIBHS may terminate this Agreement effective immediately by providing written notice to Grantee if any of the following occurs or is determined by CIBHS to be substantially at risk of occurring:

- i. Either the Prime Contract or the Subcontractor Agreement is terminated for any reason;
- ii. Grantee breaches this Agreement and does not cure the breach within thirty (30) days of the commencement of such breach;
- iii. Grantee terminates its existence, discontinues business, has a receiver appointed for any of its property, makes any assignment for the benefit of creditors, or has any proceedings under any bankruptcy, reorganization, or similar laws commenced by or against it;
- iv. If Grantee is a sole proprietorship or the sole owner of an entity contracting hereunder as Grantee, and is not able to perform the Services (defined below) for reasons of death or incapacity; or
- v. Arrest for, conviction of or pleading guilty to an offense involving moral turpitude or a crime involving misuse or misappropriation of funds or property on the part of Grantee, any of its subcontractors, or any of their respective directors, officers, employees, agents, affiliates, designees, and assignees that provide any portion of the Services.
- vi. Grantee or any of Grantee's subcontractors fails to abide by any of the Flow Down Provisions under the Grant Contracts.

3) **Transition Assistance.** In the event of termination of the Agreement, at CIBHS's request, Grantee shall perform all activities, functions and services that are requested by CIBHS to transition the Services to another contractor to effectuate the purpose of the Grant Contracts.

II. OBLIGATIONS OF GRANTEE

1) **Scope of Services.**

(a) Subject to the terms of this Agreement and the Grant Contracts, Grantee shall provide services to persons ages 16 to 25 years old who are at risk of developing an OUD or stimulant use disorders, have an OUD or stimulant use disorder, or are at risk of an opioid or stimulant overdose, which services support the

implementation of the California Youth Opioid Response (“**YOR California**”) program as described in the Grant Contracts. Such services provided by the Grantee are referred to as the “**Services**” in this Agreement. Any services not authorized under the terms of the Agreement shall be at the sole cost and expense of Grantee and will not be compensated by CIBHS, SHF or DHCS and may in the sole and absolute discretion of CIBHS be deemed a material breach of this Agreement.

(b) Grantee and its performance of any Services hereunder shall comply with all applicable terms and conditions set forth in this Agreement and the applicable provisions of the Grant Contracts, including but not limited to the obligations set forth in the following numbered provisions of Attachment 3 of the Subcontractor Agreement (referencing the applicable provision/caption set forth on Exhibit D of the Prime Contract) (attached hereto as Attachment I (Special Terms and Conditions From Prime Contract)):

- 1 - Federal Equal Employment Opportunity Requirements,
- 2 - Travel and Per Diem Reimbursement,
- 3 - Procurement Rules,
- 4 - Equipment Ownership/Inventory/Disposition,
- 7 - Audit and Record Retention,
- 8 - Site Inspection,
- 9 - Federal Contract Funds,
- 11 - Intellectual Property Rights,
- 12 - Air or Water Pollution Requirements,
- 13 - Prior Approval of Training Seminars, Workshops or Conferences,
- 14 - Confidentiality of Information,
- 15 - Documents, Publication and Written Reports,
- 17 – Subrecipient Compliance,
- 19 - Debarment & Suspension Certification,
- 20 - Smoke-Free Workplace Certification,
- 21 – Drug Free Workplace Act of 1988,
- 26 - Officials Not to Benefit,
- 27 - Prohibit Use of State Funds for Software,
- 28 – Use of Disabled Veteran’s Business Enterprises (DVBE)
- 29 - Use of Small, Minority Owned & Women’s Businesses,
- 30 – Use of Small Business Subcontractors,
- 34 - Suspension or Stop Work Notification,
- 35 - Public Communications,

- 37 - Compliance with Statutes & Regulations, and
- 38 - Lobbying Restrictions & Disclosure Certification

(collectively, together with all other obligations, terms and conditions under the Grant Contracts applicable to the Services, the “**Flow Down Provisions**”). Grantee shall ensure that any subcontractor performing Services hereunder shall comply with all applicable terms and conditions set forth in this Agreement and the applicable provisions of the Grant Contracts (including, without limitation, the Flow Down Provisions).

- 2) **Contract Deliverables.** The Services shall conform to Grantee’s contract deliverables plan set forth in Attachment II (Contract Deliverables) attached hereto (as such contract deliverables plan may be adjusted by CIBHS in accordance with the terms hereof, the “**Contract Deliverables**”), and shall also conform to Grantee’s implementation plan (the “Implementation Plan”). The Contract Deliverables shall include a deliverables schedule listing, among other things, key project activities, the number of client services, and encounters/service units associated with each client. Changes to the Contract Deliverables and/or the Implementation Plan require the express prior written consent of CIBHS. In the event that Grantee fails to perform the Services in accordance with the terms of this Agreement (including, without limitation, failure to abide by the Contract Deliverables or Budget in any respect), CIBHS reserves the right to adjust the Contract Deliverables (including, without limitation, by modifying the deliverables schedule) as CIBHS determines in its sole discretion.
- 3) **Budget.** The Services shall be performed in accordance with the Grantee’s budget set forth in Attachment III (Budget) attached hereto (as such budget may be adjusted by CIBHS in accordance with the terms hereof, the “**Budget**”). Changes to the Budget require the express prior written consent of CIBHS; provided, however, that reallocations of funds totaling not more than fifteen percent (15%) of the total Budget amount to different categories within the Budget may be implemented by Grantee with prior written notice to CIBHS. In the event that Grantee fails to perform the Services in accordance with the terms of this Agreement (including, without limitation, failure to abide by the Implementation Plan or Budget in any respect), CIBHS reserves the right to adjust the Budget or payment schedule (including, without limitation, by reducing such budget or modifying such schedule) as CIBHS determines in its sole discretion.

- 4) **Permitted Subcontractors.** Grantee may subcontract any portion of the Services to a subcontractor, subject to CIBHS's prior express written consent. The subcontractors approved by CIBHS as of the Effective Date are set forth on Attachment IV (Subcontractors). Grantee shall ensure that each subcontractor is bound by the terms and conditions of this Agreement. Grantee shall ensure that each of its subcontractors obtains prior express written consent from CIBHS prior to further subcontracting any portion of the Services.
- 5) **Licensed Facilities and Personnel.** All Services conducted by Grantee shall be provided in facilities that are duly licensed and duly certified, as applicable, by the State of California, any other applicable governmental body, or professional organization. All personnel providing Services shall be duly licensed and, as applicable, duly certified and sufficiently trained, as required by the State of California or any other applicable governmental body, or professional organization.
- 6) **Charges for Services.** Grantee shall not, directly or indirectly (including through any subcontractors), charge a fee for Services to any recipient of Services or any other third party (other than CIBHS).
- 7) **Acknowledgement of Financial Support.** In performing the Services, Grantee shall inform all persons admitted to any of the Grantee's or their subcontractors' treatment programs, and all persons engaged in any of Grantee's planning, prevention, or intervention programs, and all other stakeholders, that the Services are funded by a federal grant under the State Opioid Response program. Grantee shall acknowledge this source of funding in any and all public information released regarding the Services. Such releases shall contain a credit reading substantially as follows:

"This service is supported by a federal grant under the State Opioid Response program, with funding provided by the California Department of Health Care Services."
- 8) **Public Information.** Grantee shall submit all written (or otherwise recorded) materials produced for public distribution in connection with the Services to the CIBHS Program Director, or his or her designee, at the address provided by CIBHS to Grantee, for review and approval prior to public distribution of such materials. For purposes of this paragraph, "public distribution" refers to the distribution of materials to any person other than CIBHS or Grantee's or its subcontractors'

directors, officers, employees, agents, affiliates, designees and assignees. All such material, and any other reports, analyses or other documents whose creation is supported by funds provided under this Agreement shall be in the public domain.

- 9) **Reports.** Grantee shall prepare and submit to CIBHS such periodic reports as may be required by CIBHS, SHF or DHCS for YOR California project management, including, but not limited to, the following:

a) **Performance Reports.** Grantee shall prepare and submit, in the time, form, and manner required by CIBHS, monthly and quarterly performance reports providing a status update on the (i) action steps and progress measures for each objective in the Contract Deliverables and (ii) a report of unduplicated clients seen, prepared in the form and manner prescribed by CIBHS; provided, however, that such report does not contain the personally identifiable health information or any other personally identifiable information of any person (other than the name and identifying information of the person submitting the report to CIBHS on Grantee's behalf).

b) **Final Performance Report.** No later than thirty (30) days following the expiration or termination of the Term, Grantee shall prepare and submit to CIBHS a final performance report in the form and manner prescribed by CIBHS.

10) **Record Retention and Audits.**

a. Grantee shall, and Grantee shall ensure that each subcontractor shall, retain all books, documents, papers, and records, including all financial records, supporting documents, statistical records, and all other records related to the Services and this Agreement (collectively, the "**Records**"). By way of example, and not by way of limitation, Grantee shall, and Grantee shall ensure that its subcontractors shall, retain for the period specified in Subsection (d) of this Section 10, all timesheets, receipts, and similar records associated with Grantee's invoices for Services.

b. Grantee shall, and Grantee shall ensure that each subcontractor shall, be subject at all reasonable times to inspection of facilities and offices as may be engaged in the performance of this Agreement, including the audit and reproduction of respective Records related to the performance of this Agreement.

- c. Grantee shall, and Grantee shall ensure that each subcontractor shall, agree that CIBHS has the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement, and allow auditors' access to such Records during normal business hours, and to interview any employees who might reasonably have information related to such Records. Further, the Grantee agrees, and shall ensure that each subcontract shall agree, to include the DHCS, SHF, federal Department of General Services, the federal Bureau of State Audits, or their designated representatives including the Comptroller General of the United States (collectively, the "**Governmental Auditors**") to audit records and interview staff related to performance of this Agreement.
- d. Grantee shall, and Grantee shall ensure that each subcontractor shall, preserve and make available the Records (1) for a period of three (3) years from the date of final payment under this Agreement, and (2) for such longer period, if:
 - i. this Agreement is completely or partially terminated, then the Records relating to the work terminated shall be preserved and made available for a period of three (3) years from the date of any resulting final settlement; or
 - ii. any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, then the Records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. Grantee and each subcontractor may, at its discretion, following receipt of final payment under this Agreement, reduce its Records related to this Agreement to microfilm, computer disk, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said Records, the Grantee shall, and Grantee shall ensure that each subcontractor shall, supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records.

- f. Grantee shall, and Grantee shall ensure that each subcontractor shall, comply with the Single Audit Act and the audit requirements set forth in 2 C.F.R. § 200.501 (2014), if applicable.
- 11) **Site Inspection.** Grantee agrees that CIBHS and any authorized representative of the State of California (the “**State Authorized Representatives**”), has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities, and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Grantee or subcontractor, the Grantee shall provide, and shall require subcontractors to provide, all reasonable facilities and assistance for the safety and convenience of CIBHS and any State Authorized Representatives in the performance of their duties.
- 12) **Personally Identifiable Information.** Grantee shall, and shall ensure that each subcontractor shall, maintain reasonable security of all personally identifiable information (including but not limited to personal health information), and comply with all applicable legal requirements relating to such information, including requirements relating to safeguarding, storing, transmitting, sharing, and destroying such information, and breach notification requirements.
- Grantee shall not, and shall ensure that each subcontractor shall not, share personally identifiable information (including but not limited to personal health information) with CIBHS (excluding the personally identifiable information of Grantee’s or its subcontractors’ directors, officers, employees, agents, affiliates, and designees, in connection with Grantee’s performance under this Agreement).
- 13) **Workers’ Compensation.** Grantee shall maintain, and shall ensure that each subcontractor maintains, at its own cost and expense, workers compensation insurance for all persons performing Services during the Term.
- 14) **Liability Insurance.** Grantee shall, at Grantee’s sole cost and expense and with insurers reasonably approved by CIBHS with respect to any policy required hereunder, maintain in full force and effect for the entire term of this Agreement the following types of insurance:
- a. Commercial General Liability Insurance. Grantee shall maintain, and shall ensure that each subcontractor maintains, at its own cost and expense, commercial general liability insurance with a limit of at least One Million

Dollars (\$1,000,000) per occurrence for bodily injury and property damage liability combined and at least Two Million Dollars (\$2,000,000) products/completed operations with a Two Million Dollars (\$2,000,000) general aggregate limit. Grantee shall require CIBHS's approval if Grantee's general liability policy contains a deductible greater than Twenty-Five Thousand Dollars (\$25,000). The general liability Insurance policy must expressly cover, without limitation, all liability to third parties arising out of or related to Grantee's services or other activities associated with this Agreement, including, without limitation, Grantee's obligations under the Indemnification section set forth in Section V of this Agreement.

- b. Additional Insureds added to General Liability Policy. Sierra Health Foundation: Center for Health Program Management, the California Department of Health Care Services, CIBHS and their respective officers, directors, agents, representatives, constituent entities, affiliates, volunteers, officials, parents, subsidiaries, governing boards, and employees as additional insureds ("Additional Insureds") under each commercial general liability policy identified in the preceding paragraph above. Specifically, the policy shall include a combination of ISO forms CG2010 10/04 and CG 2037 10/04 or is equivalent. Furthermore, the policy shall apply as primary insurance and that any other insurance coverage carried by or otherwise available to an "Additional Insured" will be excess only and will not contribute with this insurance.
- c. Workers Compensation Insurance. Grantor shall procure and maintain Workers Compensation Insurance with minimum limits of One Million Dollars (\$1,000,000) each for bodily injury by accident (per accident per person), bodily injury by disease (policy limit) and bodily injury by disease (each employee). Grantee must maintain such a policy and provide CIBHS with a certificate of insurance that includes a waiver of subrogation endorsement.
- d. Automobile Insurance. Grantee shall procure and maintain Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles, with minimum limits of One Million Dollars (\$1,000,000) combined single limit per occurrence; such coverage must be for (A) "any auto" or (B) "all owned autos, hired autos and non-owned autos". Furthermore, in the event that ten or more passengers are to be transported in any one such motor vehicle, the operator will also hold a

State of California Class B driver's license and the Grantee must possess automobile liability insurance in the amount of Five Million Dollars (\$5,000,000) per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle reimbursed with grant funds made available under this Agreement. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned vehicles. Grantee agrees to include an Additional Insured Endorsement naming Sierra Health Foundation: Center for Health Program Management, the California Department of Health Care Services, Sierra Health Foundation, CIBHS and their respective officers, directors, agents, representatives, constituent entities, affiliates, volunteers, officials, parents, subsidiaries, governing boards, and employees as additional insureds under ISO form CA 2048 or equivalent. Grantee will, as soon as practicable, furnish a copy of the certificate of insurance to CIBHS. The certificate of insurance will identify The Grant Contract numbers referenced in the recitals of this Agreement.

- e. Additional Coverage/Increased Coverage Amounts. From time to time during the term of this Agreement, CIBHS may in its reasonable discretion require that Grantee (or any of its subcontractors) obtain additional insurance coverage (e.g., professional liability or other coverage) or increase the amount of insurance coverage for existing policies required under this Agreement or the Grant Contracts. Grantee shall promptly obtain, and Grantee shall ensure that any subcontractor shall promptly obtain, any such additional insurance coverage or increased insurance coverage.
- f. General Insurance Provisions. Grantee will provide evidence of any insurance coverage to CIBHS within five (5) business days after the Effective Date. The certificates of insurance must include the name of the project: California Youth Opioid Response Program. It is understood and agreed that CIBHS shall not pay any sum to Grantee under this Agreement unless all insurance required by this Agreement is in force at the time that Services subject to such payment are rendered and Grantee has delivered evidence of same to CIBHS. Grantee agrees to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage on an annual basis. Grantee's general liability, auto liability and

professional insurance must be issued by responsible insurance companies, maintaining an A.M. Best's Rating of A-VI or better. Upon failure of Grantee to furnish, deliver and maintain such insurance as above provided, this contract, at the election of CIBHS, may be suspended, discontinued or terminated. Failure of Grantee to purchase and/or maintain any required insurance shall not relieve Grantee from any liability or indemnification under the Agreement.

- g. Insurance Costs. For the avoidance of doubt, CIBHS will not be responsible for any premiums, deductibles, or assessments on the insurance policy.

15) **Disclosures of Violations of Federal Criminal Law.** The Grantee shall timely disclose, in writing to CIBHS all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Grant Contracts or the Services.

16) **Recovery of Overpayments.** If an audit by CIBHS, SHF, DHCS, or any other third party results in a finding that Grantee received an overpayment, Grantee shall promptly remit to CIBHS the overpaid funds in full within thirty (30) days of CIBHS's request for such repayment, or upon mutual consent of the Parties, the Parties may establish a repayment schedule for such funds. Interest on the overpayment shall accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund of the Office of the State Treasurer of California commencing on the date that an audit or examination finding is mailed to the Grantee, beginning thirty (30) days after the Grantee's receipt of CIBHS's demand for repayment.

17) **HIPAA Business Associate Addendum:** At CIBHS' request, Grantee agrees to execute a business associate addendum under the Health Insurance Portability and Accountability Act (HIPAA) and its implementing regulations in form and substance contemplated by the Grant Contracts.

III. OBLIGATIONS OF CIBHS

1) **Payment.** CIBHS shall authorize payment to Grantee to reimburse Grantee for its actual costs of providing the Services, or upon completion of certain deliverables or products associated with the Services, as specified in the Contract Deliverables and Budget, and on the terms and subject to the conditions set forth in this Agreement.

In no event shall total payment for Services under this Agreement exceed _____. This amount shall not be construed as a guaranteed sum, and compensation shall be based upon the Budget as the Budget may be adjusted by CIBHS in accordance with the terms hereof.

Notwithstanding the foregoing or any contrary provision of this Agreement, CIBHS will have no obligation to pay Grantee until CIBHS has received funds for such payment from SHF or DHCS, as the case may be.

- 2) **Taxes.** Unless otherwise expressly provided in the Budget, (i) Grantee shall be solely responsible for any applicable sales or use tax; and (ii) all Grantee's fees and expenses set forth in the Budget are deemed inclusive of all forms and types of taxes in all jurisdictions. In no event will CIBHS owe any taxes attributable to Grantee's income.
- 3) **Reimbursement of Expenses (Travel and Per Diem).** Grantee's reimbursement for travel and per diem expenses associated with performing the Services shall not exceed the rates currently in effect, set forth in Section 2 of Attachment I (rates published by the California Department of Human Resources, ("CalHR") as of the Effective Date). If the CalHR travel reimbursement rates change during the Term, the updated travel reimbursement rates shall apply upon their effective date, and no amendment to this Agreement shall be necessary. No travel outside the State of California shall be reimbursed without prior authorization from CIBHS. Any authorization shall be confirmed in writing and may be in the form of fax or email confirmation.
- 4) **Invoices and Reports.** Payment by CIBHS for Services shall be made only upon presentation by Grantee of an invoice, all applicable performance and cost reports containing descriptions of Grantee's costs supporting the amounts on the invoice, and other supporting documentation CIBHS may request, in the manner and form prescribed by CIBHS.

IV. REPRESENTATIONS, WARRANTIES AND COVENANTS OF GRANTEE

- 1) **No Conflict; Binding Obligation.** Grantee is a legal entity (if applicable), duly formed and validly existing under the laws of the State of California. Grantee represents and warrants to CIBHS that, as of the Effective Date, neither the execution, delivery nor performance of this Agreement constitutes a breach or violation of any contract or agreement to which Grantee is a party or by which it

is bound and during the Term Grantee will not acquire any interests or obligations which conflict with or hamper its ability to perform as required by this Agreement.

- 2) **Due Authorization.** The execution and delivery of the Agreement and the performance of Grantee's obligations hereunder have been duly authorized by all necessary action of Grantee. The person signing this Agreement on behalf of Grantee is a duly authorized officer of the Grantee and has the legal capacity to execute and deliver this Agreement on behalf of Grantee.
- 3) **Professional Performance.** Grantee covenants to CIBHS that, during the Term, Grantee will perform the Services in a professional and workmanlike manner.
- 4) **Binding Obligation.** The Agreement is a valid and legal agreement binding the Grantee, and enforceable in accordance with its terms, subject only to bankruptcy, insolvency, reorganization, moratoriums, or similar laws at the time in effect affecting the enforceability or rights of creditors generally and by general equitable principles which may limit the right to obtain equitable remedies.
- 5) **Compliance with Laws; No Discrimination; No Harassment.** During the Term, Grantee shall comply, and shall ensure that each of its subcontractors complies, with all applicable laws, regulations, ordinances, and other legal requirements, including, but not limited to, all laws relating to confidentiality, privacy, and information security, non-discrimination and harassment, applicable sections of 45 C.F.R. Part 75 (Uniform Administrative Requirements, Cost Principles, And Audit Requirements For HHS Awards), the California Fair Employment and Housing Act (Cal. Gov. Code § 12900 *et seq.*), and the applicable regulations promulgated thereunder (including 2 C.C.R. § 11102). By way of example and not by way of limitation, Grantee shall not, and shall ensure that each of its subcontractors does not, unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition (including HIV and AIDS status), age, or marital status, nor shall family care leave be denied, except as permitted under applicable law.
- 6) **Conflicts of Interest.** The Grantee shall disclose in writing to CIBHS any potential conflict of interest in accordance with Health and Human Services' (the "HHS") grant policy.

- 7) **Americans with Disabilities Act.** Grantee agrees to ensure that deliverables developed and produced pursuant to this Agreement shall comply with the accessibility requirements of Section 508 of the Rehabilitation Act and the Americans with Disabilities Act of 1973 as amended (29 U.S.C. § 794 (d)), and regulations implementing that Act as set forth in Part 1194 of Title 36 of the Federal Code of Regulations. In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (the “EIT”) accessible to people with disabilities. California Government Code section 11135 codifies section 508 of the Act requiring accessibility of electronic and information technology.
- 8) **Non-Infringement.** All materials produced by or on behalf of Grantee or its subcontractors in connection with the Services shall be free from materials that infringe the copyright, trademark, or other intellectual property rights of third parties.
- 9) **Confidentiality of Information.** The Grantee agrees to comply with, and shall ensure that any of its subcontractors shall comply with, all confidentiality and non-disclosure requirements applicable to the services performed under this Agreement including, without limitation, the requirements of the Health Insurance Portability and Accountability Act of 1996, as amended, and its implementing regulations at 42 CFR Part 2. Without limiting the generality of the foregoing, the Grantee and its employees, agents, or subcontractors shall maintain the confidentiality of, and shall protect from unauthorized disclosure, the names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Grantee, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person. In addition, the Grantee and its employees, agents, or subcontractors shall not use such identifying information for any purpose other than carrying out the Grantee's obligations under this Agreement.

V. INDEMNIFICATION AND LIMITATION OF LIABILITY

- 1) **Indemnity by Grantee.** Grantee, at its own expense, shall indemnify, defend and hold CIBHS, its directors, officers, employees, agents, affiliates, designees and assignees (collectively, the “Indemnitees”) harmless from and against any and all suits, causes of action, proceedings, loss, damage, liability or expense, including

defense costs and legal fees, and claims of any nature, including but not limited to, damage to property and personal injuries, including death, arising out of or resulting from any negligent act or omission of Grantee, any of its subcontractors or agents, or any of their respective directors, officers, employees, agents, affiliates, designees and assignees, relating to their performance on behalf of Grantee under or relating to this Agreement. Grantee, at its expense, shall defend any suit or dispose of any claim or other proceeding brought against the Indemnitees on account of such damage or injury, and shall pay all expenses, including attorney's fees, and satisfy all judgments which may be incurred by or rendered against the Indemnitees. The Indemnitees shall maintain full control and all decision-making rights in connection with any suits, causes of action, or proceedings described in this Section V(1) (Indemnity by Grantee).

- 2) **Limitations of Liability.** In no event shall CIBHS be liable to the Grantee for claims directly arising from this Agreement for: (i) any amount beyond the specified amount payable to Grantee hereunder, or (ii) any indirect, incidental, consequential, special, or punitive losses, including lost profits. The Parties agree that this limitation of liability reflects the allocation of risk among the Parties and the payment agreed upon herein reflects this limitation of liability. Upon receipt of the final payment due to Grantee pursuant to this Agreement, Grantee agrees to release and discharge CIBHS and all Indemnitees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from or related to the Agreement.

VI. GENERAL PROVISIONS

- 1) **Entire Agreement.** This Agreement represents the entire and sole agreement between the Parties with respect to the subject matter hereof and supersedes any and all prior negotiations, understandings, representations or agreements whether written or oral. All attachments to this Agreement are incorporated and made a part of this Agreement by this reference.
- 2) **Interpretation.** In the event of a conflict between the body of this Agreement and any of its attachments, the following order of priority shall be given to interpreting the intent of the Parties with respect to such documents: (1) Attachment I (Special Terms and Conditions From Prime Contract), (2) the body of this Agreement, (3) Attachment II (Contract Deliverables), (4) Attachment III (Budget), and (5) Attachment IV (Subcontractors).

- 3) **Waiver.** The failure of either Party to require performance by the other Party of any provision hereof shall in no way affect the right to require performance at any time thereafter, nor shall the waiver of a breach of any provision hereof be taken to be a waiver of any succeeding breach of such provision or as a waiver of the provision itself. All remedies afforded in this Agreement shall be taken and construed as cumulative and in addition to every other remedy available at law or in equity.
- 4) **Relationship.** Nothing herein contained shall be construed to imply a joint venture, partnership or principal-agent relationship between Grantee and CIBHS, and neither Party shall have the right, power or authority to obligate or bind the other Party in any manner whatsoever, except as otherwise expressly agreed in writing.
- 5) **Use of CIBHS Name and Logo.** Except as provided in Section II(7) (Acknowledgement of Financial Support), Grantee shall not use the CIBHS name or logo in any written materials or publications without CIBHS's express prior written consent.
- 6) **Public Communications.** Electronic and printed documents developed and produced, for public communications shall comply with Section 508 of the Rehabilitation Act and the American with Disabilities Act.
- 7) **Assignment and Delegation.** Neither this Agreement nor any duties or obligations under this Agreement may be assigned by Grantee (including through a change in control of Grantee, or other assignment as a matter of law) without the prior written consent of CIBHS. Subject to the foregoing, this Agreement shall inure to the benefit of and be binding upon the successors, legal representatives and assignees of the Parties hereto.
- 8) **Severability.** If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary and possible to render it valid and enforceable. In any event, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in full force and effect, and be construed and enforced as if such provision had not been included, or had been modified as above provided, as the case may be.

- 9) **Paragraph Headings.** The paragraph headings set forth in this Agreement are for the convenience of the Parties, and in no way define, limit, or describe the scope or intent of this Agreement and are to be given no legal effect.
- 10) **Survival.** The respective rights and obligations of the Parties under Sections II (Obligations of Grantee), IV (Representations, Warranties, and Covenants of Grantee), V (Indemnification and Limitation of Liability), and VI (General Provision) shall survive the termination or expiration of this Agreement.
- 11) **Amendment.** Except as otherwise set forth in this Agreement, this Agreement may not be modified or amended, except in writing by each Party. The Parties agree to take such action as is necessary to amend this Agreement from time to time for CIBHS to comply with applicable legal requirements, the Grant Contracts, and any other state or federal grants.
- 12) **No Third Party Beneficiaries.** Except as otherwise expressly provided herein, this Agreement is not intended to confer, nor shall anything in this Agreement confer, upon any person other than the Parties hereto, any rights, remedies, obligations, or liabilities whatsoever.
- 13) **Notices.** Any notices to be given hereunder shall be made via U.S. mail or express courier or hand delivery to the other Party's address set forth on the first page of this Agreement.
- 14) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to principles of conflicts of law. Any suit or proceeding relating to this Agreement will be brought in the exclusive jurisdiction of the state or federal court in Sacramento, California. Each of the Parties consent to the exclusive personal jurisdiction and venue of such court.
- 15) **Costs and Attorney Fees.** Except as set forth in Section V(1) (Indemnity by Grantee), each Party shall pay their own attorney fees, court costs, costs of investigation, expert fees and other related expenses incurred in connection with any enforcement of rights under this Agreement. Except as otherwise expressly set forth herein, each Party shall be responsible for all expenses incurred by it in the course of its performance under this Agreement.

- 16) **Injunctive Relief.** The Parties recognize that a remedy at law for a breach of the provisions of this Agreement may not be adequate, and accordingly the Parties shall have the right to obtain, in addition to any other relief and remedies available to it, injunctive relief to enforce the provisions of this Agreement.
- 17) **Ambiguities.** The language used in this Agreement shall be deemed to be jointly drafted by the Parties, and no rule of strict construction shall be applied for or against any Party by reason of such Party being deemed the principal drafter of this Agreement.
- 18) **Counterparts.** This Agreement may be executed in multiple counterparts, including by electronic signature and exchange of documents in .PDF format, each of which shall be deemed to be an original, and all such counterparts shall constitute one instrument.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the Effective Date by their duly authorized representatives.

Grantee:

CIBHS:

California Institute for Behavioral
Health Solutions

Signature

Signature

Print Name

Percy Howard III, LCSW
Print Name

Title

President and CEO
Title

Date

Date

Tax ID #

68-0314970
Tax ID #

Signature Page to California Youth Opioid Response Services Contract

Attachment I
Special Terms and Conditions From Prime Contract

Exhibit D

Special Terms and Conditions

The provisions herein apply to this Agreement **unless** the applicable conditions do not exist, the provisions are superseded by an alternate provision appearing elsewhere in this Agreement, or the provisions are removed by reference on the face of this Agreement.

The use of headings or titles throughout this exhibit is for convenience only and will not be used to interpret or to govern the meaning of any specific term or condition.

The terms "contract", "Contractor" and "Subcontractor" will also mean, "agreement", "grant", "grant agreement", "Grantee" and "Subgrantee" respectively.

The terms "California Department of Health Care Services", "California Department of Health Services", "Department of Health Care Services", "Department of Health Services", "CDHCS", "DHCS", "CDHS", and "DHS" will all have the same meaning and refer to the California State agency that is a party to this Agreement.

This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount; agreement is federally funded, etc.).

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1. Federal Equal Opportunity Requirements

(Applicable to all federally funded agreements entered into by the Department of Health Care Services)

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action will include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or DHCS, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices will state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and will post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 Code of Federal Regulations (C.F.R.) Part 60, "Office of the Federal Contract Compliance

Programs, Equal Employment Opportunity, Department of Labor,” and of the rules, regulations, and relevant orders of the Secretary of Labor.

- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, ‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’ and as supplemented by regulation at 41 C.F.R. Part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, ‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’ and as supplemented by regulation at 41 C.F.R. Part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, ‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’ and as supplemented by regulation at 41 C.F.R. Part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. § 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or DHCS may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHCS, the Contractor may request in writing to DHCS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

2. Travel and Per Diem Reimbursement

(Applicable if travel and/or per diem expenses are reimbursed with agreement funds.)

Reimbursement for travel and per diem expenses from DHCS under this Agreement will, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (CalHR), for non-represented state employees as stipulated in DHCS' Travel Reimbursement Information Exhibit. If the CalHR rates change during the term of the Agreement, the new rates will apply upon their effective date and no amendment to this Agreement will be necessary. Exceptions to CalHR rates may be approved by DHCS upon the submission of a statement by the Contractor indicating that such rates are not available to the Contractor. No travel outside the State of California will be reimbursed without prior authorization from DHCS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

3. Procurement Rules

(Applicable to agreements in which equipment/property, commodities and/or supplies are furnished by DHCS or expenses for said items are reimbursed by DHCS with state or federal funds provided under the Agreement.)

a. Equipment/Property definitions

Wherever the term equipment and/or property is used, the following definitions will apply:

- 1) **Major equipment/property:** A tangible or intangible item having a base unit cost of **\$5,000 or more** with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.
- 2) **Minor equipment/property:** A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more and is either furnished by DHCS or the cost is reimbursed through this Agreement.

b. **Government and public entities (including state colleges/universities and auxiliary organizations)**, whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 will also apply, if equipment/property purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.

c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment/property and services related to such purchases for performance under this Agreement.

- 1) Equipment/property purchases must not exceed \$50,000 annually.

To secure equipment/property above the annual maximum limit of \$50,000, the Contractor must make arrangements through the appropriate DHCS Program Contract Manager, to have all remaining equipment/property purchased through DHCS' Purchasing Unit. The cost of equipment/property purchased by or through DHCS will be deducted from the funds available in this Agreement. Contractor will submit to the DHCS Program Contract Manager a list of equipment/property specifications for those items that the State must procure. DHCS may pay the vendor directly for such arranged equipment/property purchases and title to the equipment/property will remain with DHCS. The equipment/property will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the DHCS Program Contract Manager, in writing, of an alternate delivery address.

- 2) All equipment/property purchases are subject to Paragraphs d through h of Provision 3. Paragraph b of Provision 3 will also apply, if equipment/property purchases are delegated to subcontractors that are either a government or public entity.
- 3) Nonprofit organizations and commercial businesses must use a procurement system that meets the following standards:
 - a) Maintain a code or standard of conduct that will govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent will participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.
 - b) Procurements must be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
 - c) Procurements must be conducted in a manner that provides for all of the following:
 - i. Avoid purchasing unnecessary or duplicate items.
 - ii. Equipment/property solicitations must be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - iii. Take positive steps to utilize small and veteran owned businesses.
 - d. Unless waived or otherwise stipulated in writing by DHCS, prior written authorization from the appropriate DHCS Program Contract Manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment/property, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHCS, for evaluating the necessity or

desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.

- e. In special circumstances, determined by DHCS (e.g., when DHCS has a need to monitor certain purchases, etc.), DHCS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. DHCS reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHCS determines to be unnecessary in carrying out performance under this Agreement.
- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) must also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. DHCS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Contractor no less than 30 calendar days written notice.

4. Equipment / Property Ownership / Inventory / Disposition

(Applicable to agreements in which equipment/property is furnished by DHCS and/or when said items are purchased or reimbursed by DHCS with state or federal funds provided under the Agreement.)

- a. Wherever the term equipment and/or property is used in Provision 4, the definitions in Paragraph a of Provision 3 will apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that is purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement will be considered state equipment and the property of DHCS.

1) Reporting of Equipment/Property Receipt

DHCS requires the reporting, tagging and annual inventorying of all equipment and/or property that is furnished by DHCS or purchased/reimbursed with funds provided through this Agreement.

Upon receipt of equipment and/or property, the Contractor must report the receipt to the DHCS Program Contract Manager. To report the receipt of said items and to receive property tags, Contractor must use a form or format designated by DHCS' Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with DHCS Funds) does not accompany this Agreement, Contractor must request a copy from the DHCS Program Contract Manager.

2) Annual Equipment/Property Inventory

If the Contractor enters into an agreement with a term of more than twelve months, the Contractor must submit an annual inventory of state equipment and/or property to the DHCS Program Contract Manager using a form or format designated by DHCS' Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of DHCS-Funded Equipment) does not accompany this Agreement, Contractor must request a copy from the DHCS Program Contract Manager. Contractor must:

- a) Include in the inventory report, equipment and/or property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
 - b) Submit the inventory report to DHCS according to the instructions appearing on the inventory form or issued by the DHCS Program Contract Manager.
 - c) Contact the DHCS Program Contract Manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by either the DHCS Program Contract Manager or DHCS' Asset Management Unit.
- b. Title to State equipment and/or property will not be affected by its incorporation or attachment to any property not owned by the State.
 - c. Unless otherwise stipulated, DHCS will be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or property.
 - d. The Contractor and/or Subcontractor must maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.
- 1) In administering this provision, DHCS may require the Contractor and/or Subcontractor to repair or replace, to DHCS' satisfaction, any damaged, lost or stolen state equipment and/or property. In the event of state equipment and/or miscellaneous property theft, Contractor and/or Subcontractor must immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor must promptly submit one copy of the theft report to the DHCS Program Contract Manager.

- e. Unless otherwise stipulated by the Program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, must only be used for performance of this Agreement or another DHCS agreement.
- f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Contractor must provide a final inventory report of equipment and/or property to the DHCS Program Contract Manager and must, at that time, query DHCS as to the requirements, including the manner and method, of returning state equipment and/or property to DHCS. Final disposition of equipment and/or property will be at DHCS expense and according to DHCS instructions. Equipment and/or property disposition instructions will be issued by DHCS immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, DHCS may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different DHCS agreement.

g. Motor Vehicles

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under this Agreement.)

- 1) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, within thirty (30) calendar days prior to the termination or end of this Agreement, the Contractor and/or Subcontractor must return such vehicles to DHCS and must deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to DHCS.
- 2) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, the State of California will be the legal owner of said motor vehicles and the Contractor will be the registered owner. The Contractor and/or a subcontractor may only use said vehicles for performance and under the terms of this Agreement.
- 3) The Contractor and/or Subcontractor agree that all operators of motor vehicles, purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, must hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator must also hold a State of California Class B driver's license.
- 4) If any motor vehicle is purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, the Contractor and/or Subcontractor, as applicable, must provide, maintain, and certify that, at a minimum, the following type and amount of automobile liability insurance is in effect during the term of this Agreement or any extension period during which any vehicle remains in the Contractor's and/or Subcontractor's possession:

Automobile Liability Insurance

- a) The Contractor, by signing this Agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by DHCS under the terms of this Agreement, to the Contractor and/or Subcontractor.
- b) The Contractor and/or Subcontractor must, as soon as practical, furnish a copy of the certificate of insurance to the DHCS Program Contract Manager. The certificate of insurance must identify the DHCS contract or agreement number for which the insurance applies.
- c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, will remain in effect at all times during the term of this Agreement or until such time as the motor vehicle is returned to DHCS.
- d) The Contractor and/or Subcontractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this Agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- e) The Contractor and/or Subcontractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - I. The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State (California Department of Health Care Services).
 - II. The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this Agreement and any extension or continuation of this Agreement.
 - III. The insurance carrier must notify the California Department of Health Care Services (DHCS), in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices will contain a reference to each agreement number for which the insurance was obtained.
- f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance

Management. The Contractor will be notified by DHCS, in writing, if this provision is applicable to this Agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services will be performed prior to obtaining said approval.

- g) In the event the Contractor and/or Subcontractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, DHCS may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

5. Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor must obtain at least three bids or justify a sole source award.
 - 1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - 2) DHCS may identify the information needed to fulfill this requirement.
 - 3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - a) A local governmental entity or the federal government,
 - b) A State college or State university from any State,
 - c) A Joint Powers Authority,
 - d) An auxiliary organization of a California State University or a California community college,
 - e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - g) Firms or individuals proposed for use and approved by DHCS' funding program via acceptance of an application or proposal for funding or pre/post contract award negotiations,
 - h) Entities and/or service types identified as exempt from advertising and competitive bidding in [State Contracting Manual Volume 1 Chapter 5 Section 5.80 Subsection B.](#)

- i) Entities whose name and budgeted costs have been submitted to DHCS in response to a competitive Invitation for Bid or Request for Proposal.
- b. Agreements with governmental or public entities and their auxiliaries, or a Joint Powers Authority
 - 1) If the total amount of all subcontracts exceeds twenty-five percent (25%) of the total agreement amount or \$50,000, whichever is less and each subcontract is not with an entity or of a service type described in paragraph a(3) herein, DHCS will:
 - a) Obtain approval from DGS to use said subcontracts, or
 - b) If applicable, obtain a certification from the prime Contractor indicating that each subcontractor was selected pursuant to a competitive bidding process requiring at least three bids from responsible bidders, or
 - c) Obtain attestation from the Secretary of the California Health and Human Services Agency attesting that the selection of the particular subcontractor(s) without competitive bidding was necessary to promote DHCS' program needs and was not done for the purpose of circumventing competitive bidding requirements.
 - 2) When the conditions of b(1) apply, each subcontract that is not with a type of entity or of a service type described in paragraph a(3) herein, must not commence work before DHCS has obtained applicable prior approval to use said subcontractor. DHCS will inform the Contractor when DHCS has obtained appropriate approval to use said subcontractors.
- c. DHCS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.
 - 1) Upon receipt of a written notice from DHCS requiring the substitution and/or termination of a subcontract, the Contractor must take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHCS.
 - 2) The requirements specified in Provision 28 entitled, "Use of Disabled Veteran Business Enterprises (DVBEs)" will apply to the use and substitution of DVBE subcontractors.
 - 3) The requirements specified in Provision 30 entitled, "Use of Small Business Subcontractors" will apply to the use and substitution of small business subcontractors.
- d. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHCS. DHCS may, at its discretion, elect to waive this right. All such waivers must be confirmed in writing by DHCS.

- e. Contractor must maintain a copy of each subcontract entered into in support of this Agreement and must, upon request by DHCS, make copies available for approval, inspection, or audit.
- f. DHCS assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
- g. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
- h. When entering into a consulting agreement with DHCS, the contract must include detailed criteria and a mandatory progress schedule for the performance of the contract, and must require Contractor to provide a detailed analysis of the costs of performing the contract.
- i. The Contractor must ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.
- j. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from DHCS to the Contractor, to permit DHCS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
- k. Unless otherwise stipulated in writing by DHCS, the Contractor will be the subcontractor's sole point of contact for all matters related to performance and payment under this Agreement.
- l. Contractor must, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 18, 19, 20, 32, 37, 38 and/or other numbered provisions herein that are deemed applicable.

6. Income Restrictions

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement must be paid by the Contractor to DHCS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHCS under this Agreement.

7. Audit and Record Retention

(Applicable to agreements in excess of \$10,000.)

- a. The Contractor and/or Subcontractor must maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's and/or Subcontractor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records must be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHCS, DGS, the California State Auditor, or their designated representatives including, but not limited to, the Comptroller General of the United States will have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Government Code (Gov. Code) § 8546.7, Title 2 Code of California Regulations (C.C.R.), § 1896.77 and other applicable State laws.) The Contractor must comply with the above and be aware of the penalties for violations of fraud and for obstruction of an investigation under applicable State laws.
- d. The Contractor and/or Subcontractor must preserve and make available his/her records (1) for a period of six years for all records related to Disabled Veteran Business Enterprise (DVBE) participation (Military and Veterans Code (Mil. & Vet. Code) § 999.55), if this Agreement involves DVBE participation, and three years for all other contract records from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
 - 1) If this Agreement is completely or partially terminated, the records relating to the work terminated must be preserved and made available for a period of three years from the date of any resulting final settlement.
 - 2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, DVD, or other

data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

- f. For agreements with non-profit entities funded in part or whole with federal funds in the amount of \$750,000 or more, the Contractor must, if applicable, comply with the Single Audit Act and the audit requirements set forth in 2 C.F.R. § 200.501 et seq.
- g. For Direct Service Contracts as defined in Health & Saf. Code § 38040 in the amount of \$25,000 or more, the Contract must comply with the audit requirements set forth in Health & Saf. Code § 38040.

8. Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor must provide and must require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations will be performed in such a manner as will not unduly delay the work.

9. Federal Contract Funds

(Applicable only to that portion of an agreement funded in part or whole with federal funds.)

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- b. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.
- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- d. DHCS has the option to invalidate or cancel the Agreement with 30-days

advance written notice or to amend the Agreement to reflect any reduction in funds.

10. Termination

a. For Cause

The State may terminate this Agreement, in whole or in part, and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination, the State may proceed with the work in any manner deemed proper by the State. All costs to the State will be deducted from any sum due the Contractor under this Agreement and the balance, if any, will be paid to the Contractor upon demand. If this Agreement is terminated, in whole or in part, the State may require the Contractor to transfer title, or in the case of licensed software, license, and deliver to the State any completed deliverables, partially completed deliverables, and any other materials, related to the terminated portion of the Contract, including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding Medicaid claims. The State will pay contract price for completed deliverables delivered and accepted and items the State requires the Contractor to transfer as described in this paragraph above.

b. For Convenience

The State retains the option to terminate this Agreement, in whole or in part, without cause, at the State's convenience, without penalty, provided that written notice has been delivered to the Contractor at least thirty (30) calendar days prior to such termination date. In the event of termination, in whole or in part, under this paragraph, the State may require the Contractor to transfer title, or in the case of licensed software, license, and deliver to the State any completed deliverables, partially completed deliverables, and any other materials related to the terminated portion of the Contract including but not limited to, computer programs, data files, user and operations manuals, system and program documentation, training programs related to the operation and maintenance of the system, and all information necessary for the reimbursement of any outstanding Medicaid claims. The Contractor will be entitled to compensation upon submission of an invoice and proper proof of claim for the services and products satisfactorily rendered, subject to all payment provisions of the Agreement. Payment is limited to expenses necessarily incurred pursuant to this Agreement up to the date of termination.

11. Intellectual Property Rights

(Applicable to all agreements that may be fund, in whole or part, the creation and development Intellectual Property.)

- a. The State will be the owner of all rights, title, and interest in any and all intellectual property or other products or materials created or developed pursuant to this Agreement, whether or not published, produced, manufactured or distributed. The copyright, patent and/or other intellectual property rights to any and all products created, provided or developed, in whole or part, under this Agreement, whether or not published, produced, manufactured or distributed belongs to the State from the moment of creation.
- b. The State retains all rights to use, reproduce, distribute, or display any products or materials created, provided, developed, or produced under this Agreement and any derivative products based on Agreement products or materials, as well as all other rights, privileges, and remedies granted or reserved to a copyright, patent, service mark or trademark owner under statutory and common law.
- c. Contractor agrees to cooperate with State and to execute any document(s) that may be necessary to give the foregoing provisions full force and effect, including but not limited to, an assignment of trademark, copyright or patent rights. Contractor, subject to reasonable availability, agrees to give testimony and take all further acts necessary to acquire, transfer, maintain, and enforce the State's intellectual property rights and interest.
- d. Contractor agrees to cooperate with the State in assuring the State's sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor must require the terms of the Agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to the State all rights, title and interest in Intellectual Property conceived, developed, derived from, or reduced to practice by the subcontractor, Contractor or the State and which result from this Agreement or any subcontract.
- e. Contractor agrees not to incorporate into or make the works developed, dependent upon any original works of authorship or Intellectual Property Rights of third parties without first (a) obtaining State's prior written permission, and (b) granting to or obtaining for State, without additional compensation, a nonexclusive, royalty-free, paid-up, irrevocable, perpetual, world-wide license, to use, reproduce, sell, modify, publicly and privately display and distribute, for any purpose whatsoever, any such prior works.
- f. Contractor will retain title to all of its Intellectual Property to the extent such intellectual Property is in existence prior to the effective date of this Agreement. **Unless otherwise specified in the Statement of Work in contracts other than those funded, in part or whole, by federal funds (see paragraph k below)**, Contractor hereby grants to DHCS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in

the Intellectual Property resulting from this Agreement. Proprietary software packages that are provided at established catalog or market prices and sold or leased to the general public will not be subject to this license provision.

- g. In the case of copyrighted materials, all materials distributed under the terms of this Agreement, and any reproductions or derivative works thereof, must include a notice of copyright in a place that can be visually perceived at the direction of the State. This notice must be placed prominently on products or materials and set apart from other matter on the page or medium where it appears. The notice "Copyright" or "©", the year in which the work was first created, and the Department of Health Care Services DHCS", or other appropriate mark as directed by DHCS, must be included on any such products or materials.
- h. Contractor represents and warrants that:
 - 1) It is free to enter into and fully perform this Agreement.
 - 2) It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
 - 3) Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or the State and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any State, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
 - 4) Neither Contractor's performance nor any part of its performance will violate the right of privacy of or constitute a libel or slander against any person or entity.
 - 5) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real property, sites, locations, property or props that may be used or shown.
 - 6) It has not granted and will not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to the State in this Agreement.
 - 7) It has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition,

operation or maintenance of computer software in violation of copyright laws.

- 8) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.
- i. THE STATE MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.
- j. INTELLECTUAL PROPERTY INDEMNITY
 - 1) Contractor must indemnify, defend and hold harmless the State and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of the State's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or the State and which result directly or indirectly from this Agreement. This indemnity obligation will apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. The State reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against the State.
 - 2) Should any Intellectual Property licensed by the Contractor to the State under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve the State's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to the State. The State will have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for the State to continue using the licensed Intellectual Property; or replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, the State will be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in

equity.

- 3) Contractor agrees that damages alone would be inadequate to compensate the State for breach of any term of this Intellectual Property attachment by Contractor. Contractor acknowledges the State would suffer irreparable harm in the event of such breach and agrees the State will be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.
- k. If this Agreement is funded in whole or part by federal funds, the State will retain all Intellectual Property rights, title, and ownership, which result directly or indirectly from the Agreement pursuant to applicable federal law including, but not limited to, 45 C.F.R. § 75.322 and 45 C.F.R. § 95.617, except as provided in 37 C.F.R. Part 401.14. However, the federal government will have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.
- l. The provisions set forth herein will survive any termination or expiration of this Agreement.

12. Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt by law.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. § 7606), Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, and Environmental Protection Agency regulations.
- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. § 7401 et seq.), as amended, and the Clean Water Act (33 U.S.C. § 1251 et seq.), as amended.

13. Prior Approval of Training Seminars, Workshops or Conferences

Contractor must obtain prior DHCS approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this Agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor must acknowledge the support of the State whenever publicizing the work under this Agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Contractor or Subcontractor to conduct routine business matters.

14. Confidentiality of Information

- a. The Contractor and its employees, agents, or subcontractors must protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- b. The Contractor and its employees, agents, or subcontractors must not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
- c. The Contractor and its employees, agents, or subcontractors must promptly transmit to the DHCS Program Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor must not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than DHCS without prior written authorization from the DHCS Program Contract Manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity will include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
- f. As deemed applicable by DHCS, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

15. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Gov. Code § 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contractual communications) prepared as a requirement of this Agreement must contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts or agreements and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

16. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from DHCS' action in the administration of an agreement. If there is a dispute or grievance

between the Contractor and DHCS, the Contractor must seek resolution using the procedure outlined below.

- 1) The Contractor should first informally discuss the problem with the DHCS Program Contract Manager. If the problem cannot be resolved informally, the Contractor must direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief will render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief will respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - 2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor must include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal must be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee will meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee will be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal. The decision rendered by the Deputy Director or his/her designee will be the final administrative determination by the Department.
- b. Unless otherwise stipulated in writing by DHCS, all dispute, grievance and/or appeal correspondence will be directed to the DHCS Program Contract Manager.
 - c. There are organizational differences within DHCS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor will be notified in writing by the DHCS Program Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.
 - e. Notwithstanding any dispute, the Contractor shall diligently continue performance of the Contract (including matters subject to dispute to the maximum extent possible).

17. Subrecipient Compliance

(Applicable to agreements in which a Subrecipient receives federal funding. This does not apply to Medi-Cal programs.)

Per 2 C.F.R. § 200.93, a Subrecipient is a non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal award. Subrecipients must comply with certain requirements, including without limitation, audit requirements, as set forth in 2 C.F.R. Part 200, as applicable to Subrecipients. Subrecipients may be subject to applicable monitoring activities by DHCS as required in 2 C.F.R. § 200.332.

18. Human Subjects Use Requirements

(Applicable only to federally funded agreements/grants in which performance, directly or through a subcontract/subaward, includes any tests or examination of materials derived from the human body.)

By signing this Agreement, Contractor agrees that if any performance under this Agreement or any subcontract includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. § 263a (CLIA) and the regulations thereunder.

19. Debarment and Suspension Certification

(Applicable to all agreements funded in part or whole with federal funds.)

- a. By signing this Agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 2 C.F.R. Part 180, 2 C.F.R. Part 376.
- b. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - 1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - 2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) violation of Federal or State antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, obstruction of justice, or the commission of any other offense indicating a lack of business integrity or business honesty that seriously affects its business honesty;
 - 3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and

- 4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - 5) Have not, within a three-year period preceding this application/proposal/agreement, engaged in any of the violations listed under 2 C.F.R. Part 180, Subpart C as supplemented by 2 C.F.R. Part 376.
 - 6) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 C.F.R. part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - 7) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor must submit an explanation to the DHCS Program Contract Manager.
 - d. The terms and definitions herein have the meanings set out in 2 C.F.R. Part 180 as supplemented by 2 C.F.R. Part 376.
 - e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHCS may terminate this Agreement for cause or default.

20. Smoke-Free Workplace Certification

(Applicable to federally funded agreements/grants and subcontracts/subawards, that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of

an administrative compliance order on the responsible party.

- c. By signing this Agreement, Contractor or Grantee certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

21. Drug Free Workplace Act of 1988

The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:

- a. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the workplace.
- b. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.
- c. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.
- d. Although alcohol is not a controlled substance, it is nonetheless a drug. It is the policy that abuse of this drug will also not be tolerated in the workplace.
- e. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

22. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, DHCS will have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full

amount of such commission, percentage, and brokerage or contingent fee.

23. Payment Withholds

(Applicable only if a final report is required by this Agreement. Not applicable to government entities.)

Unless waived or otherwise stipulated in this Agreement, DHCS may, at its discretion, withhold 10 percent (10%) of the face amount of the Agreement, 50 percent (50%) of the final invoice, or \$3,000 whichever is greater, until DHCS receives a final report that meets the terms, conditions and/or scope of work requirements of this Agreement.

24. Progress Reports or Meetings

(Applicable to consultant service agreements and, at DHCS' option, other agreements.)

- a. Contractor shall submit progress reports or attend meetings with state personnel at intervals determined by DHCS to determine if the Contractor is on the right track, whether the project is on schedule, provide communication of interim findings, and afford occasions for airing difficulties or special problems encountered so that remedies can be developed quickly.
- b. At the conclusion of this Agreement and if applicable, Contractor shall hold a final meeting at which Contractor shall present any findings, conclusions, and recommendations. If required by this Agreement, Contractor shall submit a comprehensive final report.

25. Performance Evaluation

- a. For all consultant service agreements of \$5000 or more:
 - 1) The Contractor's performance under this Agreement will be evaluated at the conclusion of the term of this Agreement. The evaluation will include, but not be limited to:
 - a) Whether the contracted work or services were completed as specified in the Agreement and reasons for and amount of any cost overruns.
 - b) Whether the contracted work or services met the quality standards specified in the Agreement.
 - c) Whether the Contractor fulfilled all requirements of the Agreement and if not, in what ways the Contractor did not fulfill the contract.
 - d) Factors outside the control of the Contractor, which caused difficulties in Contractor performance. Factors outside the control of the Contractor will not include a Subcontractor's poor performance.
 - e) Other information the awarding agency may require.
 - f) How the Contract results and findings will be utilized to meet the agency goals.

2) The evaluation of the Contractor will not be a public record.

b. For all other agreements except grant agreements:

DHCS may, at its discretion, evaluate the performance of the Contractor at the conclusion of this Agreement. If performance is evaluated, the evaluation will not be a public record and will remain on file with DHCS. Negative performance evaluations may be considered by DHCS prior to making future contract awards.

26. Officials Not to Benefit

No members of or delegate of Congress or the State Legislature will be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision will not be construed to extend to this Agreement if made with a corporation for its general benefits.

27. Prohibited Use of State Funds for Software

(Applicable to agreements in which computer software is used in performance of the work.)

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

28. Use of Disabled Veteran's Business Enterprises (DVBE)

(Applicable to agreements over \$10,000 in which the Contractor committed to achieve DVBE participation. Not applicable to agreements and amendments specifically exempted from DVBE requirements by DHCS.)

- a. The State Legislature has declared that a fair portion of the total purchases and contracts or subcontracts for property and services for the State be placed with disabled veteran business enterprises.
- b. All DVBE participation attachments, however labeled, completed as a condition of bidding, contracting, or amending a subject agreement, are incorporated herein and made a part of this Agreement by this reference.
- c. Contractor agrees to use the proposed DVBEs, as identified in previously submitted DVBE participation attachments. Contractor understands and agrees to comply with the requirements set forth in Mil. & Vet. Code § 999 et seq. in that should award of this Contract be based on part on its commitment to use the DVBE subcontractor(s) identified in its bid or offer, per Mil. & Vet. Code § 999.5(g), a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by both DHCS and the DGS prior to the commencement of any work by the proposed subcontractor. Changes to the scope of work that impact the DVBE subcontractor(s) identified in the bid or offer and approved DVBE substitutions will be documented by contract amendment.

- d. Requests for DVBE subcontractor substitution must include:
 - 1) A written explanation of the reason for the DVBE substitution.
 - 2) A written description of the business enterprise that will be substituted, including its DVBE certification status and contact information.
 - 3) A written description of the work to be performed by the substituted DVBE subcontractor and an identification of the percentage share/dollar amount of the overall contract that the substituted subcontractor will perform.
 - 4) One or more of the permissible justifications for substituting a DVBE subcontractor as found in 2 C.C.R. § 1896.73(g).
- e. Failure of the Contractor to seek substitution and adhere to the DVBE participation level identified in the bid or offer may be cause for contract termination, recovery of damages under rights and remedies due to the State, and penalties as outlined in Mil. & Vet. Code § 999.9 and other applicable State laws.
- f. Upon completion of this Contract, DHCS requires the Contractor to certify using the Prime Contractor's Certification – DVBE Subcontracting Report (STD 817), all of the following:
 - 1) The total amount the prime Contractor received under the Agreement;
 - 2) The name, address, Contract number and certification ID Number of the DVBE(s) that participated in the performance of this Contract;
 - 3) The amount and percentage of work the prime Contractor committed to provide to one or more DVBE(s) under the requirements of the Contract and the total payment each DVBE received from the prime Contractor;
 - 4) That all payments under the Contract have been made to the DVBE(s); and
 - 5) The actual percentage of DVBE participation that was achieved. Upon request, the prime Contractor must provide proof of payment for the work.
- g. If for this Contract the Contractor made a commitment to achieve the DVBE participation goal, the Department will withhold \$10,000 from the final payment, or the full payment if less than \$10,000, until the Contractor complies with the certification requirements above. A Contractor that fails to comply with the certification requirement must, after written notice, be allowed to cure the defect. Notwithstanding any other law, if, after at least 15 calendar days but not more than 30 calendar days from the date of written notice, the prime Contractor refuses to comply with the certification requirements, DHCS will permanently deduct \$10,000 from the final payment, or the full payment if less than \$10,000. (Mil. & Vet. Code § 999.7.)
- h. A person or entity that knowingly provides false information will be subject to a

civil penalty for each violation. (Mil. & Vet. Code § 999.5(d); Govt. Code § 14841.)

- i. Contractor agrees to comply with the rules, regulations, ordinances, and statutes that apply to the DVBE program as defined in § 999 of the Mil. & Vet. Code, including, but not limited to, the requirements of § 999.5(d).

29. Use of Small, Minority Owned and Women's Businesses

(Applicable to that portion of an agreement that is federally funded and entered into with institutions of higher education, hospitals, nonprofit organizations or commercial businesses.)

Positive efforts must be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors must take all of the following steps to further this goal.

- a. Ensure that small businesses, minority-owned firms and women's business enterprises are used to the fullest extent practicable.
- b. Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms and women's business enterprises.
- c. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.
- d. Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- e. Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

30. Use of Small Business Subcontractors

(Only applicable to agreements awarded in part due to the granting of small business preference where the Contractor committed to use small business subcontractors for at least 25% of the initial contract cost or amount bid.)

- a. All Small Business Preference Request attachments and Small Business Subcontractor/Supplier Acknowledgment attachments, however labeled, completed as a condition of bidding, are incorporated herein, and made a part of this Agreement by this reference.
- b. Contractor agrees to use each small business subcontractor/supplier, as identified in previously submitted Small Business Preference Request

attachments, unless the Contractor submits a written request for substitution of a like or alternate subcontractor. All requests for substitution must be approved by DHCS, in writing (including email or fax), prior to using a proposed substitute subcontractor.

- c. Requests for substitution must be approved by the funding program and must include, at a minimum:
 - 1) An explanation of the reason for the substitution.
 - 2) A written description of the business enterprise that will be substituted, including its small business certification status and contact information.
 - 3) If substitution of an alternate small business does not occur, include a written justification and description of the steps taken to try to acquire a new small business and how that portion of the Contract will be fulfilled.
 - 4) A written description of the work to be performed by the substituted subcontractor identified by both task (if applicable) and dollar amount or percentage of the overall Contract that the substituted subcontractor will perform. The substituted business, if approved, must perform a commercially useful function in the Contract pursuant to 2 C.C.R. § 1896.15.
- d. DHCS may consent to the substitution if allowed by applicable State laws.
- e. Prior to the approval of the prime contractor's request for the substitution, the funding program will give notice in writing to the listed subcontractor of the prime contractor's request to substitute and the reasons for the request to substitute. The notice will be served by certified or registered mail to the last known address of the subcontractor. The listed subcontractor that has been so notified will have five (5) working days after the receipt of the notice to submit written objections to the substitution to the funding program. Failure to file these written objections will constitute the listed subcontractor's consent to the substitution. If written objections are filed, DHCS will give notice in writing of at least five (5) working days to the listed subcontractor of a hearing by DHCS on the prime contractor's request for substitution.
- f. Failure of the Contractor to subcontract with the small businesses listed in its bid or proposal to DHCS, or failure to follow applicable substitution rules and regulations will be grounds for DGS to impose sanctions pursuant to Gov. Code § 14842.5 and 2 C.C.R. § 1896.92. In the event such sanction are to be imposed, the Contractor be notified in writing and entitled to a hearing pursuant to Gov. Code § 14842. and 2 C.C.R. § 1896.18 and § 1896.20.
- g. If requested by DHCS, Contractor agrees to provide documentation/verification, in a form agreed to by DHCS, that small business subcontractor usage under this Agreement complies with the commitments specified during the contractor selection process.

31. Alien Ineligibility Certification

(Applicable to sole proprietors entering into federally funded agreements.)

By signing this Agreement, the Contractor certifies that he/she is not an alien that is ineligible for state and local benefits, as defined in Subtitle B of the Personal Responsibility and Work Opportunity Act. (8 U.S.C. § 1601, et seq.)

32. Union Organizing

(Applicable only to grant agreements.)

Grantee, by signing this Agreement, hereby acknowledges the applicability of Gov. Code §§ 16645 through 16649 to this Agreement. Furthermore, Grantee, by signing this Agreement, hereby certifies that:

- a. No state funds disbursed by this grant will be used to assist, promote or deter union organizing.
- b. Grantee shall account for state funds disbursed for a specific expenditure by this grant, to show those funds were allocated to that expenditure.
- c. Grantee must, where state funds are not designated as described in b herein, allocate, on a pro-rata basis, all disbursements that support the grant program.
- d. If Grantee makes expenditures to assist, promote or deter union organizing, Grantee will maintain records sufficient to show that no state funds were used for those expenditures, and that Grantee must provide those records to the Attorney General upon request.

33. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with § 100525) of Chapter 3 of Part 1 of Division 101 of the Health & Saf. Code, DHCS sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - 1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this Agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - 2) Director's and executive committee member's fees.

- 3) Incentive awards and/or bonus incentive pay.
 - 4) Allowances for off-site pay.
 - 5) Location allowances.
 - 6) Hardship pay.
 - 7) Cost-of-living differentials.
- c. Specific allowable fringe benefits include:
- 1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- d. To be an allowable fringe benefit, the cost must meet the following criteria:
- 1) Be necessary and reasonable for the performance of the Agreement.
 - 2) Be determined in accordance with generally accepted accounting principles.
 - 3) Be consistent with policies that apply uniformly to all activities of the Contractor.
- e. Contractor agrees that all fringe benefits must be at actual cost.
- f. Earned/Accrued Compensation
- 1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See Provision f (3)(a) for an example.
 - 2) For multiple year agreements, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the Agreement. Holidays cannot be carried over from one agreement year to the next. See Provision f (3)(b) for an example.
 - 3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the Agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

a) **Example No. 1:**

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a one year agreement. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of an agreement, the Contractor during a one-year budget period may only claim up to three weeks of vacation and twelve days of sick leave as actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the Agreement are not an allowable cost.

b) **Example No. 2:**

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

c) **Example No. 3:**

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to DHCS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

34. Suspension or Stop Work Notification

- a. DHCS may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the funding Program's Contract Manager. Upon receipt of said notice, the Contractor is to suspend and/or stop all, or any part, of the work called for by this Agreement.
- b. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within 30 working days of the verbal notification. The suspension or stop work notification will remain in effect until further written notice is received from DHCS. The resumption of work (in whole or part) will be at DHCS' discretion and upon receipt of written confirmation.
 - 1) Upon receipt of a suspension or stop work notification, the Contractor must immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.
 - 2) Within 90 days of the issuance of a suspension or stop work notification, DHCS will either:

- a) Cancel, extend, or modify the suspension or stop work notification; or
- b) Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.
- c. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Contractor may resume work only upon written concurrence of funding Program's Contract Manager.
- d. If the suspension or stop work notification is canceled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or contract terms resulting from the suspension or stop work notification will require an amendment to the Agreement.
- e. If a suspension or stop work notification is not canceled and the Agreement is canceled or terminated pursuant to the provision entitled Cancellation / Termination, DHCS will allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.
- f. DHCS will not be liable to the Contractor for loss of profits because of any suspension or stop work notification issued under this clause.

35. Public Communications

"Electronic and printed documents developed and produced, for public communications must follow the following requirements to comply with Section 508 of the Rehabilitation Act and the American with Disabilities Act:

- a. Ensure visual-impaired, hearing-impaired and other special needs audiences are provided material information in formats that provide the most assistance in making informed choices."

36. Legal Services Contract Requirements

(Applicable only to agreements involving the performance of legal services.)

The Contractor must:

- a. Adhere to legal cost and billing guidelines designated by DHCS.
- b. Adhere to litigation plans designated by DHCS.
- c. Adhere to case phasing of activities designated by DHCS.
- d. Submit and adhere to legal budgets as designated by DHCS.
- e. Maintain legal malpractice insurance in an amount not less than the amount designated by DHCS. Said amount must be indicated in a separate letter to the Contractor.

- f. Submit to legal bill audits and law firm audits if requested by DHCS. Such audits may be conducted by State employees or its designees or by any legal cost control providers retained by DHCS for such purpose.
- g. Applicable only to legal agreements of \$50,000 or more:

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

37. Compliance with Statutes and Regulations

- a. The Contractor must comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to Contractor's performance under the Agreement. This includes any changes to the applicable laws, regulations, and/or published guidelines that arise after the execution of this Agreement.
- b. For federally funded agreements, these authorities include, but are not limited to, 2 C.F.R. Part 200, subpart F, Appendix II; 42 C.F.R. Part 431, subpart F; 42 C.F.R. Part 433, subpart D; 42 C.F.R. Part 434; 45 C.F.R. Part 75, subpart D; and 45 C.F.R. Part 95, subpart F. To the extent applicable under federal law, this Agreement will incorporate the contractual provisions in these federal regulations and they will supersede any conflicting provisions in this Agreement.

38. Lobbying Restrictions and Disclosure Certification

(Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of the 31, U.S.C.)

- a. Certification and Disclosure Requirements
 - 1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, must file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
 - 2) Each recipient must file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that

contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.

- 3) Each recipient must file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- 4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant must file a certification, and a disclosure form, if required, to the next tier above.
- 5) All disclosure forms (but not certifications) must be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person must forward all disclosure forms to DHCS Program Contract Manager.

b. Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

Attachment II
Contract Deliverables

Exhibit B

YOR 4 California Contract Deliverables

Grantee Name:

Unduplicated clients/encounters:

SERVICE	CONTRACT DELIVERABLES		
Outreach , Education & Community Engagement			
	Events	Staff Hrs	Participants
Outreach/Education School Site			
Outreach/Education In the community			
Outreach/educational material development and distribution			
Youth Advisory Board Meetings			
Youth Drop in Center Visits			
SUD Engagement, Screening, Navigation & Referral			
	Encounters	Staff Hrs	Clients
Contacts			
Screenings			
Navigation Services			
Services for Young People Using Opioids/Stimulants			
	Encounters	Staff Hrs	Clients
Case Management			
Evaluation and Referral for MOUD			
MOUD Services (prescribing Buprenorphine, Methadone and Naltrexone)			
BH EBP Interventions (MH and SUD counseling)			
Recovery Support			

Attachment III
Budget

Attachment III
Budget

City of Fort Bragg Police Department - Care Response Unit

Award: \$580,764

Staff Role	Position	Hrly Rate	FTE	Amount
Admin Staff				
	TBD Grants Analyst	\$28.00	0.500	\$70,378
	Benefits & Taxes			\$7,037
Subtotal				\$77,415
Direct Svce				
	TBD CRU-Y Social Services Liaison	\$38.84	1.000	\$195,249
	TBD Youth Advocate/Administrativ	\$20.00	0.050	\$5,027
	TBD Youth Advocate/Administrativ	\$20.00	0.050	\$5,027
	Patient Transportation	\$0.00	0.000	\$10,000
	Benefits & Taxes			\$157,204
Subtotal				\$372,507
Total				\$449,922

Services & Supplies	Amount
Local Opioid Coalition Support	\$15,000
IT Expense	\$10,000
Program Activities	\$10,000
Staff Travel	\$5,190
Patient Transportation	\$4,500
Staff Training	\$4,100
Outreach & Presentations to Community Agencies	\$3,000
Office Supplies	\$1,800
Printing/Copier	\$1,500
Total	\$55,090

Subcontractors	Amount
No Subs	\$0
Total	\$0

Admin Fee	\$0	Admin Pct	0.0%
Indirect	\$75,752	Indirect Pct	15.0%
Total	\$75,752		

Total Budget \$580,764

Attachment IV
Subcontractors

Attachment IV
Subcontractors

Grantee: _____

Subcontractor Name	Subcontract Amount	Services Provided