



# County of Santa Cruz

## HEALTH SERVICES AGENCY

P.O. BOX 962, 1080 EMELINE AVENUE  
SANTA CRUZ, CA 95061  
(831) 454-4000 FAX: (831) 454-4770

### HEALTH SERVICES AGENCY ADMINISTRATION

January 10, 2006

**AGENDA: January 24, 2006**

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

### **Re: Public Health Program Enhancements**

Dear Members of the Board:

The Health Services Agency (HSA) is pleased to announce that Public Health has been awarded various new or augmented grants. HSA requests that your Board adopt the attached resolution accepting and appropriating \$530,059 in new grant funding into the HSA Public Health budget, approve three new contract agreements, approve grant related personnel actions and authorize payment on invoices over 1 year old.

Bicycle Safety Education Program. On January 25, 2005, HSA requested your Board's approval to submit a grant application to the California Office of Traffic Safety (OTS) for an expanded Countywide Traffic Safety Program for Bicycle Education. The OTS originally awarded the County \$82,362 in grant funds which was included in the 2005-06 Supplemental Budget Report. HSA is pleased to announce that the OTS awarded the County an additional grant award of \$20,750 to augment staff services related to Bicycle Safety Education Program grant activities. These funds are included in the attached budget resolution and will be used to provide additional staff resources to this effort.

Air District AB2766 Motor Vehicle Emission Reduction Grants. In addition to funding for the Bicycle Safety Education Program, HSA has been awarded two Air District AB2766 Motor Vehicle Emission Reduction Grants for activities related to the expanded use of bicycles for transportation that will effectively reduce vehicle emissions. The first two-year Air District grant award is in the amount of \$65,700 for the Bike to School Expansion Project, with a 2005-06 budget of \$32,850. The project includes safety education, support services and incentives to increase bike to school trips among students traveling to campuses ranging from elementary to junior high. The goals of this project will be achieved through a contract with the Santa Cruz Area Transportation Management Association (TMA) utilizing TMA staff from their Bike to Work and Bike Smart programs. The County's Bicycle Safety Education Program will provide promotional services to publicize the Air District project utilizing staff from the Community Traffic Safety Coalition. The second two-year Air District grant is in the amount of \$20,099 for the Emeline Campus Commuter Bike Parking Project, with a 2005-06 budget of \$18,089. The project includes the construction of a commuter bike parking enclosure for use by the County employees at the Emeline Campus. Funds for these grants are included in the attached resolution.

AIDS Program. The State of California Department of Health Services Office of AIDS recently allocated \$362,838 in supplemental Education and Prevention funds to Public Health. These funds will be utilized for a south county drop-in center and to expand south county outreach services, which will be provided through our community partners, Santa Cruz AIDS Project (SCAP) and Salud Para La Gente. HSA is developing the necessary contract amendments and will return to your Board at a later date with these documents for your approval. The funding will also be used by the HSA AIDS Program to expand its services by providing case management services through one-on-one risk reduction services to HIV positive and negative clients, collaborating with our community partners for the expanded south county services, and conducting HIV education and prevention services in the detention facilities. HSA requests your Board's approval to add a 1.00 FTE Mental Health Client Specialist position in the Public Health budget to provide these services. The attached resolution includes funding for the above expenditures.

Family Health. HSA is pleased to announce that the Public Health Infant Car Seat Program has received a two-year Kids Plate Grant award in the amount of \$55,000 with a 2005-06 allocation of \$25,000. This is a program development grant to work with public and community agencies and service providers to increase Child Passenger Safety capacity and sustainability. This grant will fund a portion of a new Public Health Nurse position to carry out the activities required by the grant. Additionally, the Public Health Family Health program has received \$40,000 in funding from the Human Resources Agency and \$66,500 in augmentations to the State Maternal Child and Adolescent Health (MCAH) grant for additional Public Health Nurse and support resources to provide services to the MCAH and the Child Welfare Services programs. The Public Health Nurses will provide case management services under MCAH and serve as a health consultant on a multi-disciplinary team for the Differential Response Project. HSA requests your Board's approval to add a 1.00 FTE Public Health Nurse positions and to add 0.10 FTE to an existing Public Health Nurse position to provide the additional staffing necessary for these two new programs that are slated to commence in 2006. HSA also requests your Board's approval to add a 1.00 FTE Medical Assistant to better meet the changing staff support needs for the Family Health program. The attached resolution includes funding for the above expenditures.

Communicable Disease. HSA is pleased to announce that the County received a \$10,000 augmentation in Immunization Grant funds for an Expanded Kindergarten Retrospective Study. These funds will support an extra-help position to conduct the surveys. The attached resolution includes funding for the above expenditure. In addition to the above grant, HSA requests your Board's authorization to delete a vacant 1.00 FTE Sr. Public Health Investigator position and to add a 1.00 FTE Health Program Specialist position in order to better meet the changing community needs and support required within the Communicable Disease program.

HRSA Local Assistance Bioterrorism Funding Allocation. HSA has been recently awarded a new 2005-06 allocation of \$275,135 for the HRSA Local Assistance Bioterrorism Program. Funding for this program was not included in the 2005-06 budget previously approved by your Board since the continuation of this revenue source was not assured at that time. The welcome continuation of these funds will allow HSA to work in partnership with the local hospitals in emergency preparedness and response activities. The HRSA allocation includes funding for a new 1.00 FTE Departmental Administrative Analyst position for grant administration within the Emergency Medical Services (EMS) unit of Public Health that HSA requests your Board's approval to add into the Public Health budget. Funding will also be used to acquire emergency planning services and supplies as required by the Local Assistance Bioterrorism Program. The attached resolution includes funding for the above expenditures.

Homeless Persons Health Project. HSA informed your Board in a 2005-06 Supplemental Budget Report of the expanded nursing services at the Homeless Persons Health Project provided through funding from the Central Coast Alliance for Health. The funding was accepted and appropriated for the grant at that time. HSA requests your Board's approval of the attached revenue agreement with the Alliance in the amount of **\$26,221** which will provide the funding for these services. In addition to the above action, HSA requests your Board's approval to add **0.25** FTE to an existing Physician Assistant/Nurse Practitioner position at the HPHP clinic in order to provide additional services at that clinic which will be completely funded from new Federally Qualified Health Center (FQHC) revenues.

HIV Housing. On June 7, 2005, your Board approved a contract amendment in the amount of **\$50,457** with Santa Cruz Community Counseling Center (SCCCC) that enabled SCCC to represent the housing needs of people with HIV/AIDS through the creation of viable supportive housing project models. This is a collaborative effort with HSA and the Santa Cruz AIDS Project in order to provide high quality, client-centered housing for individuals infected with HIV. This HIV housing enhancement is funded through the federal Housing for Persons with AIDS (HOPWA) program. In 2005-06, these services will be provided by the Corporation for Affordable Community Housing, a subsidiary of SCCC. HSA requests your Board's approval of the attached agreement with the Corporation for Affordable Community Housing in the amount of **\$50,457** for these services. There has been no break in benefits to the population served by this contract. Funding for this agreement was included in the 2005-06 budget previously approved by your Board. HSA also requests your Board's approval of a state revenue agreement for this program. Revenues associated with this agreement were included in the 2005-06 budget previously approved by your Board.

CARE Team. HSA pleased to announce that the County has received an increase of **\$40,000** in the federal health allocation that provides case management of treatment services for persons living with HIV/AIDS. HSA requests that your Board approve the addition of **1.30** FTE Senior Mental Health Specialist positions to address emerging psychosocial issues of the CARE Team clients, along with the deletion of a vacant **1.00** FTE Typist Clerk I/II position and the addition of a **1.00** FTE Medical Assistant to meet the changing staff support needs for this unit. The attached resolution includes funding for the above expenditures.

Nutrition Program. HSA is delighted to inform your Board that we have been awarded a mini grant in the amount of \$5,000 from Catholic Healthcare West through United Way's Go For Health collaborative. The funding will augment existing staff and provide supplies for taste tests in the classrooms and for the "Train the Teachers" project under our "Superstar Nutrition for Kids" Program. The attached resolution includes funding for the above expenditures. HSA has also included a realignment of Nutrition program appropriations in the attached resolution to account for changes in the State nutrition grant budget.

HSA recently received two invoices from Pajaro Valley Unified School District, a partner in the Nutrition Network Grant, for services under the 2003-04 Nutrition Network Grant that total **\$11,297.35** and are over one year old. Although the State has authorized utilization of 2003-04 Nutrition Network Grant funds for payment of these invoices, they cannot be paid without specific action from your Board. California Government Code Section **911.2** requires that claims, or invoices, be presented for payment within one year of the date of service or delivery of goods. However, Government Code Section **911.6** provides your Board the authority to approve such invoices for payment if "the failure to present the claim was through mistake, inadvertence, surprise or excusable neglect". These invoices meet this criteria and HSA requests that your Board authorize payment for these invoices.

All of the above actions and expenditures are completely funded through new revenues and no County general funds are needed to fund the activities associated with these Public Health grant activities and none are requested.

It is, therefore, RECOMMENDED that your Board:

1. Adopt the attached resolution accepting and appropriating unanticipated revenue in the amount of \$530,059 for various grant programs into the Public Health budget;
2. Direct Personnel to work with the Health Services Agency to add and classify the following positions in the 3620 Public Health budget:

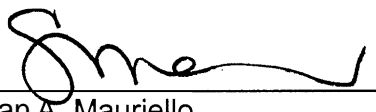
| <u>FTE</u> | <u>Classification</u>              | <u>Position Code - Action</u>       |
|------------|------------------------------------|-------------------------------------|
| 1.00       | Mental Health Client Specialist    | NP5xxxAA - Add new position         |
| (1.00)     | Typist Clerk 1/11                  | BC5025AA - Delete                   |
| 2.00       | Medical Assistant                  | NW7xxxAA/AA - Add new positions     |
| (1.00)     | Sr. Public Health Investigator     | NV7002AA - Delete                   |
| 1.00       | Health Program Specialist          | NX5xxxAA - Add new position         |
| 1.00       | Public Health Nurse 1/11           | PH5xxxAA - Add new position         |
| 0.10       | Public Health Nurse 1/11           | PH5114EA - Add to existing position |
| 1.00       | Departmental/Assist Admin Analyst  | US3xxxAA - Add new position         |
| 0.25       | Phys Asst/Nurse Practitioner       | PJ301OLA - Add to existing position |
| 0.80       | Sr Mental Health Client Specialist | SK5xxxJA - Add new position         |
| 0.50       | Sr Mental Health Client Specialist | SK5xxxXA - Add new position         |

3. Approve the attached agreements with: Central Coast Alliance for Health, a new revenue agreement in the amount of \$26,221 for the Homeless Persons Health Project; The State of California, a new revenue agreement in the amount of \$67,232 for housing needs for persons living with HIV; and Corporation for Affordable Community Housing, a new agreement in the amount of \$50,457 under the HOPWA Development Grant; and authorize the Health Services Agency Director to sign; and
4. Authorize payment of two invoices over one year old totaling \$11,297.35 from Pajaro Valley Unified School District related to the Nutrition Network Grant.

Sincerely,

  
 Rama Khalsa, Ph.D.,  
 Health Services Agency Director

RECOMMENDED:

  
 Susan A. Mauriello  
 County Administrative Officer

RK:GK:DG

Attachments: AUD-60  
Contracts (3)  
ADM-29s (3)

cc: County Administrative Office  
Auditor-Controller  
County Counsel  
Personnel  
HSA Administration

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF SANTA CRUZ, STATE OF CALIFORNIA**

RESOLUTION NO. \_\_\_\_\_

On the motion of Supervisor \_\_\_\_\_  
duly seconded by Supervisor \_\_\_\_\_  
the following resolution is adopted.

**RESOLUTION ACCEPTING UNANTICIPATED REVENUE**

WHEREAS, the County of Santa Cruz is a recipient of funds from Various Federal and State  
Public Health Grants \_\_\_\_\_ program; and

WHEREAS, the County is a recipient of funds in the amount of \$ 530,059  
which are either in excess of those anticipated or are not specifically set  
in the current fiscal year budget of the County; and

WHEREAS, pursuant to Government Code Section 29130(c)/29064(b), such funds  
may be made available for specific appropriation by a four-fifths vote of  
the Board of Supervisors;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Santa Cruz County  
Auditor-Controller accept funds in the amount of \$ 530,059 into  
Department HSA Public Health

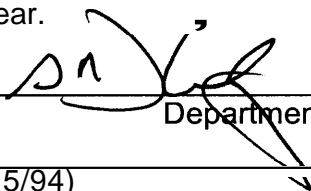
| <u>TIC</u>            | <u>index<br/>Number</u> | <u>Revenue<br/>Subobject<br/>Number</u> | <u>Account Name</u> | <u>Amount</u> |
|-----------------------|-------------------------|---|---------------------|---------------|
| PER ATTACHED SCHEDULE |                         |   |                     | 530,059       |

and that such funds be and are hereby appropriated as follows:

| <u>TIC</u>            | <u>Index<br/>Number</u> | <u>Expenditure<br/>Subobject<br/>Number</u> | <u>PRJ/UCD</u> | <u>Account Name</u> | <u>Amount</u> |
|-----------------------|-------------------------|---|----------------|---------------------|---------------|
| PER ATTACHED SCHEDULE |                         |   |                |                     | 530,059       |

**DEPARTMENT HEAD**

I hereby certify that the fiscal provisions have been  
researched and that the Revenue(s) (has been) (will be) received within the  
current fiscal year.

By  Date JAN 11 2006  
Department Head

COUNTY ADMINISTRATIVE OFFICER

☒ Recommended to Board☐ Not Recommended to Board

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz,  
State of California, this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_  
by the following vote (requires three-fifths vote for approval):

AYES : SUPERVISORS

NOES : SUPERVISORS

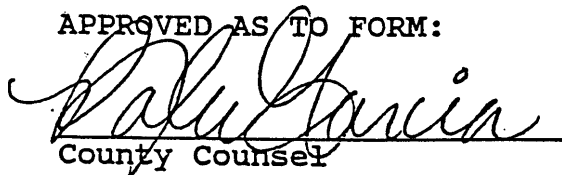
ABSENT: SUPERVISORS

\_\_\_\_\_  
CHAIR OF THE BOARD

ATTEST :

\_\_\_\_\_  
Clerk of the Board

APPROVED AS TO FORM:

  
County Counsel

APPROVED AS TO ACCOUNTING DETAIL:

 1/12/06  
Auditor-Controller

## Distribution:

Auditor-Controller  
County Council  
County Administrative Officer  
Originating Department

HEALTH SERVICES AGENCY  
AUD-60 ATTACHMENT

FISCAL YEAR 2005/06

## ESTIMATED REVENUES:

| T/C   | Index<br>Number | Revenue<br>Subobject<br>Number | Account Name                      | Amount            |
|-------|-----------------|--------------------------------|-----------------------------------|-------------------|
| 001   | 362010          | 1134                           | FED-CONTRIBUTIONS FROM OTHER-HRSA | 275,135           |
| 001   | 362200          | 0684                           | ST AID-IMMUNIZATION ASSISTANCE    | 10,000            |
| 001   | 362400          | 0996                           | FED-HEALTH PROGRAM                | 40,000            |
| 001   | 362700          | 0666                           | ST AID-AIDS HEALTH EDUCATION      | 362,838           |
| 001   | 362750          | 1006                           | FED-MCH BASIC GRANT               | 66,500            |
| 001   | 362750          | 2384                           | OTHER REVENUE-KIDS PLATES         | 25,000            |
| 001   | 362800          | 0873                           | ST AID-OFFICE OF TRAFFIC SAFETY   | 71,689            |
| 001   | 362800          | 2384                           | OTHER REVENUE-                    | 5,000             |
| 002   | 362800          | 1092                           | FED-DEPT OF AG-FOOD & NUTRITION   | (326,103)         |
| Total |                 |                                |                                   | <u>\$ 530,059</u> |

## APPROPRIATIONS:

| T/C | Index<br>Number | Expenditure<br>Subobject<br>Number | PRJ/UCD | Account Name                    | Amount    |
|-----|-----------------|------------------------------------|---------|---------------------------------|-----------|
| 021 | 362010          | 3100                               |         | REGULAR PAY-PERM                | 39,500    |
| 021 | 362010          | 3150                               |         | OASDI-SOCIAL SECURITY           | 3,000     |
| 021 | 362010          | 3155                               |         | PERS                            | 5,500     |
| 021 | 362010          | 3160                               |         | EMPLOYEE INS                    | 2,000     |
| 021 | 362010          | 3665                               |         | PROFESSIONAL SERVICES           | 225,135   |
| 021 | 362200          | 3110                               |         | REGULAR PAY-EXTRA HELP          | 10,000    |
| 021 | 362300          | 3100                               |         | REGULAR PAY-PERM                | 27,832    |
| 021 | 362300          | 3140                               |         | DIFFERENTIAL PAY                | 925       |
| 021 | 362300          | 3150                               |         | OASDI-SOCIAL SECURITY           | 4,120     |
| 021 | 362300          | 3155                               |         | PERS                            | 2,129     |
| 021 | 362300          | 3160                               |         | EMPLOYEE INS                    | 4,994     |
| 021 | 362700          | 3100                               |         | REGULAR PAY-PERM                | 51,210    |
| 021 | 362700          | 3150                               |         | OASDI-SOCIAL SECURITY           | 3,920     |
| 021 | 362700          | 3155                               |         | PERS                            | 7,580     |
| 021 | 362700          | 3160                               |         | EMPLOYEE INS                    | 7,290     |
| 021 | 362700          | 3665                               |         | PROFESSIONAL SERVICES           | 292,838   |
| 021 | 362750          | 3100                               |         | REGULAR PAY-PERM                | 77,220    |
| 021 | 362750          | 3140                               |         | DIFFERENTIAL PAY                | 1,903     |
| 021 | 362750          | 3150                               |         | OASDI-SOCIAL SECURITY           | 5,911     |
| 021 | 362750          | 3155                               |         | PERS                            | 11,478    |
| 021 | 362750          | 3160                               |         | EMPLOYEE INS                    | 9,988     |
| 021 | 362750          | 3665                               |         | PROFESSIONAL SERVICES           | 700       |
| 021 | 362750          | 4110                               |         | SUBSCRIPT, BOOKS & ED MATERIALS | 500       |
| 021 | 362750          | 4154                               |         | EDUCATION & TRAINING            | 965       |
| 021 | 362750          | 4166                               |         | MILEAGE                         | 200       |
| 021 | 362750          | 9555                               |         | TRANSFER OTHER AGENCY           | (40,000)  |
| 022 | 362800          | 3100                               |         | REGULAR PAY-PERM                | (102,715) |
| 022 | 362800          | 3105                               |         | OVERTIME PAY-PERM               | 1,945     |
| 022 | 362800          | 3140                               |         | DIFFERENTIAL PAY                | (3,023)   |
| 022 | 362800          | 3150                               |         | OASDI-SOCIAL SECURITY           | (14,773)  |
| 022 | 362800          | 3155                               |         | PERS                            | (7,737)   |
| 022 | 362800          | 3160                               |         | EMPLOYEE INS                    | (7,077)   |
| 021 | 362800          | 3405                               |         | MAINT STRUCT IMP&S & GROUNDS    | 18,089    |
| 022 | 362800          | 3484                               |         | DUPLICATING SERVICES            | (5,000)   |
| 022 | 362800          | 3665                               |         | PROFESSIONAL SERVICES           | (69,543)  |



0000247

022 362800 3975

MISCELLANEOUSEXPENSES

(36,945)

Total

\$ 530,059

**COUNTY OF SANTA CRUZ**  
**REQUEST FOR APPROVAL OF AGREEMENT**

0000248

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 01/11/06 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement ☐

Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)  
and Central Coast Alliance for Health, 1600 Green Hills Road, Scotts Valley, CA 95066 (Name/Address)

2. The agreement will provide funding for a full time Public Health Nurse for the Project Connect direct services team.

3. Period of the agreement is from July 1, 2005 to June 30, 2006

4. Anticipated Cost Is \$ NA - Revenue of \$26,221 ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

Remarks: \_\_\_\_\_

5. Detail: ☐ On Continuing Agreements List for FY \_\_\_\_\_ Page CC- \_\_\_\_\_ Contract, No: R OR ☒ 1st Time Agreement

☐ Section II No Board letter required, will be listed under Item 8

☐ Section III Board letter required

☒ Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362950 (Index) 2384 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered,  
are not N/A will be

Contract No: R 846

By: [Signature]  
Auditor-Controller Deputy

Date: 1/12/06

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the \_\_\_\_\_

Health Services Agency (Department/Agency)

Date: 1/18/06

By: [Signature]  
County Administrative Office

Distribution:

Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

State of California  
County of Santa Cruz

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on \_\_\_\_\_ 20\_\_

ADM - 29 (8/01)

Title I, Section 300 Proc Man

By: Deputy Clerk

AUDITOR-CONTROLLER USE ONLY

CO \_\_\_\_\_ \$ \_\_\_\_\_

| Document No. | JE Amount | Lines | H/TL | Keyed By | Date |
|--------------|-----------|-------|------|----------|------|
|--------------|-----------|-------|------|----------|------|

38

| tor Description | Amount | Index | Sub object | User Code |
|-----------------|--------|-------|------------|-----------|
|-----------------|--------|-------|------------|-----------|

Contract No.

CENTRAL COAST ALLIANCE FOR HEALTH  
INDEPENDENT CONTRACTOR AGREEMENT

THIS AGREEMENT is entered into and is effective this 1st day of July, 2005 ("Effective Date"), by and between the CENTRAL COAST ALLIANCE FOR HEALTH ("THE ALLIANCE"), and the SANTA CRUZ COUNTY HOMELESS PERSONS HEALTH PROJECT, hereinafter called "CONTRACTOR." The parties agree as follows:

1. DUTIES. CONTRACTOR agrees to use this Agreement's funding to support the addition of a full time Public Health Nurse Case Manager to the Project Connect direct services team. This position will enable Project Connect to include Alliance members among their client case load. This Agreement's funds shall only be used to fund salary and benefits costs for this position. Services performed by CONTRACTOR under this Agreement are described in the attached Scope of Work.

2. RESPONSIBILITIES OF CONTRACTOR AND THE ALLIANCE. CONTRACTOR will perform the duties specified in this Agreement, respond promptly to THE ALLIANCE'S inquiries and communications, and keep THE ALLIANCE informed of progress and developments. THE ALLIANCE will inform CONTRACTOR of developments and make timely payments as specified in this Agreement.

3. COMPENSATION. In consideration for CONTRACTOR'S duties, THE ALLIANCE agrees to pay CONTRACTOR a maximum fee of \$26,221.

CONTRACTOR will submit to THE ALLIANCE a semi annual statement summarizing the duties performed by the CONTRACTOR. Any balance due is payable from THE ALLIANCE two weeks after receipt of the statement.

As an independent contractor, CONTRACTOR will be responsible for expenses incurred by CONTRACTOR in the performance of duties, except as otherwise specified by the Alliance in writing. Total fees under this agreement will be paid as incurred and billed, not to exceed \$26,221.

4. TERM. This Agreement will begin on the Effective Date, will continue in effect for one year, and may be renewed thereafter for successive periods by mutual agreement unless terminated in accord with Section 5 below.

5. TERMINATION. Either party hereto may terminate this Agreement at any time by giving fifteen (15) days written notice to the other party.

6. INDEMNIFICATION FOR TAXES. CONTRACTOR shall exonerate, indemnify, defend, and hold harmless THE ALLIANCE, its officers, agents, employees and volunteers from and against any and all Federal social security or income taxes required to be paid with respect to CONTRACTOR under this Agreement.

7. INSURANCE. CONTRACTOR, at the sole cost and expense, and for the full term of this agreement (and any extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects THE ALLIANCE and any insurance or self-insurance maintained by ALLIANCE shall be excess of CONTRACTORS'S insurance coverage and shall not contribute to it.

If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent Contractor's Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in the Agreement.

#### 1. Types of insurance and Minimum Limits

1. Worker's Compensation in the minimum statutorily required coverage amounts.
2. Automobile liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Agreement, including owned, non-owned (e.g., owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of \$500,000 combined single limit per occurrence for bodily injury and property damage.
3. Comprehensive or Commercial General Liability coverage in the minimums amount of \$1,000,000.00 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad from property damage, (d) contractual liability, and (e) cross-liability.
4. Professional Liability (Malpractice) Insurance in the minimum amount of \$1,000,000.00.

#### a. Other Insurance Provisions

1. If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post insurance coverage") and any extension thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonable affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed reasonable.
2. All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:

"Central Coast Alliance for Health, its officials, employees, agents and volunteers are added as additional insured's as respects the operations and

activities of, or on behalf of, the named insured performed under Agreement with the Central Coast Alliance for Health.”

3. All required insurance policies shall be endorsed to contain the following clause:  
 “This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: Central Coast Alliance for Health, 1600 Green Hills Road, Scotts Valley, CA 95066.”

8. CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverages. All Certificates of Insurance shall be delivered or sent to: Central Coast Alliance for Health, 1600 Green Hills Road, Scotts Valley, CA 95066

9. A. CONTRACTOR’S LIABILITY. CONTRACTOR shall be responsible for all injuries to persons and for all damage to real or personal property of THE ALLIANCE, caused by or resulting from the negligence of CONTRACTOR or its employees during the progress of or in connection with the rendition of services under this Agreement for which CONTRACTOR is responsible as a matter of law. CONTRACTOR shall defend and hold harmless and indemnify THE ALLIANCE, and all officers and employees of THE ALLIANCE from all costs and claims for damages to real or personal property or personal injury to THE ALLIANCE, its officers and employees, resulting from the negligence of CONTRACTOR or its employees, arising out of CONTRACTOR’s performance of work under this Agreement for which CONTRACTOR is responsible as a matter of law.

B. THE ALLIANCE’S LIABILITY. THE ALLIANCE shall be responsible for all injuries to persons and for all damage to real or personal property of CONTRACTOR, caused by or resulting from the negligence of THE ALLIANCE, its officers or employees during the progress of or in connection with its performance under this Agreement for which THE ALLIANCE is responsible as a matter of law. THE ALLIANCE shall defend and hold harmless and indemnify CONTRACTOR and its employees from all costs and claims for damages to real or personal property or personal injury to CONTRACTOR, and its employees, resulting from the negligence of THE ALLIANCE, its officers or employees, arising out of THE ALLIANCE’s performance under this Agreement for which THE ALLIANCE is responsible as a matter of law.

10. EQUAL EMPLOYMENT OPPORTUNITY. During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

A. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, disability, medical condition (cancer related), marital status, gender, sexual preference, age (over 40), veteran status or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to the following: recruitment; advertising; layoff or termination; rates of pay or other forms of compensation, and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.

11. **INDEPENDENT CONTRACTOR STATUS.** CONTRACTOR and THE ALLIANCE have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and is not an employee of THE ALLIANCE. Nothing in this Agreement shall be construed to create the relationship of employer and employee or agent and principal between CONTRACTOR and THE ALLIANCE. CONTRACTOR is responsible for all insurance and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. THE ALLIANCE agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein. As an independent contractor, CONTRACTOR's working hours, days of work and location of work will be flexible, and CONTRACTOR may represent other clients.

**PRINCIPAL TEST:** CONTRACTOR rather than THE ALLIANCE has the right to control the manner and means of accomplishing the result contracted for.

**SECONDARY FACTORS:** (a) The extent of control which, by agreement, THE ALLIANCE may exercise over the details of the work is slight rather than substantial; (b) CONTRACTOR is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONTRACTOR is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) CONTRACTOR rather than THE ALLIANCE supplies the instrumentalities, tools and workplace; (f) The length of time for which CONTRACTOR is engaged is of limited duration rather than indefinite; (g) The method of payment of CONTRACTOR is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of THE ALLIANCE; (i) CONTRACTOR and THE ALLIANCE believe they are creating an independent contractor relationship rather than an employer-employee relationship; and (j) THE ALLIANCE conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors which indicate that CONTRACTOR is an independent contractor.

By their signatures to this Agreement, each of the undersigned certifies that it is his or her considered judgment that CONTRACTOR engaged under this Agreement is in fact an independent contractor.

12. **NON ASSIGNMENT.** CONTRACTOR shall not assign this Agreement without the prior written consent of THE ALLIANCE. THE ALLIANCE shall not assign this Agreement without the prior written consent of CONTRACTOR.

13. **RETENTION AND AUDIT OF RECORDS.** CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by THE ALLIANCE, whichever occurs first. CONTRACTOR hereby agrees to be subject to the examination and audit by THE ALLIANCE, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Agreement.

14. **PRESENTATION OF CLAIMS.** Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with THE ALLIANCE'S established procedures.

15. **OWNERSHIP OF DOCUMENTS.** Except as herein provided, all documents, maps, sketches, reports, graphics, models and listings, prepared by CONTRACTOR in connection with providing services to THE ALLIANCE under this Agreement shall become the property of THE ALLIANCE and delivered to THE ALLIANCE upon termination of this Agreement. Such documents and writings shall not be disclosed to any other person without the prior consent of THE ALLIANCE. Computer software developed by CONTRACTOR shall remain the property of CONTRACTOR, unless expressly stated otherwise in the services to be provided under Paragraph 1 of this Agreement.

16. **AMENDMENT.** This Agreement may only be amended by mutual written consent of the parties.

17. **GOVERNING LAW.** This Agreement will be governed in all respects by the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

THE ALLIANCE

CONTRACTOR

By: \_\_\_\_\_  
Alan McKay

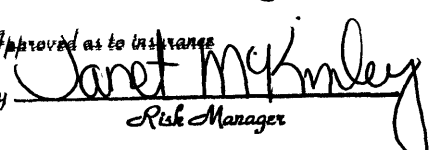
By: \_\_\_\_\_  
Rama Khalsa

Address: 1080 Emeline Ave.  
Santa Cruz, CA 95060  
Telephone: 831-454-4000

Tax ID #: 94-6000534

APPROVED AS TO FORM.

By:   
Office of the County Counsel

Approved as to insurance  
By:   
Risk Manager

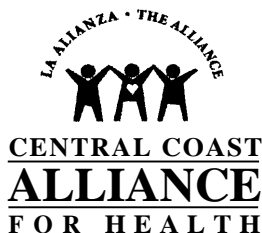
Date

SCOPE OF WORK  
BETWEEN  
CENTRAL COAST ALLIANCE FOR HEALTH (THE ALLIANCE)  
AND  
SANTA CRUZ COUNTY HOMELESS PERSONS HEALTH PROJECT

The Santa Cruz County Homeless Persons Health Project through its Frequent Users of Health Services Initiative supported program, Project Connect, will employ a full time, permanent Public Health Nurse (PHN) Case Manager as part of the Project Connect direct services team. Under this agreement, Project Connect through the Santa Cruz County Homeless Persons Health Project agrees to the following:

- Employ, train and supervise a PHN Case Manager.
- The PHN Case Manager will serve as the lead services coordinator for Alliance members enrolled in Project Connect.
- Coordinate with designated Alliance staff to prioritize and select Alliance frequent users.
- Initially enroll 30 Alliance members (already Medi-Cal beneficiaries at the time of referral).
- Assist uninsured client participants with Medi-Cal enrollment.
- Once Project Connect reaches its sustainable point-in-time caseload of 100 enrolled clients, maintain a level of approximately 63 Alliance member participants.
- Provide evaluation reports to the Alliance on the outcomes and effectiveness of the pilot project. Information reported shall include:
  - Descriptive data on participants Medi-Cal status pre and post enrollment;
  - Results of the Alliance member's pre and post intervention medical costs;
  - Data on Alliance members:
    - Multiple agency use
    - Demographic data
    - Results relating to reduced jail bookings, ambulance runs, emergency department visits, hospitalizations, inpatient charges, etc; and
  - Other data as requested by the Alliance.
- Permit Alliance staff to participate at the monthly Project Connect implementation meetings with hospital emergency department liaisons.





375 Encinal St., Suite A • Santa Cruz, CA 95060 • (831) 457-3850 • FAX (831) 466-4310  
 1000 S. Main St., Suite 313 • Salinas, CA 93901 • (831) 755-8220 • FAX (831) 755-8226

### HIPAA BUSINESS ASSOCIATE ADDENDUM

This addendum is entered into as of July 1, 2005 by and between the Central Coast Alliance for Health (“Plan”) and County of Santa Cruz Health Services Agency dba Project Connect (“Contractor”).

Plan and Contractor have entered into a Independent Contractors Agreement dated July 1, 2005 (the “Principal Agreement”) under which Contractor receives individually identifiable health information (also called “Protected Health Information” or “PHI”) from Plan, or generates PHI on behalf of Plan. In this addendum, PHI includes any information that Contractor receives from or generates for Plan, which identifies the individual, or could be used with other available information to identify the individual, and that concerns the individual’s health condition or health care, including payment for health care. The parties desire to enter into this agreement to implement the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and the regulations promulgated there under, in particular the privacy regulation, 45 CFR Part 164.

For good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

(i) Permitted Uses and Disclosures of PHI.

(A) Contractor may use PHI for the purposes set forth in the Principal Agreement subject to section ii D below, Contractor may disclose PHI for such purposes to assist with its obligations under this agreement. Contractor shall not further disclose such information without the written approval of Plan.

(B) Nothing in this addendum or the Principal Agreement shall be construed to require or permit any use or disclosure that Plan is not permitted to make under 45 CFR Part 164, except that Contractor may use and disclose PHI for the proper management and administration of Contractor’s business and to carry out its own legal responsibilities, as long as, in the case of any disclosure pursuant to this subparagraph (B), either:

- i) The disclosure is required by law; or
- ii) Contractor obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to such person, and that

the person will notify Contractor of any instances of which it is aware in which the confidentiality of the information has been breached.

(ii) Contractor shall:

- (A) Not use or further disclose PHI except as permitted or required by this addendum, or required by law.
- (B) Use appropriate administrative, physical, and technical safeguards to protect the confidentiality, integrity, and availability of PHI that the Contractor receives, maintains, or transmits on behalf of the Plan.
- (C) Report to Plan any breach in security that could result in unauthorized use or disclosure of PHI not provided for by this addendum of which Contractor becomes aware, and the remedial action taken or proposed to be taken with respect to such use or disclosure.
- (D) Ensure that its agents, including any subcontractor, to whom it provides PHI, agree ~~in~~ **writing** to the restrictions, conditions, and administrative, physical, and technical safeguards that apply to Contractor with respect to such information.
- (E) Maintain the following information concerning all disclosures of PHI by Contractor or any subcontractors or agents to whom it discloses PHI, in accordance with the provisions of this subparagraph (E), and make it available to Plan within ten (10) days of request
  - i) The date of the disclosure;
  - ii) The name of the entity or person who received the PHI and, if known, the address of such entity or person;
  - iii) A brief description of the PHI disclosed;
  - iv) A brief statement of the purpose of the disclosure that reasonably informs the individual of the basis for the disclosure or, in lieu of such statement, a copy of the written request for the disclosure, if any; and
  - v) Such other information as the Plan may request in order to fulfill its legal obligations to account for disclosures to the individual.

Contractor shall maintain the information necessary to enable to provide such information for the six years preceding the request beginning no earlier than April 14, 2003 or the date of this agreement, whichever is later.

Contractor shall not, however, be required to maintain such information for disclosures of PHI:

- i) To carry out treatment, payment and health care operations on behalf of Plan, or that are incident to such disclosures;
- ii) To individuals of protected health information about them; or
- iii) Pursuant to a written authorization given by or behalf of the individual.

- (F) Make its internal practices, books, and records relating to the use and disclosure of PHI available to *Plan* **and to** the Secretary of the United States Department of Health and Human Services, for purposes of determining the Plan's compliance with its legal obligations.
- (G) Upon termination of the Principal Agreement, return or destroy all applicable PHI that it maintains in any form, and shall retain no copies of such information or, if the parties agree that return or destruction is not feasible, extend the protections of this agreement to such information, and limit further use and disclosure of the information to those purposes that make the return or destruction of the information infeasible.
- (iii) Amendment. Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of this state relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, Plan may, by written notice to Contractor, amend this agreement in such manner as Plan determines necessary to comply with such law or regulation. If Contractor disagrees with any such amendment, it shall so notify Plan in writing within thirty (30) days of Plan's notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate this agreement on written notice to the other.
- (iv) Breach. Anything in the Principal Agreement to the contrary notwithstanding, Plan may immediately terminate this agreement if it determines that Contractor has violated a material term of this Addendum. Without waiving its right to terminate, Plan may, at its option:
- (A) Exercise any of its rights of access and inspection under paragraph 3 of this section;
- (B) Require Contractor to submit to a plan of monitoring and reporting, as Plan may determine necessary to maintain compliance with this agreement; and such plan shall be a part of this agreement;

Plan's remedies under this section and the Principal Agreement shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

IN WITNESS THEREOF, the parties hereto have duly executed this Addendum as of the Addendum Effective Date.

| Plan              | Contractor (Business Associate) |
|-------------------|---------------------------------|
| By: _____         | By: _____                       |
| Print Name: _____ | Print Name: _____               |
| Title: _____      | Title: _____                    |
| Date _____        | Date _____                      |

# COUNTY OF SANTA CRUZ

## REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 01/11/06 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One)

Expenditure Agreement ☐Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

1. Said agreement is between the Health Services Agency - Public Health (Department/Agency)  
and State Dept of Health Services, 1616 Capitol, Suite 616, Sacramento, CA 95814 (Name/Address)

2. The agreement will provide preventing homelessness among persons living with HIV (HOPWA) Program funding  
State contract 05-45921

3. Period of the agreement is from October 1, 2005 to June 30, 2007

4. Anticipated Cost Is \$ NA - revenue of \$67,232 ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☐ Not to Exceed

Remarks: \_\_\_\_\_

5. Detail: ☐ On Continuing Agreements List for FY - Page CC- \_\_\_\_\_ Contract, No: R OR ☐ 1st Time Agreement

☐ Section II No Board letter required, will be listed under Item 8

☐ Section III Board letter required

☐ Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362700 (Index) 1104 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and have been encumbered.

are not N/A will be

Contract No: R 847

By: Marianne Ellis Date: 1/12/06

Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the \_\_\_\_\_

Health Services Agency (Department/Agency)

Date: 1/18/06

By: [Signature]

County Administrative Office

### Distribution:

Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

State of California  
County of Santa Cruz

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on \_\_\_\_\_ 20\_\_

ADM - 29 (8/01)  
Title I, Section 300 Proc Man

By: Deputy Clerk

### AUDITOR-CONTROLLER USE ONLY

| CO                  | Document No. | \$ Amount | Lines | H/TL       | Keyed By  | Date |
|---------------------|--------------|-----------|-------|------------|-----------|------|
| TC110               | <u>33</u>    |           |       |            |           |      |
| Auditor Description |              | \$ Amount | Index | Sub object | User Code |      |

# STANDARD AGREEMENT

0000259

|                     |                  |
|---------------------|------------------|
| REGISTRATION NUMBER | AGREEMENT NUMBER |
|                     | 05-45921         |

- This Agreement is entered into between the State Agency and the Contractor named below:  




|   |   |
|---|---|
| STATE AGENCY'S NAME<br>California Department of Health Services | (Also referred to as CDHS, DHS, or the State) |
| CONTRACTOR'S NAME<br>County of Santa Cruz                       | (Also referred to as Contractor)              |
- The term of this Agreement is: October 1, 2005 through June 30, 2007
- The maximum amount of this Agreement is: \$67,232  
Sixty-Seven Thousand, Two Hundred Thirty-Two Dollars.
- The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this Agreement.

|   |          |
|---|----------|
| Exhibit A – Scope of Work   | 3 pages  |
| Exhibit B – Budget Detail and Payment Provisions  | 3 pages  |
| Exhibit B, Attachment I – Budget  | 1 page   |
| Exhibit B, Attachment II – Invoice Format   | 1 page   |
| Exhibit C * – General Terms and Conditions  | GTC 304  |
| Exhibit D(F) – Special Terms and Conditions (Attached hereto as part of this agreement) | 26 pages |
| Exhibit E – Additional Provisions   | 2 pages  |
| Exhibit F – Contractor's Release  | 1 page   |
| Exhibit G – Travel Reimbursement Information  | 2 pages  |
| Exhibit H – Contract Equipment Purchased with DHS Funds                                 | 2 pages  |
| Exhibit I – Inventory/Disposition of DHS-Funded Equipment                               | 2 pages  |

See Exhibit E, Provision 1 for additional incorporated exhibits.

items shown above with an Asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.  
These documents can be viewed at <http://www.ols.dgs.ca.gov/Standard+Language>.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

|   |                           |   |
|---|---------------------------|---|
| <b>CONTRACTOR</b>   |                           | <b>California Department of<br/>General Services Use Only</b>                         |
| CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)<br>County of Santa Cruz |                           |   |
| BY (Authorized Signature)<br>         | DATE SIGNED (Do not type) |   |
| PRINTED NAME AND TITLE OF PERSON SIGNING<br>Rama Khalsa, Health Services Administrator                                  |                           |   |
| ADDRESS<br>C/O Pat Ellerby, Santa Cruz Health Services Agency<br>P.O. Box 962, Santa Cruz, CA 95061                     |                           |   |
| <b>STATE OF CALIFORNIA</b>  |                           |   |
| AGENCY NAME<br>California Department of Health Services   |                           |  |
| BY (Authorized Signature)<br>         | DATE SIGNED (Do not type) |   |
| PRINTED NAME AND TITLE OF PERSON SIGNING<br>Terri L. Anderson, Chief, Contracts and Purchasing Services Section         |                           |   |
| ADDRESS<br>1501 Capitol Avenue, Suite 71.2101, MS 1403, P.O. Box 997413<br>Sacramento, CA 95899-7413                    |                           |   |

☒ Exempt per:  
OOA transaction is PCC exempt per  
applicable Budget Act.

**Exhibit A**  
**Scope of Work**

0000260

**1. Service Overview**

Contractor agrees to provide to the Department of Health Services (DHS) the services described herein.

The Contractor will identify the affordable housing needs of persons living with HIV/AIDS (PLWH) within the jurisdiction of the Contractor and create opportunities for addressing those needs.

**2. Service Location**

The services shall be performed at applicable facilities in the County of Santa Cruz.

**3. Service Hours**

The services shall be provided during normal Contractor working hours for administrative activities and specified times during weekdays, including Saturday and Sunday, to facilitate the scope of work objectives.

**4. Project Representatives**

A. The project representatives during the term of this agreement will be:

| <b>Department of Health Services</b>   | <b>Contractor</b>  |
|--|--|
| Eileen Harvey, Chief, CARE Section<br>Telephone: (916) 449-5950<br>Fax: (916) 449-5959<br>E-mail: <a href="mailto:Eharvey@dhs.ca.gov">Eharvey@dhs.ca.gov</a> | Rama Khalsa, Health Services Administrator<br>Telephone: (832) 454-4000<br>Fax: (832) 454-4488<br>E-mail: <a href="mailto:Rama.khalsa@health.co.santa-cruz.ca.us">Rama.khalsa@health.co.santa-cruz.ca.us</a> |

B. Direct all inquiries to:

| <b>Department of Health Services</b>  | <b>Contractor</b>   |
|---|---|
| Office of AIDS/CARE Section<br>Attention: Eileen Harvey<br>Mail Station Code 7700<br>1616 Capitol Avenue, Suite 616<br>P.O. Box 997426<br>Sacramento, CA 95899-7426<br><br>Telephone: (916) 449-5950<br>Fax: (916) 449-5959<br>E-mail: <a href="mailto:Eharvey@dhs.ca.gov">Eharvey@dhs.ca.gov</a> | Santa Cruz Health Services Agency<br>Attention: Pat Ellerby<br>Senior Health Services Manager<br>P.O. Box 962<br>Santa Cruz, CA 95061<br><br>Telephone: (831) 454-4311<br>Fax: (831) 454-5048<br>E-mail: <a href="mailto:Pat.ellerby@health.co.santa-cruz.ca.us">Pat.ellerby@health.co.santa-cruz.ca.us</a> |

C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

**Exhibit A  
Scope of Work**

0000261

**5. Services to be Performed**

Contractor shall perform the following services:

- A. Activities, as outline in Paragraph B (below), related to the provision of affordable HIV housing activities in Santa Cruz County and as specified in the "Program and Application Guidance 2005-2006 Fiscal Year for Non-Exempt Counties Administering the Housing Opportunities for Persons with AIDS (HOPWA) Program Request for Application (RFA)," dated April 2005.
- B. Subcontract with Santa Cruz AIDS Project for the provision of affordable HIV housing opportunities for eligible clients, and facility operating costs and maintenance for the Perlman House, a HIV housing facility located in Santa Cruz County. Specific activities to be funded through this agreement include the following:
  - 1) provision of rental assistance to very-low income residents of Perlman House; and
  - 2) provision of case coordination services to limited English proficient residents of Perlman House.
- C. incorporate the Housing and Urban Development (HUD) equal opportunity slogan or logo on all outreach materials, requests for proposals, advertising, employment bulletins, education information, or other information related to HOPWA expenditures.
- D. Adhere to and comply with all applicable Office of Management and Budget (OMB) circulars identified in the HUD regulations Code of Federal Regulations (CFR) HUD Section **24**, Part 574.605.
- E. Adhere to and comply with all environmental procedures and standards under CFR, HUD Section 24, Part 58.
- F. Adhere to and comply with all applicable lead-based paint hazard reduction requirements set forth in CFR, HUD Section **24**, Part 35, subparts J, M or **K**, as it pertains specifically to the HOPWA activities being performed under this agreement.

**6. Allowable Informal Scope of Work Changes**

- A. Changes and revisions to the Scope of Work contained in the agreement, utilizing the "**allowable cost payment system**", may be proposed by the Contractor in writing. All requested changes and revisions are subject to the approval of the State. Failure to notify the State of proposed revisions to the Scope of Work may result in an audit finding.

**Exhibit A**  
**Scope of Work**

0000262

- B. The State will respond, in writing, as to the approval or disapproval of all such requests for changes or revisions to the Scope of Work within 30 calendar days of the date the request is received in the program. Should the State fail to respond to the Contractor's request within 30 calendar days of receipt, the Contractor's request shall be deemed approved.
- C. The State may also request changes and revisions to the Scope of Work. The State will make a good-faith effort to provide the Contractor 30 calendar days advance written notice of said changes or revisions.



**Exhibit B**  
**Budget Detail and Payment Provisions**

0000263

**I. Invoicing and Payment**

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the budget(s) attached hereto.
- B. Invoices shall include the Agreement Number and shall be submitted not more frequently than monthly in arrears to:

Invoice Desk  
Department of Health Services  
Office of AIDS  
**MS 7700**  
P.O. Box 997426  
Sacramento, CA 95899-7426

- C. Invoices shall:

- 1) Be prepared on Contractor letterhead. If invoices are not on produced letterhead invoices must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent actual expenses for the service performed under this contract.
- 2) Bear the Contractor's name as shown on the agreement.
- 3) Identify the billing and/or performance period covered by the invoice.
- 4) Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement. Subject to the terms of this agreement, reimbursement ~~may~~ only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by DHS.

**2. Budget Contingency Clause**

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**3. Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

**Exhibit B**  
**Budget Detail and Payment Provisions**

0000264

**4. Amounts Payable**

A. The amounts payable under this agreement shall not exceed:

I ) \$67,232 for the budget period of 10/01/2005 through 06/30/2007.

B. Reimbursement shall be made for allowable expenses up to the amount annually encumbered commensurate with the state fiscal year in which services are performed and/or goods are received.

**5. Timely Submission of Final Invoice**

A. A final undisputed invoice shall be submitted for payment no more than ninety (90) calendar days following the expiration or termination date of this agreement, unless a later or alternate deadline is agreed to in writing by the program contract manager. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of the State under this agreement have ceased and that no further payments are due or outstanding.

B. The State may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written State approval of an alternate final invoice submission deadline. Written State approval shall be sought from the program contract manager prior to the expiration or termination date of this agreement.

C. The Contractor is hereby advised of its obligation to submit, with the final invoice, a "**Contractor's Release (Exhibit F)**" acknowledging submission of the final invoice to the State and certifying the approximate percentage amount, if any, of recycled products used in performance of this agreement.

**6. Allowable Line Item Shifts**

(This provision is effective January 1, 2003 through contract duration)

A. Subject to the prior review and approval of the State, line item shifts of up to fifteen percent (15%) of the annual contract total, not to exceed a maximum of one hundred thousand (\$100,000) annually are allowed, so long as the annual agreement total neither increases nor decreases.

The \$100,000 maximum limit shall be assessed annually and automatically adjusted by the State in accordance with cost-of-living indexes. Said adjustments shall not require a formal agreement amendment. The State shall annually inform the Contractor in writing of the adjusted maximum.

B. Line item shifts meeting this criteria shall not require a formal agreement amendment.

C. The Contractor shall adhere to State requirements regarding the process to follow in requesting approval to make line item shifts.

D. Line item shifts may be proposed/requested by either the State or the Contractor.

**Exhibit B**  
**Budget Detail and Payment Provisions**

0000265

**7. Expense Allowability / Fiscal Documentation**

- A. Invoices, received from a Contractor and accepted and/or submitted for payment by the State, shall not be deemed evidence of allowable agreement costs.
- B. Contractor shall maintain for review and audit and supply to DHS upon request, adequate documentation of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.
- C. If the allowability or appropriateness of an expense cannot be determined by the State because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by the State. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.
- D. If travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. For more information on allowable travel and per diem expenses and required documentation, see Exhibit G entitled, "Travel Reimbursement Information".
- E. Costs and/or expenses deemed unallowable are subject to recovery by DHS. See provision 8 in this exhibit entitled, "Recovery of Overpayments" for more information.

**8. Recovery of Overpayments**

- A. Contractor agrees that claims based upon a contractual agreement or an audit finding and/or an audit finding that is appealed and upheld, will be recovered by the State and/or Federal Government by one of the following options:
  - 1) Contractor's remittance to the State of the full amount of the audit exception within 30 days following the State's request for repayment;
  - 2) A repayment schedule which is agreeable to both the State and the Contractor.
- B. The State reserves the right to select which option will be employed and the Contractor will be notified by the State in writing of the claim procedure to be utilized.
- C. Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Contractor, beginning 30 days after Contractor's receipt of the State's demand for repayment.
- D. If the Contractor has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Contractor loses the final administrative appeal, Contractor shall repay, to the State, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of State's notice requesting reimbursement of questioned audit costs or disallowed expenses.

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**Exhibit B - Attachment I**  
**Budget**

October 1, 2005 through June 30, 2007

|                         |           |               |
|-------------------------|-----------|---------------|
| A. Personnel            | \$        | 4,706         |
| B. Operating Expenses   | \$        | -             |
| C. Capital Expenditures | \$        | -             |
| D. Other Costs          | \$        | 62,526        |
| E. Indirect Costs       | \$        | -             |
| <b>Total</b>            | <b>\$</b> | <b>67,232</b> |

**MUST BE  
PRINTED ON  
AGENCY  
LETTERHEAD**

County of Santa Cruz  
05-45921  
0000267

**Exhibit B, Attachment II  
INVOICE FORMAT**

OA Tracking #:

OA Date Stamp

Contractor Name

Mailing Address

Contract Number

Period of Service (month / year)

Program Name: HIV Housing Program

|  | Amounts |
|--|---------|
| A. PERSONNEL                           | \$      |
| B. OPERATING EXPENSES                  | \$      |
| C. CAPITAL EXPENDITURES                | \$      |
| D. OTHER COSTS                         | \$      |
| E. INDIRECT COSTS                      | \$      |
| TOTAL INVOICE                          | \$      |
| (LESS ADVANCE PAYMENT - If applicable) | \$      |
| TOTAL AMOUNT PAYABLE                   | \$      |

I hereby certify that the amount claimed is accurate and a true representation of the amount owed.

|                                    |       |
|------------------------------------|-------|
| Authorized Signature               | Date  |
| Print name of authorized signature | Title |

OA Review:

(Initial & Date)

FOR OA USE ONLY

Office of AIDS  
California Department of Health Services  
MS 7700  
P.O. Box 997426  
Sacramento, CA 95899-7426

**Special Terms and Conditions**

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*(For federally funded service contracts and grant awards)*

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or to govern the meaning of any specific term or condition. The terms "contract", "Contractor" and "Subcontractor" shall also mean "grant", "Grantee" and "Subgrantee" respectively.

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

**Index of Special Terms and Conditions**

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| 1. Federal Equal Employment Opportunity Requirements              | 17. Human Subjects Use Requirements                     |
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| 14. Documents, Publications, and Written Reports                  | 30. Contract Uniformity (Fringe Benefit Allowability)   |
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**I. Federal Equal Opportunity Requirements**

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(Applicable to all federally funded agreements.)

- 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 shall 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 DHS, 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 shall 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 shall 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 CFR 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 CFR part 60, "Office of the 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 cancelled, 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 CFR part 60, "Office of the 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 CFR part 60, "Office of the 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 DHS 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 DHS, the Contractor may request in writing to DHS, 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 contract funds.)

Reimbursement for travel and per diem expenses from DHS under this agreement shall, unless otherwise specified in this agreement, be at the rates currently in effect, as established by the California Department of Personnel Administration (DPA), for nonrepresented state employees as stipulated in DHS' Travel Reimbursement Information Exhibit. If the DPA rates change during the term of the agreement, the new rates shall apply upon their effective date and no amendment to this agreement shall be necessary. Exceptions to DPA rates may be approved by DHS 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 shall be reimbursed without prior authorization from DHS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

## 3. Procurement Rules

(Applicable to all agreements in which equipment, miscellaneous property, commodities and/or supplies are furnished by DHS or expenses for said items are reimbursed with state or federal funds.)

### a. Equipment definitions

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

- (1) **Major equipment:** 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 DHS or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
- (2) **Minor equipment:** A tangible item having a base unit cost of **less than \$5,000** with a life expectancy of one (1) year or more that is listed on the DHS Asset Management Unit's Minor Equipment List and is either furnished by DHS or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the DHS program contract manager.
- (3) **Miscellaneous property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by DHS or the cost is reimbursed through this agreement. Examples include, but are not limited to: furniture (excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.



- 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 shall also apply, if equipment 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 and services related to such purchases for performance under this agreement.

- (1) Equipment purchases shall not exceed \$50,000 annually.

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

- (2) All equipment purchases are subject to Paragraphs d through h of Provision 3. Paragraph b of Provision 3 shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.

- (3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:

- (a) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement contract in which, to his or her knowledge, he or she has a financial interest.

- (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.

- (c) Procurements shall be conducted in a manner that provides for all of the following:

[1] Avoid purchasing unnecessary or duplicate items.

[2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.

[3] Take positive steps to utilize small and veteran owned businesses.

- d. Unless waived or otherwise stipulated in writing by DHS, prior written authorization from the appropriate DHS program contract manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHS, 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 DHS (e.g., when DHS has a need to monitor certain purchases, etc.), DHS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. DHS reserves the right to either

deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHS 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) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. DHS 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 Ownership/ Inventory/ Disposition

(Applicable to agreements in which equipment and/or miscellaneous property is furnished by DHS and/or when said items are purchased or reimbursed with state or federal funds.)

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

Unless otherwise stipulated in this agreement, all equipment and/or miscellaneous property that are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement shall be considered state equipment and the property of DHS.

- (1) DHS requires the reporting, tagging and annual inventorying of all equipment and/or miscellaneous property that is furnished by DHS or purchased/reimbursed with funds provided through this agreement.

Upon receipt of equipment and/or miscellaneous property, the Contractor shall report the receipt to the DHS program contract manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by DHS' Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with DHS Funds) does not accompany this agreement, Contractor shall request a copy from the DHS program contract manager.

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

- (a) Include in the inventory report, equipment and/or miscellaneous property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
- (b) Submit the inventory report to DHS according to the instructions appearing on the inventory form or issued by the DHS program contract manager.
- (c) Contact the DHS program contract manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or miscellaneous property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by DHS' Asset Management Unit.

- b. Title to state equipment and/or miscellaneous property shall not be affected by its incorporation or attachment to any property not owned by the State.
- c. Unless otherwise stipulated, DHS shall 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 miscellaneous property.
- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or miscellaneous property.

(I) In administering this provision, DHS may require the Contractor and/or Subcontractor to repair or replace, to DHS' satisfaction, any damaged, lost or stolen state equipment and/or miscellaneous property. Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the DHS program contract manager.

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

g. **Motor Vehicles**

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

- (1) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS 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 shall return such vehicles to DHS and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to DHS.
- (2) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, the State of California shall be the legal owner of said motor vehicles and the Contractor shall 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 DHS under the terms of this agreement, shall 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 shall 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 DHS under the terms of this agreement, the Contractor and/or Subcontractor, as applicable, shall 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 period of contract extension 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 DHS under the terms of this agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the DHS program contract manager.
- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this agreement or until such time as the motor vehicle is returned to DHS.
- (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:
  - [1] 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 Services).
  - [2] 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.
  - [3] The insurance carrier shall notify the State of California Department of Health Services, 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 shall contain a reference to the 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 shall be notified by DHS, 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 shall 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, DHS 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 shall 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) The State 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 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) Entities of any type that will provide subvention aid or direct services to the public,
    - (h) Entities and/or service types identified as exempt from advertising in State Administrative Manual Section 1233 subsection 3. View this publication at the following Internet address: <http://sam.dgs.ca.gov>.
- b. DHS 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.
 

Upon receipt of a written notice from DHS requiring the substitution and/or termination of a subcontract, the Contractor shall 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 DHS.
- c. 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 DHS. DHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHS.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by DHS, make copies available for approval, inspection, or audit.
- e. DHS assumes no responsibility for the payment of subcontractors used in the performance of the agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this agreement.
- f. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this agreement.
- h. 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 DHS to the Contractor, to permit DHS 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."

- i. Unless otherwise stipulated in writing by DHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.
- j. Contractor shall, 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, 19, 20, 24, and 32.

## 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 shall be paid by the Contractor to DHS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHS under this agreement.

## 7. Audit and Record Retention

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

- a. The Contractor and/or Subcontractor shall 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 shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall 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. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years 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) & (2) below.
  - (1) If this agreement is completely or partially terminated, the records relating to the work terminated shall 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 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. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.

- f. 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, 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.

## 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 shall provide and shall 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 shall 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. DHS 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. Intellectual Property Rights

### a. Ownership

- (1) Except where DHS has agreed in a signed writing to accept a license, DHS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) For the purposes of this agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.

- (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this agreement. In addition, under this agreement, Contractor may access and utilize certain of DHS' Intellectual Property in existence prior to the effective date of this agreement. Except as otherwise set forth herein, Contractor shall not use any of DHS' Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of DHS. **Except as otherwise set forth herein, neither the Contractor nor DHS shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this agreement, Contractor accesses any third-party Intellectual Property that is licensed to DHS, Contractor agrees to abide by all license and confidentiality restrictions applicable to DHS in the third-party's license agreement.
- (4) Contractor agrees to cooperate with DHS in establishing or maintaining DHS' exclusive rights in the Intellectual Property, and in assuring DHS' 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 shall 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 DHS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or DHS and which result directly or indirectly from this agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with DHS in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce DHS' Intellectual Property rights and interests.

**b. Retained Rights / License Rights**

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, Contractor shall 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. Contractor hereby grants to **DHS**, 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, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of DHS or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.



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**c. Copyright**

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Section a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to DHS to any work product made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, shall include DHS' notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2004, etc.], State of California, Department of Health Services. This material may not be reproduced or disseminated without prior written permission from the Department of Health Services." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

**d. Patent Rights**

With respect to inventions made by Contractor in the performance of this agreement, which did not result from research and development specifically included in the agreement's scope of work, Contractor hereby grants to DHS a license as described under Section b of this provision for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the agreement's scope of work, then Contractor agrees to assign to DHS, without additional compensation, all its right, title and interest in and to such inventions and to assist DHS in securing United States and foreign patents with respect thereto.

**e. Third-party Intellectual Property**

Except as provided herein, Contractor agrees that its performance of this agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining DHS' prior written approval; and (ii) granting to or obtaining for DHS, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this agreement. If such a license upon these terms is unattainable, and DHS determines that the Intellectual Property should be included in or is required for Contractor's performance of this agreement, Contractor shall obtain a license under terms acceptable to DHS.

**f. Warranties**

Contractor represents and warrants that:

- (a) It is free to enter into and fully perform this agreement.
- (b) It has secured and will secure all rights and licenses necessary for its performance of this agreement.
- (c) 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 DHS 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.

- (d) 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.
  - (e) 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 estate, sites, locations, property or props that may be used or shown.
  - (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to DHS in this agreement.
  - (g) 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.
  - (h) 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.
- (2) DHS 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.

**g. Intellectual Property Indemnity**

- (1) Contractor shall indemnify, defend and hold harmless DHS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, 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 DHS' 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 DHS and which result directly or indirectly from this agreement. This indemnity obligation shall 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. DHS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against DHS.
- (2) Should any Intellectual Property licensed by the Contractor to DHS under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve DHS' right to use the licensed Intellectual Property in accordance with this agreement at no expense to DHS. DHS shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or

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action. In the defense or settlement of the claim, Contractor may obtain the right for DHS 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, DHS shall 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 DHS for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges DHS would suffer irreparable harm in the event of such breach and agrees DHS shall 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.

#### **h. Federal Funding**

In any agreement funded in whole or in part by the federal government, DHS may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the agreement; except as provided in 37 Code of Federal Regulations part 401.14; however, the federal government shall 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.

#### **i. Survival**

The provisions set forth herein shall survive any termination or expiration of this agreement or any project schedule.

### **11. 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 under 40 CFR 15.5.

- 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. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- 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 Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

### **12. Prior Approval of Training Seminars, Workshops or Conferences**

Contractor shall obtain prior DHS approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this contract and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor shall 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.

**13. Confidentiality of Information**

- a. The Contractor and its employees, agents, or subcontractors shall 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 shall 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 shall promptly transmit to the DHS program contract manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the client, any such identifying information to anyone other than DHS without prior written authorization from the DHS program contract manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall 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.

**14. Documents, Publications and Written Reports**

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

Any document, publication or written report (excluding progress reports, financial reports and normal contract communications) prepared as a requirement of this agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts 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.

**15. Dispute Resolution Process**

- a. A Contractor grievance exists whenever there is a dispute arising from DHS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and DHS, the Contractor must seek resolution using the procedure outlined below.
  - (1) The Contractor should first informally discuss the problem with the DHS program contract manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree 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 shall 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 shall 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 shall 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

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organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.

- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5, commencing with Section 251, California Code of Regulations.)
- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by DHS, all dispute, grievance and/or appeal correspondences shall be directed to the DHS program contract manager.
- e. There are organizational differences within DHS' 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 shall be notified in writing by the DHS 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.

## 16. Financial and Compliance Audit Requirements

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code section 38020). Direct service contracts shall not include contracts, grants, or subventions to other governmental agencies or units of government nor contracts with regional centers or area agencies on aging (H&S Code section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
  - (1) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives \$25,000 or more from any State agency under a direct service contract; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
  - (2) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract, the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this agreement. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
  - (3) If the Contractor is a State or Local Government entity or Nonprofit Organization (as defined by the Federal Office of Management and Budget [OMB] Circular A-133) and expends \$500,000 or more in Federal awards, the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in OMB Circular A-133 entitled "Audits of States, Local Governments, and Non-Profit Organizations". An audit conducted pursuant to this provision will fulfill the audit requirements outlined in Paragraphs c(1) and c(2) above. The audit shall be completed by the end of the

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ninth month following the end of the audit period. The requirements of this provision apply if:

- (a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
  - (b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.
- (4) If the Contractor submits to DHS a report of an audit other than an OMB A-133 audit, the Contractor must also submit a certification indicating the Contractor has not expended \$500,000 or more in federal funds for the year covered by the audit report.
- d. Two copies of the audit report shall be delivered to the DHS program funding this agreement. The audit report must identify the Contractor's legal name and the number assigned to this agreement. The audit report shall be due within 30 days after the completion of the audit. Upon receipt of said audit report, the DHS program contract manager shall forward the audit report to DHS' Audits and Investigations Unit if the audit report was submitted under Section 16.c(3), unless the audit report is from a City, County, or Special District within the State of California whereby the report will be retained by the funding program.
  - e. The cost of the audits described herein may be included in the funding for this agreement up to the proportionate amount this agreement represents of the Contractor's total revenue. The DHS program funding this agreement must provide advance written approval of the specific amount allowed for said audit expenses.
  - f. The State or its authorized designee, including the Bureau of State Audits, is responsible for conducting agreement performance audits which are not financial and compliance audits. Performance audits are defined by Generally Accepted Government Auditing Standards.
  - g. Nothing in this agreement limits the State's responsibility or authority to enforce State law or regulations, procedures, or reporting requirements arising thereto.
  - h. Nothing in this provision limits the authority of the State to make audits of this agreement, provided however, that if independent audits arranged for by the Contractor meet Generally Accepted Governmental Auditing Standards, the State shall rely on those audits and any additional audit work and shall build upon the work already done.
  - i. The State may, at its option, direct its own auditors to perform either of the audits described above. The Contractor will be given advance written notification, if the State chooses to exercise its option to perform said audits.
  - j. The Contractor shall include a clause in any agreement the Contractor enters into with the audit firm doing the single organization wide audit to provide access by the State or Federal Government to the working papers of the independent auditor who prepares the single organizationwide audit for the Contractor.
  - k. Federal or state auditors shall have "expanded scope auditing" authority to conduct specific program audits during the same period in which a single organization wide audit is being performed, but the audit report has not been issued. The federal or state auditors shall review and have access to the current audit work being conducted and will not apply any testing or review procedures which have not been satisfied by previous audit work that has been completed.

The term "expanded scope auditing" is applied and defined in the U.S. General Accounting Office (GAO) issued Standards for *Audit of Government Organizations, Programs, Activities and Functions*, better known as the "yellow book".

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**17. 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 or subagreement 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. Section 263a (CLIA) and the regulations thereunder.

**18. Novation Requirements**

If the Contractor proposes any novation agreement, DHS shall act upon the proposal within 60 days after receipt of the written proposal. DHS may review and consider the proposal, consult and negotiate with the Contractor, and accept or reject all or part of the proposal. Acceptance or rejection of the proposal may be made orally within the 60-day period and confirmed in writing within five days of said decision. Upon written acceptance of the proposal, DHS will initiate an amendment to this agreement to formally implement the approved proposal.

**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 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- 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) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - (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) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
  - (6) 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 shall submit an explanation to the DHS program funding this contract.

- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHS 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. 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, DHS shall 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.

## 22. 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 contract, DHS 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 DHS receives a final report that meets the terms, conditions and/or scope of work requirements of this agreement.



**23. Performance Evaluation**

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(Not applicable to grant agreements.)

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

**24. Officials Not to Benefit**

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

**25. Four-Digit Date Compliance**

Contractor warrants that it will provide only Four-Digit Date Compliant (as defined below) Deliverables and/or services to the State. "Four Digit Date compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

**26. 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.

**27. 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 shall 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 shall take all of the following steps to further this goal.

- (1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) 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.

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**28. Alien Ineligibility Certification**

(Applicable to sole proprietors entering 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.)

**29. Union Organizing**

(Applicable only to grant agreements.)

Grantee, by signing this agreement, hereby acknowledges the applicability of Government 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 shall, 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 shall provide those records to the Attorney General upon request.

**30. Contract Uniformity (Fringe Benefit Allowability)**

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, DHS 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.

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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 shall 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 contracts, 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 contract 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 contract period of one year. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of the agreement, the Contractor during a one-year agreement term may only claim up to three weeks of vacation and twelve days of sick leave 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 DHS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

**31. Lobbying Restrictions and Disclosure Certification**

(Applicable to federally funded contracts 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, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall 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 shall 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 nonappropriated 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 shall 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, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to DHS 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, 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, 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, grant, loan, or cooperative agreement.

**STATE OF CALIFORNIA  
DEPARTMENT OF HEALTH SERVICES**

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**CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

**(1)** No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making, awarding or entering into of this Federal contract, Federal grant, or cooperative agreement, and the extension, continuation, renewal, amendment, or modification of this Federal contract, grant, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency of the United States Government, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants and cooperative agreements) of \$100,000 or more, and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction **was** made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C., any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Name of Contractor

\_\_\_\_\_  
Printed Name of Person Signing for Contractor

\_\_\_\_\_  
Contract/ Grant Number

\_\_\_\_\_  
Signature of Person Signing for Contractor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

After execution by or on behalf of Contractor, please return to:

Department of Health Services  
(Name of the DHS program providing the funds)  
(Program's Street Address, Room Number, and MS Code)  
P.O. Box 997413  
Sacramento, CA 95899-7413

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Attachment 2

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Approved by OMB

0348-0046

**CERTIFICATION REGARDING LOBBYING**

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352  
(See reverse for public burden disclosure)

|  |  |   |  |  |  |
|--|--|---|--|--|--|
| 1. Type of Federal Action:<br>a. contract<br>b. grant<br>c. cooperative agreement<br>d. loan<br>e. loan guarantee<br>f. loan insurance   |  | 2. Status of Federal Action:<br>a. bid/offer/application<br>b. initial award<br>c. post-award |  | 3. Report Type:<br>a. initial filing<br>b. material change<br>For Material Change Only:<br>Year _____ quarter _____<br>date of last report _____ |  |
| 4. Name and Address of Reporting Entity:<br><br>Prime _____ Subawardee _____<br>Tier _____, if known:<br><br>Congressional District, If known: _____   |  |   | 5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:<br><br>Congressional District, If known: _____                                 |  |  |
| 6. Federal Department/Agency:  |  |   | 7. Federal Program Name/Description:<br><br>CDFA Number, if applicable: _____  |  |  |
| 8. Federal Action Number, if known:  |  |   | 9. Award Amount, if known:   |  |  |
| 10. a. Name and Address of Lobbying Entity<br>(If individual, last name, first name, MI):  |  |   | b. Name and Address of Lobbying Entity<br>(If individual, last name, first name, <b>MI</b> ):  |  |  |
| 11. Amount of Payment (check <b>all</b> that apply):<br>\$ _____ actual _____ planned _____  |  |   | 13. Type of Payment (check all that apply):<br>a. retainer<br>b. one-time fee<br>c. commission<br>d. contingent fee<br>e. deferred<br>f. other, specify: _____ |  |  |
| 12. Form of Payment (check <b>all</b> that apply):<br>a. cash<br>b. in-kind, specify: Nature _____<br>Value _____  |  |   |  |  |  |
|  |  |   |  |  |  |
| 16. Information requested through this form is authorized by Title 31, U.S.C., Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when <b>this</b> transaction was made or entered into. This disclosure is required pursuant to Title 31, U.S.C., Section 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$19,000 and not more than \$100,000 for each such failure. |  |   |  | Signature: _____<br>Print Name: _____<br>Title: _____<br>Telephone No.: _____ Date: _____  |  |
|  |  |   |  | Authorized for Local Reproduction  |  |

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## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

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This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipients at the initiation or receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31, U.S.C., Section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity 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 a covered federal action. Use the SF - LLL - A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred: Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state, and ZIP code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1<sup>st</sup> tier. Subawards include but are not limited to subcontracts, subgrants, and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee," then enter the full name, address, city, state, and ZIP code of the prime federal recipient. Include Congressional District, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CDFA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract grant, or loan award number; the application/proposal control number assigned by the federal agency). Include prefixes, e.g., "RFP-DE-90401."
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state, and ZIP code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered federal action.
10. (b) Enter the full names of the Individual(s) performing services and include full address if different from 10.(a). Enter last name, first name, and middle initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials, identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Office of Management and Budget, Paperwork Reduction Project, (0348-0046), Washington, DC 20503.

**Exhibit E**  
**Additional Provisions**

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**■ - Additional Incorporated Exhibits**

A. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. These documents may be updated periodically by DHS, as required by program directives. DHS shall provide the Contractor with copies of said documents and any periodic updates thereto, under separate cover. DHS will maintain on file, all documents referenced herein and any subsequent updates.

- ) Program and Application Guidance 2005-2006 Fiscal Year for Non-Exempt Counties Administering the Housing Opportunities for Person with AIDS (HOPWA) Program, Request for Application (RFA), dated April 2005.

**2. Contract Amendments**

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

**3. Cancellation / Termination**

- A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.
- B. Upon receipt of a notice of termination or cancellation from DHS, Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent contract costs.
- C. Contractor shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.

**4. Avoidance of Conflicts of Interest by Contractor**

- A. DHS intends to avoid any real or apparent conflict of interest on the part of the Contractor, subcontractors, or employees, officers and directors of the Contractor or subcontractors. Thus, DHS reserves the right to determine, at its sole discretion, whether any information, assertion or claim received from any source indicates the existence of a real or apparent conflict of interest; and, if a conflict is found to exist, to require the Contractor to submit additional information or a plan for resolving the conflict, subject to DHS review and prior approval.
- B. Conflicts of interest include, but are not limited to:
  - 1) An instance where the Contractor or any of its subcontractors, or any employee, officer, or director of the Contractor or any subcontractor has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the contract would allow for private or personal benefit or for any purpose that is contrary to the goals and objectives of the contract.



**Exhibit E**  
**Additional Provisions**

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- 2) An instance where the Contractor's or any subcontractor's employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business or other ties.
- C. If DHS is or becomes aware of a known or suspected conflict of interest, the Contractor will be given an opportunity to submit additional information or to resolve the conflict. A Contractor with a suspected conflict of interest will have five (5) working days from the date of notification of the conflict by DHS to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by DHS and cannot be resolved to the satisfaction of DHS, the conflict will be grounds for terminating the contract. DHS may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.

**5. Freeze Exemptions**

(Applicable only to local government agencies.)

- A. Contractor agrees that any hiring freeze adopted during the term of this contract shall not be applied to the positions funded, in whole or part, by this contract.
- B. Contractor agrees not to implement any personnel policy, which may adversely affect performance or the positions funded, in whole or part, by this contract.
- C. Contractor agrees that any travel freeze or travel limitation policy adopted during the term of this contract shall not restrict travel funded, in whole or part, by this contract.
- D. Contractor agrees that any purchasing freeze or purchase limitation policy adopted during the term of this contract shall not restrict or limit purchases funded, in whole or part, by this contract.

Exhibit F

## Contractor's Release

### Instructions to Contractor:

With final invoice(s) submit one (1) original and one (1) copy. The original must bear the original signature of a person authorized to bind the contractor. The additional copy may bear photocopied signatures.

### Submission of Final Invoice

Pursuant to **contract number** \_\_\_\_\_ entered into between the State of California Department of Health Services (DHS) and the Contractor (identified below), the Contractor does acknowledge that final payment has been requested via **invoice number(s)** \_\_\_\_\_, in the **amount(s) of \$** \_\_\_\_\_ and **dated** \_\_\_\_\_.  
If necessary, enter "See Attached" in the appropriate blocks and attach a list of invoice numbers, dollar amounts and invoice dates.

### Release of all Obligations

By signing this form, and upon receipt of the amount specified in the invoice number(s) referenced above, the Contractor does hereby release and discharge the State, its officers, agents and employees of and from any and all liabilities, obligations, claims, and demands whatsoever arising from the above referenced contract.

### Repayments Due to Audit Exceptions / Record Retention

By signing this form, Contractor acknowledges that expenses authorized for reimbursement does not guarantee final allowability of said expenses. Contractor agrees that the amount of any sustained audit exceptions resulting from any subsequent audit made after final payment, will be refunded to the State.

All expense and accounting records related to the above referenced contract must be maintained for audit purposes for no less than three years beyond the date of final payment, unless a longer term is stated in said contract.

### Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a percentage (0% to 100%) of the materials, goods, supplies or products offered or used in the performance of the above referenced contract meets or exceeds the minimum percentage of recycled material, as defined in Public Contract Code Sections 12161 and 12200.

### Reminder to Return State Equipment/Property (If Applicable)

(Applies only if equipment was provided by DHS or purchased with or reimbursed by contract funds)

Unless DHS has approved the continued use and possession of State equipment (as defined in the above referenced contract) for use in connection with another DHS agreement, Contractor agrees to promptly initiate arrangements to account for and return said equipment to DHS, at DHS's expense, if said equipment has not passed its useful life expectancy as defined in the above referenced contract.

### Patents/ Other Issues

By signing this form, Contractor further agrees, in connection with patent matters and with any claims that are not specifically released as set forth above, that it will comply with all of the provisions contained in the above referenced contract, including, but not limited to, those provisions relating to notification to the State and related to the defense or prosecution of litigation.

---

**ONLY SIGN AND DATE THIS DOCUMENT WHEN ATTACHING TO THE FINAL INVOICE**

Contractor's Legal Name (as on contract): \_\_\_\_\_

Signature of Contractor or Official Designee: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name/Title of Person Signing: \_\_\_\_\_

DHS Distribution:    Accounting (Original)    Program



## Travel Reimbursement Information

1. The following rate policy is to be applied for reimbursing the travel expenses of persons under contract. *The terms "contract" and/or "subcontract" have the same meaning as "grantee" and/or "subgrantee" where applicable.*
  - a. Reimbursement for travel and/or per diem shall be at the rates established for nonrepresented/excluded state employees. *Exceptions to DPA lodging rates may be approved by DHS upon the receipt of a statement on/with an invoice indicating that such rates are not available.*
  - b. Short Term Travel is defined as a 24-hour period, and less than 31 consecutive days, and is at least 50 miles from the main office, headquarters or primary residence. Starting time is whenever a contract or subcontract employee leaves his or her home or headquarters. "Headquarters" is defined as the place where the contracted personnel spends the largest portion of their working time and returns to upon the completion of assignments. *Headquarters may be individually established for each traveler and approved verbally by the program funding the agreement. Verbal approval shall be followed up in writing or email.*
  - c. Contractors on travel status for more than one 24-hour period and less than 31 consecutive days may claim a fractional part of a period of more than **24** hours. Consult the chart appearing on page 2 of this exhibit to determine the reimbursement allowance. All lodging must be receipted. If contractor does not present receipts, lodging will not be reimbursed.

## (1) Lodging (with receipts):

| Travel Location/ Area   | Reimbursement Rate |
|---|--------------------|
| Statewide (excluding the counties identified below)             | \$ 84.00 plus tax  |
| Counties of Los Angeles and San Diego                           | \$110.00 plus tax  |
| Counties of Alameda, San Francisco, San Mateo, and Santa Clara, | \$140.00 plus tax  |

Reimbursement for actual lodging expenses exceeding the above amounts may be allowed with the advance approval of the Deputy Director of the Department of Health Service or his or her designee. Receipts are required. *Receipts from Internet lodging reservation services such as Priceline.com, which require prepayment to that service, ARE NOT ACCEPTABLE LODGING RECEIPTS and are not reimbursable without a valid lodging receipt from a lodging establishment.*

- (2) Meal/Supplemental Expenses (with or without receipts): With receipts, the contractor will be reimbursed actual amounts spent up to the maximum for each full 24-hour period of travel.

| Meal / Expense      | Reimbursement Rate |
|---------------------|--------------------|
| Breakfast           | \$ 6.00            |
| Lunch               | \$ 10.00           |
| Dinner              | \$ 18.00           |
| Incidental expenses | \$ 6.00            |

- d. Out-of-state travel may only be reimbursed if such travel *is necessitated by the scope or statement of work* and has been approved in advance by the program with which the contract is held. For out-of-state travel, contractors may be reimbursed actual lodging expenses, supported by a receipt, and may ~~be~~ reimbursed for meals and supplemental expenses for each 24-hour period computed at the rates listed in c. (2) above. For all out-of-state travel, contractors/subcontractors must have prior *DHS written or verbal approval. Verbal approval shall be confirmed in writing (email or memo).*
- e. In computing allowances for continuous periods of travel of less than 24 hours, consult the chart appearing on page 2 of this *exhibit*.
- f. No meal or lodging expenses will ~~be~~ reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from headquarters.

## Travel Reimbursement Information

## Exhibit G (Continued)

2. If any of the reimbursement rates stated herein are changed by the Department of Personnel Administration, no formal contract amendment will be required to incorporate the new rates. However, DHS shall inform the contractor, in writing, of the revised travel reimbursement rates.
3. For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
4. **Note on use of autos:** If a contractor uses his or her car for transportation, the rate of pay will be **34 cents** maximum per mile. If the contractor is a person with a disability who must operate a motor vehicle on official state business and who can operate only specially equipped or modified vehicles they may claim a rate of **37 cents** per mile. If a contractor uses his or her car "in lieu of" airfare, the air coach fare will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the state. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. *Travel expense reimbursement* detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc. *Reimbursement for travel expenses may be withheld pending receipt of adequate travel documentation.*
6. Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

## Travel Reimbursement Guide

| Length of travel period                    | This condition exists.. .   | Allowable Meal(s)            |
|--|---|------------------------------|
| Less than 24 hours                         | Travel begins at 6:00 a.m. or earlier and continues until 9:00 a.m. or later.   | Breakfast                    |
| Less than 24 hours                         | <ul style="list-style-type: none"> <li>Travel period ends at least one hour after the regularly scheduled workday ends, or</li> <li>Travel period begins prior to or at 4:00 p.m. and continues beyond 7:00 p.m.</li> </ul> | Dinner                       |
| 24 hours                                   | Travel period is a full 24-hour period determined by the time that the travel period begins and ends.   | Breakfast, lunch, and dinner |
| Last fractional part of more than 24 hours | Travel period is more than 24 hours and traveler returns at or after 8:00 a.m.  | Breakfast                    |
|  | Travel period is more than 24 hours and traveler returns at or after 2:00 p.m.  | Lunch                        |
|  | Travel period is more than 24 hours and traveler returns at or after 7:00 p.m.  | Dinner                       |

7. *At DHS' discretion, changes or revisions made by DHS to this exhibit, excluding travel policy established by **DPA** may be applied retroactively to any agreement to which a Travel Reimbursement Information exhibit is attached, incorporated by reference, or applied by DHS program policy.*

## Exhibit H

**CONTRACTOR EQUIPMENT PURCHASED WITH DHS FUNDS**

Current contract number: \_\_\_\_\_

previous contract number (if applicable): \_\_\_\_\_

Snitch's name: \_\_\_\_\_

Contractor's complete address: \_\_\_\_\_

Contactor's contact person:

Contact's telephone number: \_\_\_\_\_

**Date current contract expires:** \_\_\_\_\_

HS program name: \_\_\_\_\_

HS program contract manager: \_\_\_\_\_

\_\_\_\_\_

DHS program contract manager's telephone number: \_\_\_\_\_

Date of this report: \_\_\_\_\_

**(THIS IS NOT A BUDGET FORM)**

[illegible]

0000299

38

## INSTRUCTIONS FOR HAS 1203

(Please read carefully.)

The information on this form will be used by the California Department of Health Services (DHS) Asset Management (AM) to track contract equipment and miscellaneous property (see definitions A, B, and C) which is purchased with DHS funds and is used to conduct state business under this contract. After the Standard Agreement has been approved and each time state/DHS equipment and/or miscellaneous property has been received, the DHS Program Contract Manager is responsible for obtaining the information from the Contractor and submitting this form to DHS AM. The DHS Program Contract Manager is responsible for ensuring the information is complete and accurate. (See *Health Administrative Manual (HAM)*, Section 2-1060 and Section 9-2310.)

Upon receipt of this form from the DHS Program Contract Manager, AM will fill in the assigned state/DHS property tag number, if applicable, for each item. AM will return the original form to the DHS Program Contract Manager, along with the appropriate property tags. The DHS Program Contract Manager will then forward the property tags and the original form to the Contractor and retain one copy until the termination of this contract. The Contractor should place property tags in plain sight and, to the extent possible, on the item's front left-hand corner. The manufacturer's brand name and model number are not to be covered by the property tags.

1 If the item was shipped via the DHS warehouse and was issued a state/DHS property tag by warehouse staff, fill in the assigned property tag. If the item was shipped directly to the Contractor, leave the first column blank.

2. Provide the quantity, description, purchase date, base unit cost, and serial number (if applicable) for each item of:

**A. Major Equipment:**

- Tangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more.
- Intangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more (e.g., software, video).

**These items are issued green numbered state/DHS property tags.**

B. **Minor Equipment:** Tangible item having a base unit cost less than \$5,000 with a life expectancy of one (1) year or more and listed on DHS AM's "Minor Equipment List". (A "Minor Equipment List" can be printed from HAM Section 2-1030.) **These items are issued green numbered state/DHS property tags.**

C. **Miscellaneous Property:** Specific tangible items with a life expectancy of one (1) year or more that are purchased with DHS funds (furniture, cabinets, typewriters, desktop calculators, portable dictators, nondigital cameras.) **These items are issued green unnumbered "BLANK" state/DHS property tags.** NOTE: It is DHS policy not to tag modular furniture. (See your Federal rules, if applicable.)

3. Provide the DHS Purchase Order (STD 65) number if the items were purchased by DHS. (See HAM, Section 2-1050.1.)

4. If a vehicle is being reported, provide the Vehicle Identification Number (VIN) and the vehicle license number to DHS Vehicle Services. (See HAM, Section 2-10050.)

5. If all items being reported do not fit on one form, make copies and write the number of pages being sent in the upper right-hand corner (e.g., "Page 1 of 3.") The DHS Program Contract Manager should retain one copy and send the original to: Department of Health Services, Asset Management, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, MS 1404, Sacramento, CA 95899-7413.

6. Property tags that have been lost or destroyed must be replaced. Replacement property tags can be obtained by contacting AM (916) 650-0124.

7. Use the version on the DHS Intranet forms site. The HAS 1203 consists of one page for completion and one page with information and instructions.

## INVENTORY/DISPOSITION OF DHS-FUNDED EQUIPMENT

**Date current contract expires:**

Current contract number:

Previous contract number (if applicable):

Contractor's name:

**DHS program address:**

Contractor's complete address:

DHS program contract manager's telephone number:

**Date of this report:**

Contractor's contact person:

contact's telephone number:

**(THIS IS NOT A BUDGET FORM)**

[illegible]

38

0000301



## INSTRUCTIONS FOR HAS 1204

(Please read carefully.)

The information on this form will be used by the California Department of Health Services (DHS) Asset Management (AM) to; (a) conduct an inventory of DHS equipment and property (see definitions A, B, and C) in the possession of the Contractor and/or Subcontractors, and (b) dispose of these same items. Report all items, regardless of the items' ages, per number 1 below, purchased with DHS funds and used to conduct state business under this contract. (See *Health Administrative Manual (HAM)*, Section 2-1060 and Section 9-2310.)

The DHS Program Contract Manager is responsible for obtaining information from the Contractor for this form. The DHS Program Contract Manager is responsible for the accuracy and completeness of the information and for submitting it to AM.

**Inventory:** List all DHS tagged equipment and miscellaneous property on this form and submit it within 30 days prior to the three-year anniversary of the contract's effective date, if applicable. **The inventory should be based on previously submitted HAS 1203s,** "Contractor Equipment Purchased with DHS Funds." AM will contact the DHS Program Contract Manager if there are any discrepancies. (See HAM, Section 2-1040.1.)

**Disposal:** (*Definition: Trade in, sell, junk, salvage, donate, or transfer, also, items lost, stolen, or destroyed (as by fire).*) The HAS 1204 should be completed, along with a "Property Survey Report" (STD. 152) or a "Property Transfer Report" (STD. 158), whenever items need to be disposed of; (a) during the term of this contract and (b) 30 calendar days before the termination of this contract. After receipt of this form, the AM will contact the DHS Program Contract Manager to arrange for the appropriate disposal/transfer of the items. (See HAM, Section 2-1050.4.)

1. List the state/DHS property tag, quantity, description, purchase date, base unit cost, and serial number (if applicable) for each item of;

A. Major Equipment: (These items were issued green numbered state/DHS property tags.)

- Tangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more.
- Intangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more (e.g., software, video.)

B. Minor Equipment: (These items were issued green numbered state/DHS property tags.)

- Tangible item having a base unit cost less than \$5,000 with a life expectancy of one (1) year or more and listed on DHS AM's "Minor Equipment List". (A "Minor Equipment List" can be printed from HAM, Section 2-1030.)

C. Miscellaneous Property: (These items were issued green unnumbered "BLANK" state/DHS property tags.)

- Specific tangible items with a life expectancy of one (1) year or more that are purchased with DHS funds (furniture, cabinets, typewriters, desktop calculators, pocket dictators, nondigital cameras.)

2. If a vehicle is being reported, provide the Vehicle Identification Number (VIN) and the vehicle license number to DHS Vehicle Services. (See HAM, Section 2-10050.)

3. If all items being reported do not fit on one page, make copies and write the number of pages being sent in the upper right-hand corner (e.g. "Page 1 of 3.")

4. The DHS Program Contract Manager should retain one copy and send the original to: Department of Health Services, Asset Management, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, MS 1404, Sacramento, CA 95899-7413.

5. Use the version on the DHS Intranet forms site. The HAS 1204 consists of one page for completion and one page with information and instructions.

For more information on completing this form, call AM at (916) 650-0124.



0000303

# COUNTY OF SANTA CRUZ REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Office  
Auditor Controller

FROM: Health Services Agency (Department)

BY: [Signature] (Signature) 10/25/05 (Date)

Signature certifies that appropriations/revenues are available

AGREEMENT TYPE (Check One) Expenditure Agreement ☒ Revenue Agreement ☐

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of same.

- Said agreement is between the Health Services Agency - Public Health (Department/Agency) and Corporation for Affordable Community Housing, 195 Harvey West Blvd., Santa Cruz, CA 95060 (Name/Address)
- The agreement will provide services to represent housing needs for people affected with HIV/AIDS under the HOPWA Development Grant.
- Period of the agreement is from July 1, 2005 to June 30, 2006
- Anticipated Cost Is \$ 50,457 ☐ Fixed ☐ Monthly Rate ☐ Annual Rate ☒ Not to Exceed

Remarks: \_\_\_\_\_

5. Detail: ☐ On Continuing Agreements List for FY \_\_\_\_\_ Page CC- \_\_\_\_\_ Contract, No: \_\_\_\_\_ OR ☐ 1st Time Agreement
- ☐ Section II No Board letter required, will be listed under Item 8
- ☐ Section III Board letter required
- ☐ Section IV Revenue Agreement

6. Appropriations/Revenues are available and are budgeted in 362700 user code H243 (Index) 3665 (Sub object)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACHED COMPLETED AUD-74 OR AUD-60

Appropriations are available and will be encumbered. Contract No: CO5 3448

are not will be encumbered. By: [Signature] Date: 1/12/06

Auditor-Controller Deputy

Proposal and accounting detail reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize

Health Services Agency Director (Dept/Agency Head) to execute on behalf of the \_\_\_\_\_

Health Services Agency (Department/Agency)

Date: 1/18/06

By: [Signature]  
County Administrative Office

## Distribution:

Board of Supervisors - White  
Auditor Controller - Canary  
Auditor-Controller - Pink  
Department - Gold

State of California  
County of Santa Cruz

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz, State of California, do hereby certify that the foregoing request for approval of agreement was approved by said Board of Supervisors as recommended by the County Administrative Office by an order duly entered in the minutes of said Board on \_\_\_\_\_ 20\_\_

ADM - 29 (8101)

Title I, Section 300 Proc Man

By: Deputy Clerk

## AUDITOR-CONTROLLER USE ONLY

|                     |           |       |            |           |       |           |
|---------------------|-----------|-------|------------|-----------|-------|-----------|
| CO _____            | \$ _____  | _____ | _____      | _____     | _____ | _____     |
| Document No.        | JE Amount | Lines | H/TL       | Keyed By  | Date  | <b>33</b> |
| TC110 _____         | \$ _____  | _____ | _____      | _____     | _____ | <b>33</b> |
| Auditor Description | Amount    | Index | Sub object | User Code |       |           |

COUNTY

The COUNTY OF SANTA CRUZ through the  
HEALTH SERVICES AGENCY- PUBLIC HEALTH  
1080 Emeline Avenue, P.O. Box 962, Santa Cruz, CA 95061-0962

0000304

Hereinafter called COUNTY and:

CONTRACTOR

Name: Corporation for Affordable Community Housing, Inc.  
Address: 195 Harvey West Blvd.  
Santa Cruz, CA 95060

Hereinafter called CONTRACTOR for: services to represent housing needs for people affected with HIV/AIDS under the HOPWA Development Grant.

WHEREAS CONTRACTOR possesses certain skills, experience, education and competency to perform the special services and, COUNTY desires to engage CONTRACTOR for such special services upon the terms provided; and

WHEREAS pursuant to the provisions of California Government Code, Section 31000 the BOARD OF SUPERVISORS of COUNTY is authorized to enter into an agreement for such services.

NOW, THEREFORE, the parties here to do mutually agree as set forth in

EXHIBITS

CHECK BOX IF ATTACHEDEXHIBIT**A**TITLE

Scope of Services

**B**

Budget, Fiscal and Payment Provisions

**C**

Standard County / Agency Provisions

**D**

Standard (Division) Provisions

**E**

Mental Health Medi-Cal, Medicare Requirements

**H**

Business Services Addendum

**X**

Revisions

Said exhibits attached hereto are incorporated into this Agreement by this reference.

SIGNATURES

IN WITNESS THEREOF, COUNTY AND CONTRACTOR have executed this Agreement to be effective:  
July 1, 2005 through June 30, 2006

CONTRACTOR

COUNTY

Paul M. O'Brien 10/12/05  
Corporation for Affordable Housing, Inc.

HEALTH SERVICES AGENCY

APPROVED AS TO:

Approved as to Form: 9/29/05  
Henry A. O'Connell JR  
County Counsel

Approved as to Insurances:

Janet McKinley  
Risk Management Division  
9-30-05

Suffix: 01

Index: 362700

Subobject: 3665

User Code: H243

Amount: \$50,457

Total Contract Amount: \$50,457

DIST.

Clerk of the Board  
Auditor-Controller

Health Services Agency  
Contractor

**Agreement Number:**

1. DUTIES OR SERVICES PROVIDED.

CONTRACTOR agrees to represent housing needs for people affect with HIV/AIDS under the HOPWA Development Grant **as** detailed in the attached Exhibit A-I (Scope of Work).

**Corporation for Affordable Community Housing**  
**SCOPE OF WORK**  
**FY 2005-2006**

Santa Cruz County's ability to develop new special needs housing units is limited by its lack of a development organization that has the capacity to serve people with extremely low incomes—particularly those with challenges such as HIV/AIDS. The problem will be addressed through this Scope of Work, which obligates the Contractor to proactively represent the housing needs of people affected by HIV. Representing the housing needs of people with HIV/AIDS will include:

- a. Creating a viable supportive housing project model including the relationship between the three major areas of project development, property management and supportive services,
- b. Participating in advocacy around housing needs for HIV+ people in Santa Cruz County,
- c. Integration into the HIV services and affordable housing communities.

This contract provides for one year of funding to hire additional staff dedicated to the creation of new housing opportunities for people with HIV/AIDS and other special populations. This scope of work pertains to year 3 of the HOPWA Development Grant.

**A. By June 30, 2006, the Corporation for Affordable Community Housing (CACH) will:**

- 1. Commit to education about special development challenges of HIV/AIDS, by attending a minimum of four training sessions and/or conferences approved by COUNTY as fulfilling this responsibility.
- 2. Compile a resource library consisting of materials regarding Supportive Housing, Housing for people with HIV/AIDS, harm reduction and other issues important to successfully housing a wide variety of people with HIV/AIDS. The Resource Library will be available to CACH staff as well as service partners and other housing providers.
- 3. Provide, or coordinate and oversee, high quality property management with a "housing first" behavior based-client centered approach. As part of fulfilling this requirement CACH will develop a memorandum of understanding described further in paragraph 6 below.
- 4. Initiate and implement at least one housing development project that will serve the complex needs of HIV/AIDS in the form preferred by people with HIV/AIDS as expressed in the Housing Satisfaction Survey, with at least 4 beds identified for individuals with HIV/AIDS in which rents are set at 30% of household income.
- 5. Commit to establishing at least one position for people with HIV and/or service providers on the CACH Board of Directors.
- 6. In collaboration with the Santa Cruz AIDS Project and COUNTY, develop a housing services plan, including identifying a nomination/selection process for the available units designated for HIV+ clients seeking housing, that clearly describes the roles of Property Management, and service provider, and the communication protocols that will be followed to ensure the relationships are working. As part of fulfilling this requirement CACH will negotiate a clear Memorandum of Understanding (MOU) for each property where people with HIV/AIDS are residing. The MOU will be in a form acceptable to the COUNTY and will clearly describe the roles and responsibilities regarding issues including but not limited to tenant selection, service provision, communication, eviction, and conflict resolution.
- 7. Participate in an on going forum with the Santa Cruz AIDS Project and other interested parties regarding issues pertaining to the daily operation of the HOPWA housing project.

**B. Milestones:**

|                 |   |
|-----------------|---|
| July- September | Develop service agreement plan with SCAP; take ownership of housing project.  |
| October-June    | Select individuals to move into housing project and work with SCAP and other agencies on supportive housing services.   |
| On-going        | Represent ongoing HSA interests through assistance with organizing and participation on the CACH Board of Directors of the housing development partner,                                   |
| June 2006       | CACH will have submitted all permanent financing applications, obtained local approvals, and secured on-going funding for the housing development project described above in paragraph 4. |

**Agreement Number:**

1. COMPENSATION. In consideration for CONTRACTOR providing services described in Exhibit A -1 (Scope of Work), COUNTY agrees to pay as follows: **an amount not to exceed \$50,457** as detailed in the attached Program Budget (Exhibit B-I). Total contract amount is based on and limited to the availability of funding via the State Standard Agreement for HOPWA Development. If funding from the State Agreement is reduced or eliminated, the amount available for services provided under this agreement will likewise be reduced or eliminated. No COUNTY funds will be used to fund services under this agreement.
2. MONTHLY PAYMENT. CONTRACTOR may elect to receive compensation advanced in monthly installments of 1/12th of the maximum contract amount as shown in Exhibit B, Paragraph 1 above. CONTRACTOR assures that a cash advance is needed each month in order to provide the contracted services. Payment may be less than the above 1/12th amounts if there is a cash carry-over from the prior month which indicates that CONTRACTOR does not need the full advance amount to support the program's cash flow during the month. CONTRACTOR may be allowed a carry-over amount from month to month, not to exceed the 1/12th monthly allocation, upon COUNTY approval. Any unused funds exceeding the carry-over base shall be offset against the next months advance. No single monthly payment shall exceed 1/12th of the Maximum Allocation unless there have been payments of less than 1/12th of such amount for any prior month of the agreement term. To the extent that there have been such lesser payments, the resultant savings may be used to pay monthly billings which exceed 1/12th of the Maximum Allocation. Justification to COUNTY shall be required for advance in excess of these amounts prior to approval of claim for such excess. The cash advance will not be used to provide working capital for non-County programs, and when possible the advance will be deposited in an interest bearing account, and the interest used to reduce program costs.
3. PARTIAL PERFORMANCE. In the event less than all services are performed in a proper and timely manner, CONTRACTOR shall be paid only the reasonable cost for the services performed for the payment period as determined by COUNTY'S Administrator.
4. BUDGET CONTROL. With prior written approval of COUNTY, CONTRACTOR may adjust cost among budget line items or add/delete line items as long as the total amount of the contract is not exceeded.

## Exhibit B-1, BUDGET

SUBCONTRACTOR NAME: County of Santa Cruz - Corporation for Affordable Community Housing

| HOPWA ACTIVITY   | Term             |
|--|------------------|
|  | 7/1/05 - 6/30/06 |
| <b>RESOURCE IDENTIFICATION - Capacity Building and long-term planning Activities</b>   |                  |
| <b>Staff Salaries &amp; Benefits</b>   |                  |
| .5 fte Project Manager   | \$ 37,650        |
| FTE salary - \$65,000 & 1FTE \$14,300 Fringe   |                  |
|  |                  |
|  |                  |
| <b>Subtotal Staff Salaries &amp; benefits</b>  | <b>\$ 37,650</b> |
|  |                  |
| <b>Training/Conferences</b>  |                  |
|  | \$ 1,500         |
|  |                  |
| <b>Subtotal Training/Conferences</b>   | <b>\$ 1,500</b>  |
|  |                  |
| <b>Activity Delivery Costs</b>   |                  |
|  |                  |
| <b>Supplies</b>  | <b>\$ 8,430</b>  |
|  |                  |
| <b>Subtotal Activity Delivery</b>  | <b>\$ 8,430</b>  |
|  |                  |
| <b>Consultant Fees</b>   |                  |
| Supervision & Tech Support   | \$ 2,877         |
| <i>This is used if subcontractor must contract with a consultant for training or technical support (e.g., legal, planning, etc.)</i> |                  |
|  |                  |
| <b>Subtotal Consultant Fees</b>  | <b>\$ 2,877</b>  |
| <b>Total Resource Identification</b>   | <b>\$ 50,457</b> |

## COUNTY OF SANTA CRUZ

## EXHIBIT C – STANDARD COUNTY / AGENCY PROVISIONS

1. **EARLY TERMINATION.** Either party hereto may terminate this contract at any time by giving thirty (30) days written notice to the other party.
2. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CONTRACTOR shall exonerate, indemnify, defend, and hold harmless COUNTY (which for the purpose of paragraphs 2 and 3 shall include, without limitation, its officers, agents, employees and volunteers) from and against:
  - A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which COUNTY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the CONTRACTOR'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the COUNTY. Such indemnification includes any damage to the person(s), or property (ies) of CONTRACTOR and third persons.
  - B. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CONTRACTOR and CONTRACTOR'S officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).
3. **INSURANCE.** Unless waived in Exhibit X, Paragraph 1 of this Agreement, CONTRACTOR, at its sole cost and expense, and for the full term of this Agreement (and any extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage as respects COUNTY and any insurance or self-insurance maintained by COUNTY shall be excess of CONTRACTOR'S insurance coverage and shall not contribute to it.

If CONTRACTOR utilizes one or more subcontractors in the performance of this Agreement, CONTRACTOR shall obtain and maintain Independent Contractor's Insurance as to each subcontractor or otherwise provide evidence of insurance coverage for each subcontractor equivalent to that required of CONTRACTOR in this Agreement.

**A. TYPES OF INSURANCE AND MINIMUM LIMITS**

1. Worker's Compensation in the minimum statutory required coverage amounts.
2. Automobile Liability Insurance for each of CONTRACTOR'S vehicles used in the performance of this Agreement, including owned, non-owned (e.g.,



owned by CONTRACTOR'S employees), leased or hired vehicles, in the minimum amount of \$500,000 combined single limit per occurrence for bodily injury and property damage.

3. Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$1,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.
4. Professional Liability Insurance in the minimum amount of \$1,000,000.

## **B. OTHER INSURANCE PROVISIONS**

1. If any insurance coverage required in this Agreement is provided on a "Claims Made" rather than "Occurrence" form, CONTRACTOR agrees to maintain the required coverage for a period of three (3) years after the expiration of this Agreement (hereinafter "post agreement coverage") and any extensions thereof. CONTRACTOR may maintain the required post agreement coverage by renewal or purchase of prior acts or tail coverage. This provision is contingent upon post agreement coverage being both available and reasonable affordable in relation to the coverage provided during the term of this Agreement. For purposes of interpreting this requirement, a cost not exceeding 100% of the last annual policy premium during the term of this Agreement in order to purchase prior acts or tail coverage for post agreement coverage shall be deemed reasonable.
2. All required Automobile and Comprehensive or Commercial General Liability Insurance shall be endorsed to contain the following clause:  
*"The County of Santa Cruz, its officials, employees, agents and volunteers are added as additional insureds as respects the operations and activities of, or on behalf of, the named insured performed under Agreement with the County of Santa Cruz."*
3. All required insurance policies shall be endorsed to contain the following clause:  
*"This insurance shall not be canceled until after thirty (30) days prior written notice has been given to: County of Santa Cruz, Health Services Agency, Purchasing/Claims, 1080 Emeline Avenue, Santa Cruz, CA 95060."*
4. CONTRACTOR agrees to provide its insurance broker(s) with a full copy of these insurance provisions and provide COUNTY on or before the effective date of this Agreement with Certificates of Insurance for all required coverages. All Certificates of Insurance shall be delivered or sent to: County of Santa Cruz, Purchasing/ Claims, 1080 Emeline Avenue, Santa Cruz, CA 95060.

4. **EQUAL EMPLOYMENT OPPORTUNITY.** During and in relation to the performance of this Agreement, CONTRACTOR agrees as follows:

- A. The CONTRACTOR shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ancestry, physical, or mental disability, medical condition (cancer related), marital status, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. The CONTRACTOR agrees to post in conspicuous places, available to employees and applicants for employment, notice setting forth the provisions of this non-discrimination clause.
- B. If this Agreement provides compensation in excess of \$50,000 to CONTRACTOR and if CONTRACTOR employs fifteen (15) or more employees, the following requirements shall apply:
- I. The CONTRACTOR shall, in all solicitations or advertisements 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, national origin, ancestry, physical, or mental disability, medical condition (cancer related), marital status, sexual orientation, age (over 18), veteran status, gender, pregnancy, or any other non-merit factor unrelated to job duties. Such action shall include, but not be limited to, the following: recruitment; advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training (including apprenticeship), employment, upgrading, demotion, or transfer. In addition, the CONTRACTOR shall make a good faith effort to consider Minority/Women/Disabled Owned Business Enterprises in CONTRACTOR'S solicitation of goods and services. Definitions for Minority/Women/Disabled Business Enterprises are available from the COUNTY General Services Purchasing Division.
  2. In the event of the CONTRACTOR'S non-compliance with the non-discrimination clauses of this Agreement or with any of the said rules, regulations, or orders said CONTRACTOR may be declared ineligible for further agreements with the COUNTY.
  3. The CONTRACTOR shall cause the foregoing provisions of this Subparagraph 4B. To be inserted in all subcontracts for any work covered under this Agreement by a subcontractor compensated more than \$50,000 and employing more than fifteen (15) employees, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

5. **INDEPENDENT CONTRACTOR STATUS.** CONTRACTOR and COUNTY have reviewed and considered the principal test and secondary factors below and agree that CONTRACTOR is an independent contractor and not an employee of COUNTY. CONTRACTOR is responsible for all insurance (workers compensation, unemployment, etc.) and all payroll related taxes. CONTRACTOR is not entitled to any employee benefits. COUNTY agrees that CONTRACTOR shall have the right to control the manner and means of accomplishing the result contracted for herein.

**PRINCIPAL TEST:** The CONTRACTOR rather than COUNTY has the right to control the manner and means of accomplishing the result contracted for.

**SECONDARY FACTORS:** (a) The extent of control which, by agreement, COUNTY may exercise over the details of the work is slight rather than substantial; (b) CONTRACTOR is engaged in a distinct occupation or business; (c) In the locality, the work to be done by CONTRACTOR is usually done by a specialist without supervision, rather than under the direction of an employer; (d) The skill required in the particular occupation is substantial rather than slight; (e) The CONTRACTOR rather than the COUNTY supplies the instrumentalities, tools and work place; (f) The length of time for which CONTRACTOR is engaged is of limited duration rather than indefinite; (g) The method of payment of CONTRACTOR is by the job rather than by the time; (h) The work is part of a special or permissive activity, program, or project, rather than part of the regular business of COUNTY; (i) CONTRACTOR and COUNTY believe they are creating an independent contractor relationship rather than an employer-employee relationship; and (j) The COUNTY conducts public business.

It is recognized that it is not necessary that all secondary factors support creation of an independent contractor relationship, but rather that overall there are significant secondary factors, which indicate that CONTRACTOR is an independent contractor.

By their signatures to this Agreement, each of the undersigned certifies that it is his or her considered judgment that the CONTRACTOR engaged under this Agreement is in fact an independent contractor.

6. **NONASSIGNMENT.** CONTRACTOR shall not assign the Agreement without the prior written consent of the COUNTY.
7. **ACKNOWLEDGMENT.** CONTRACTOR shall acknowledge in all reports and literature that the Santa Cruz County Board of Supervisors has provided funding to the CONTRACTOR.
8. **RETENTION AND AUDIT OF RECORDS.** CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by COUNTY, whichever occurs first. CONTRACTOR hereby agrees to be subject

to the examination and audit by the Santa Cruz County Auditor-Controller, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Agreement.

9. **PRESENTATION OF CLAIMS.** Presentation and processing of any or all claims arising out of or related to this Agreement shall be made in accordance with the provisions contained in Chapter 1.05 of the Santa Cruz County Code, which by this reference is incorporated herein.
10. **LIVING WAGE.** This agreement is covered under Living Wage provisions if initialed by COUNTY in Exhibit X, Paragraph 2.

This agreement is subject to the provisions of Santa Cruz County Code Chapter 2.122, requiring payment of a living wage to covered employees, if initialed by the COUNTY in Exhibit X. Non-compliance during the term of the contract will be considered a material breach and may result in termination of the Agreement or pursuit of other legal or administrative remedies.

If a contract for Living Wage covered services in excess of \$50,000 is terminated prior to its expiration, any new contract with a subsequent contractor for the same services must include this term:

*"CONTRACTOR shall make best efforts to offer employment to qualified employees of the prior contractor for the performance of this contract. Such efforts shall not be required in regard to employees who are (1) exempt under the Fair Labor Standards Act, (2) family members of the prior contractor, (3) employed by the prior contractor for less than six months, or (4) convicted of a job-related or workplace crime. Upon request by the COUNTY, the CONTRACTOR shall demonstrate to the COUNTY that good faith efforts have been made to comply with this provision."*

11. **FINANCIAL REPORTING.** CONTRACTOR shall:
- A. Within sixty (60) days after each annual anniversary of the effective date of this Agreement, the CONTRACTOR shall provide the Contract Administrator with a Contract Closeout Report, in a form established by the County Auditor-Controller. The Contract Administrator shall review and approve the Report. The Contract Administrator shall transmit the approved Report to the County Auditor-Controller within thirty (30) days after receipt from the CONTRACTOR.
- B. Within 180 days of the end of each of the CONTRACTOR'S fiscal years occurring during the term of this Agreement, the CONTRACTOR shall provide the County Auditor-Controller and the Contract Administrator with Financial Statements relating to the entirety of the CONTRACTOR'S operations, which shall include all of the following: (1) a Statement of Financial Position or Balance Sheet; (2) a Statement of Activities or Statement of Revenues and Expenses; (3) a Cash Flow Statement; and (4) a Statement of Functional Expenses.

1. For the purposes of this paragraph, "CONTRACTOR'S fiscal year" shall be that period the CONTRACTOR utilizes for its annual budget cycle.
  2. The Contract Administrator and the County Auditor-Controller may agree to extend the deadline for the Financial Statements required by this paragraph.
  3. For any fiscal year in which the cumulative total of annual revenue received by CONTRACTOR from all sources, both public and private, equals \$300,000 or more, the CONTRACTOR shall provide a Financial Statement audited by an independent certified public accountant (CPA) to the County Auditor- Controller and the Contract Administrator.
  4. Where the CONTRACTOR is not required to provide audited Financial Statements, the CONTRACTOR shall provide the Financial Statements described above, along with a statement of certification signed by one of the CONTRACTOR'S directors or executive officers, stating who prepared the financial statements, and that the statements have been reviewed and approved by the CONTRACTOR'S board of directors.
- C. The CONTRACTOR shall make a good faith effort to provide the Contract Administrator and the County Auditor-Controller with timely notice of any event or circumstance that materially impairs the CONTRACTOR'S financial position or substantially interferes with the CONTRACTOR'S ability to offer the services it has agreed to provide as set forth in this Agreement.
- D. In the sole discretion of the County, the requirements of this paragraph may be exempted where the Contract Administrator and the County Auditor-Controller ascertain that such reporting is not essential, and both certify to its inapplicability by initialing in Exhibit X, Paragraph 3.
12. **DISALLOWANCE AND RESPONSIBILITY FOR AUDIT EXCEPTIONS.** CONTRACTOR is responsible for knowledge of, and compliance with, all COUNTY, State and Federal regulations applicable to expenditure of funds under the terms of this Agreement. In the event CONTRACTOR claims and receives payment from COUNTY which is later disallowed based on an audit performed by the COUNTY, the State of California or the United States government, CONTRACTOR shall promptly refund the disallowed amount to COUNTY on request, or at COUNTY'S sole option, COUNTY may offset the amount disallowed from any payment due or to become due to CONTRACTOR under this Agreement. CONTRACTOR also agrees to assume all responsibility for receiving, replying to, and complying with any audit exceptions by the COUNTY, State or Federal audit agency.
13. **POLITICAL ACTIVITIES PROHIBITED.** None of the funds, provided directly or indirectly, under this Agreement shall be used for any political activities or to

further the election or defeat of any candidate for public office or measure before the elector.

14. **LOBBYING.** None of the funds provided under this contract shall be used for publicity or propaganda purposes designed to support or defeat any legislation pending before State or Federal legislatures or the Board of Supervisors of the COUNTY to an extent other than allowed under applicable federal tax regulations for tax exempt corporations pursuant to 26 C.F.R. Section 501(c)(3)-(ib)(3).
15. **CONFORMANCE TO REGULATIONS.** CONTRACTOR shall perform this Agreement in conformance with applicable Federal, State and local rules and regulations, including applicable facility and professional licensure and/or certification laws.
16. **CONFORMANCE TO LAW.** This Agreement shall be construed and interpreted according to the laws of the State of California, the United States of America and the ordinances of the County of Santa Cruz.
17. **RESPONSIBILITY FOR INVENTORY ITEMS.**
  - A. Equipment, materials, supplies, or property of any kind purchased from funds advanced or reimbursed under the terms of this Agreement having a useful life of three years or greater and a value in excess of three hundred dollars is defined a inventory item. All such items not fully consumed in the work described herein shall be the property of the COUNTY at the termination of this Agreement unless the COUNTY, at its sole discretion, makes an alternate disposition. CONTRACTOR shall, at the request of COUNTY, submit an inventory of said items purchased under the terms of this Agreement, and for items received on a loan basis from COUNTY; such inventory will not be required more frequently than annually. CONTRACTOR shall provide a final inventory to COUNTY'S Administrator within ten (10) days of the termination of this Agreement. Final disposition of all inventory items shall be in accordance with written instructions provided by COUNTY.
  - B. Inventory items in CONTRACTOR'S possession shall only be used in connection with the program funded under this Agreement, and shall not be loaned to the public at large. CONTRACTOR is strictly liable for repairing or replacing any inventory item which is lost and/or damaged while in its possession. CONTRACTOR is responsible for the proper maintenance of all inventory items. CONTRACTOR will return all inventory items to COUNTY in the same condition that it received them except for damage due to normal wear and tear.
18. **NONDISCRIMINATION IN SERVICES.**
  - A. By signing this Contract, Contractor certifies under the laws of the State of California that Contractor and its Subcontractors shall not unlawfully discriminate in the provision of services because of race, color, creed, national origin, sex, age, or physical or mental disability as provided by state and federal law and in accordance with Title VI of the Civil Rights Act of 1964

[42 USC 2000(d)]; Age Discrimination Act of 1975 (42 USC 6101); Rehabilitation Act of 1973 (29 USC 794); Education Amendments of 1972 (20 USC 1681); Americans with Disabilities Act of 1990 (42 USC 12101); Title 45, CFR, Part 84; provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.); and regulations promulgated thereunder (Title 2, CCR, Section 7285.0 et seq.); Title 2, Division 3, Article 9.5 of the Government Code, commencing with Section 11135; and Chapter 6 of Division 4 of Title 9 of the CCR, commencing with Section 10800.

**B.** For the purpose of this Contract, discrimination on the basis of race, color, creed, national origin, sex, age, or physical or mental disability includes, but is not limited to, the following: denying an otherwise eligible individual any service or providing a benefit which is different, or is provided in a different manner or at a different time, from that provided to others under this Contract; subjecting any otherwise eligible individual to segregation or separate treatment in any matter related to the receipt of any service; restricting an otherwise eligible individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or treating any individual differently from others in determining whether such individual satisfied any admission, enrollment, eligibility, membership, or other requirement or condition which individuals must meet in order to be provided any service or benefit.

**C.** Contractor shall, on a cycle of at least every three years, assess, monitor, and document each Subcontractor's compliance with the Rehabilitation Act of 1973 and Americans with Disabilities Act of 1990 to ensure that recipients/beneficiaries and intended recipients/beneficiaries of services are provided services without regard to physical or mental disability. Contractor shall also monitor to ensure that beneficiaries and intended beneficiaries of service are provided services without regard to race, color, creed, national origin, sex, or age.

Contractor shall include nondiscrimination and compliance provisions in all subcontracts. Contractor shall establish written procedures under which service participants are informed of their rights including their right to file a complaint alleging discrimination or a violation of their civil rights. Participants in programs funded hereunder shall be provided a copy of their rights that shall include the right of appeal and the right to be free from sexual harassment and sexual contact by members of the treatment, recovery, advisory, or consultant staff.

**D.** Noncompliance with the requirements of nondiscrimination in services shall constitute grounds for state to withhold payments under this Contract or terminate all, or any type, of funding provided hereunder.

**19. CONFIDENTIALITY OF RECORDS.** CONTRACTOR agrees that all information and records obtained in the course of providing services to COUNTY in the program shall be subject to confidentiality and disclosure provisions of applicable Federal and State statutes and regulations adopted pursuant thereto.

CONTRACTOR agrees that it has a duty and responsibility to make available to the COUNTY Administrator or his/her designated representatives, including the Auditor-Controller of the COUNTY, the contents of records pertaining to COUNTY which are maintained in connection with the performance of CONTRACTOR'S duties and responsibilities under this Agreement, subject to the provisions of the heretofore mentioned Federal and State statutes and regulations. The COUNTY acknowledges its duties and responsibilities regarding such records under such statutes and regulations.

20. **MONITORING.** CONTRACTOR agrees that COUNTY shall have the right to monitor the services provided under this Agreement. Monitoring shall be conducted according to standards and guidelines as set forth by Federal, State and COUNTY requirements. CONTRACTOR agrees to provide COUNTY'S Administrator, or his/her designee, with access to all applicable files and records as may be necessary to monitor the services according to the standards or guidelines described above.
21. **REPORTS.** CONTRACTOR shall submit written reports of operations, and other reports as requested by COUNTY. Format for the content of such reports will be developed by COUNTY in consultation with CONTRACTOR. Reports shall be submitted to COUNTY'S Administrator.
22. **OWNERSHIP, PUBLICATION, REPRODUCTION AND USE OF MATERIAL.** All reports, studies, information, data, statistics, forms, designs, plans, procedures, systems, and any other material or properties produced under this Agreement shall be the property of COUNTY. No such materials or properties produced in whole or in part under this Agreement shall be subject to private use, copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the COUNTY. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent right by CONTRACTOR in the United States or in any other country without the express written consent of the CONTRACTOR. COUNTY shall have unrestricted authority to publish, disclose, distribute and otherwise use copyright or patent, in whole or in part, any such reports, studies, data, statistics, forms or other materials or properties produced under this Agreement.
23. **EVALUATION/RESEARCH.** Evaluation or research involving contact with past or present recipients of services provided under this Agreement shall be permitted with the informed consent of the recipient and only after the CONTRACTOR has determined that the conduct of such evaluation or research will not adversely affect the quality of services provided or individual participation in services. COUNTY reserves the right to prohibit or terminate evaluation or research activities which in its judgment jeopardize the quality of services or individual participation in services provided under this Agreement.
24. **TRAVELING EXPENSES, FOOD AND LODGING.** CONTRACTOR'S claim for travel expense for food and lodging must be directly related to this program and



shall be at rates not to exceed federal issued per diem rates. No travel outside of the State of California shall be payable unless prior written authorization is obtained from COUNTY'S Administrator.

25. **CONTRACTOR PERSONNEL STANDARDS.** The CONTRACTOR shall determine that all staff providing services under this Agreement shall be qualified to perform the job requirements under this Agreement.
26. **AMENDMENTS.** No alteration, amendment, or modification of the terms of this Agreement shall be valid unless executed by written amendment hereto and approved by COUNTY.
27. **NOTICE OF POSSIBLE TERMINATION FOR CAUSE.**
- A. In the event CONTRACTOR fails to perform any of the provisions of this Agreement or fails to make progress so as to endanger performance of this Agreement in accordance with its terms, and in either of these circumstances does not cure such failure within a period of fourteen (14) days after receipt of notice from COUNTY specifying such failure, COUNTY may by written notice of default terminate the whole or part of this Agreement.
  - B. In the event of a termination pursuant to Paragraph 27A, all finished or unfinished documents, and other materials, prepared by CONTRACTOR under this Agreement shall become the property of COUNTY. CONTRACTOR shall be entitled to receive reasonable compensation not to exceed actual cost as reported in interim cost reports for any satisfactory work completed on such documents, or other such materials to date of termination, not to exceed amount payable to date of termination under Paragraph 27A reduced by the amount of damages sustained by COUNTY by reason of such breach.
28. **TERMINATION DUE TO CESSATION OF FUNDING.** COUNTY shall have the right to terminate this Agreement without prior notice to CONTRACTOR in the event that State or Federal funding for this Agreement ceases prior to the ordinary term of the Agreement.
29. **WITHHOLDING OF PAYMENT.** COUNTY may withhold final payment until year- end reports are received and approved by COUNTY. COUNTY may suspend or terminate payments for noncompliance with the terms of this Agreement. Including non-compliance with agreements from prior years.
30. **OVERPAYMENTS.** Overpayments as determined by audits shall be payable to COUNTY within thirty (30) days after date of said determination. Overpayments held in excess of thirty days shall be subject to a penalty charge of a flat twelve (1) percent per annum.
31. **SAFETY AND INFECTION CONTROL.** CONTRACTOR asserts that it is in compliance with applicable Cal/OSHA guidelines for safety and infection control, including blood-borne pathogens, and that there are no enforcement actions,

litigation, or other legal or regulatory proceedings in progress or being brought against CONTRACTOR as a result of non-compliance with such guidelines. CONTRACTOR agrees to notify COUNTY immediately should the status of any of the assertions in this paragraph change or come into question.

32. **CULTURAL COMPETENCY.** In order to ensure access to services, CONTRACTOR shall provide services in a culturally competent manner. Cultural competency is defined as a congruent set of practice skills, behaviors, attitudes and policies that enable staff to work effectively in cross-cultural situations.

## Exhibit X. 2005-2006

COUNTY OF SANTA CRUZ  
EXHIBIT X – REVISIONS**1. INSURANCE WAIVERS**

The following insurance coverages are waived if initiated by COUNTY's representative and also approved by the COUNTY's Risk Manager:

|  | Initials             |
|--|----------------------|
| a. Worker's Compensation                         | <input type="text"/> |
| b. Automobile Liability                          | <input type="text"/> |
| c. Comprehensive or Commercial General Liability | <input type="text"/> |
| d. Professional Liability                        | <input type="text"/> |

Approved by Risk Manager: \_\_\_\_\_ Date: \_\_\_\_\_

**2. INSURANCE REDUCTIONS**

The insurance coverage minimum amounts required in Exhibit C.3A., are hereby reduced to the amount indicated if initiated by the COUNTY's representative and also approved by the COUNTY's Risk Manager:

|  | Initials             | Revised Amount |
|--|----------------------|----------------|
| a. Worker's Compensation                         | <input type="text"/> |                |
| b. Automobile Liability                          | <input type="text"/> |                |
| c. Comprehensive or Commercial General Liability | <input type="text"/> |                |
| d. Professional Liability                        | <input type="text"/> |                |

Approved by Risk Manager: \_\_\_\_\_ Date: \_\_\_\_\_

**3. LIVING WAGE**

This Agreement is subject to the Living Wage provisions of the Santa Cruz County Code if initiated by COUNTY here: AK

**4. FINANCIAL REPORTING**

COUNTY waives Financial Reporting requirements of Exhibit C Paragraph 11 if initiated here by Auditor-Controller: \_\_\_\_\_ and Contract Administrator: \_\_\_\_\_

**5. OTHER STANDARD LANGUAGE REVISIONS**

The provisions set forth below shall supersede and take the place of the paragraph(s) they replace. All other provisions of this Agreement shall remain the same. Check and complete the appropriate box(es).

☒ There are **no** revised paragraphs in this Agreement.

OR

|                          |   |
|--------------------------|---|
| <input type="checkbox"/> | There <b>are</b> revised paragraphs in this Agreement (if so, please specify below)<br>Paragraph " " of Exhibit " " is hereby revised to read as follows: |
| <input type="checkbox"/> | An Addition to said contract shall be as follows:   |