

AWARD AGREEMENT

1. This Award Agreement (“Agreement”) is entered into between Public Health Institute (“PHI”), as identified in 1 (a), and the Outside Party (“Recipient”) identified in 2 (a) named below:			
1 (a). PUBLIC HEALTH INSTITUTE 555 12 th Street, Suite 600 Oakland, CA, USA 94607 Tel: 510-285-5500		1(b). PHI’s AUTHORIZED REPRESENTATIVE Ariel Isaacson Vice President of Operations and Contracts	
1(c). PHI’s PROGRAM REPRESENTATIVE PHI Ctr for Hlth Ldr Imp PCHLI Karya Lustig Tel: (510) 285-9107 Email: klustig@healthleadership.org	1(d). PHI’s ADMINISTRATIVE REPRESENTATIVE Kimberlee Yates Email: kyates@phi.org	1(e). PHI’s INVOICES AND PAYMENT CONTACT Any questions, please contact: Annalyn Madariaga amadariaga@healthleadership.org	
2 (a). COUNTY OF NEVADA 500 Crown Point Circle, Suite 110 Grass Valley, CA United States 95945 Tel: 530-265-1717		2 (b). COUNTY OF NEVADA AUTHORIZED REPRESENTATIVE Kathy Cahill Title: Director of Public Health Email: kathy.cahill@nevadacountyca.gov Tel: 530-265-1732	
3. AGREEMENT NUMBER: 07103-AR76810			
4. PAYMENT TYPE: Fixed Price/Deliverables			
5. TERM OF THIS AWARD AGREEMENT: January 1, 2025 through August 30, 2027			
6. MAXIMUM AMOUNT: \$200,000.00			
7. PHI and COUNTY OF NEVADA hereby enter into this Fixed Price/Deliverables Agreement in accordance with the hereto attached Terms and Conditions and hereto attached Exhibits, which together are all incorporated as a single Agreement.			
AUTHORIZED SIGNATORY PUBLIC HEALTH INSTITUTE		AUTHORIZED SIGNATORY COUNTY OF NEVADA	
(Signature)	(Date)	(Signature)	(Date)
Ariel Isaacson		Kathy Cahill	
Vice President of Operations and Contracts		Director of Public Health	

AWARD AGREEMENT TERMS AND CONDITIONS

1. **RECITALS:** PHI is the recipient of Prime Award No. 24-40132 dated 9/30/2024 12:00:00 AM from the State of California - Department of Health Care Services that is entitled PHI Ctr for Hlth Ldr Imp PCHLI and Assistance Listing Identification Number (ALIN) . This Agreement will set forth the terms and conditions for which Recipient shall be obligated, including but not limited to the following: Total Amount of Funds Obligated to Recipient By This Action: \$200,000.00; Total (Cumulative) Amount of Funds Obligated to Recipient: \$200,000.00; UEI #: QDDBKGRJTRL5.
2. **PERIOD OF PERFORMANCE:** The period of performance for work to be performed in accordance with this Agreement will start on January 1, 2025 and end on August 30, 2027, unless otherwise amended per the terms of this Agreement.
3. **PURPOSE:** Recipient will implement the activities and complete the reporting requirements outlined in Exhibit A (Statement of Objectives and Payment Schedule), which is attached and hereby made a part of this Agreement.
4. **TOTAL AMOUNT:** This Agreement is for up to the fixed price amount of \$200,000.00 to be paid in accordance with Exhibit A.
5. **BUDGET CONTINGENCY:** It is mutually agreed that if the funding for the current budget period or any subsequent budget periods is reduced or canceled by the State of California - Department of Health Care Services (Funder), PHI shall have the option to either suspend, cancel, or terminate this Agreement, in part or in full, with no liability occurring to PHI, or offer, as may be appropriate, to amend this Agreement to reflect the reduced funding.
6. **USE OF FUNDS:** This Agreement will be used in accordance with Exhibit A. Recipient will obtain prior written approval of PHI to make material changes in program objectives, implementation strategy, key personnel, or timetable. Requests will be made in writing. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
7. **PAYMENT AND INVOICING**
 - A. **PAYMENT:** Recipient will invoice PHI for services rendered in accordance with Exhibit A. Subject to any Budget Contingency clause of this Agreement, the amounts payable for each fiscal year, if applicable, will be identified in Exhibit A. All costs for this Agreement shall be computed in accordance with the Generally Accepted Accounting Principles (GAAP) used by the Financial Accounting Standards Board (FASB).

Upon approval of Recipient's invoices by the PHI's Program Representative listed on page 1, PHI will pay Recipient, in arrears, the total fixed price amount specified above. The average time to receive payment is approximately thirty (30) days to allow time for processing by the PHI program and PHI's Accounts Payable.
 - B. **INVOICING:** In order to be paid, all invoices shall include the following information:
 1. Indicate the "Public Health Institute" name as shown on the Agreement;
 2. Include the PHI Agreement Number;

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3. Identify the billing and/or performance period covered by the invoice and provide a description of deliverables completed and payment amount for those deliverables for the same period;
4. Provide Recipient's invoice contact, telephone number and/or email address;
5. Be prepared in accordance with the approved payment schedule identified in Exhibit A; and
6. Be certified in ink, by an electronically scanned copy of a signature, or by verifiable electronic signature (e.g., DocuSign, Adobe, etc.) by the Recipient's Authorized Representative (or designee).
7. A copy of the invoice/detailed transaction ledger shall be certified in ink or by an electronically scanned copy of a signature by the Recipient's Authorized Representative (or designee) for the amount invoiced, with the following statement: "I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate, and that the milestone and/or deliverable reported in this form was successfully completed as described above. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812." This certified document may be transmitted electronically to the PHI Invoices and Payment Contact.
8. Recipient shall submit the final invoice to PHI no later than thirty (30) calendar days after the end date of the Agreement. PHI will have no obligation to pay Recipient for invoices submitted more than thirty (30) calendar days after the date of expiration of the end date, or Budget Period if applicable, for this Agreement.
9. Invoices must be submitted directly to the PHI Invoices and Payment Contact listed on page 1.
8. **RECORD RETENTION:** Recipient will preserve and retain all of its financial records, supporting documents, statistical records and all other books, documents, papers, and other records pertinent to this Agreement, whether preserved or retained in paper form, electronically or otherwise, for the record retention periods specified in 2 CFR §200.334. The rights of access in this section are not limited to the required retention period, but will last as long as records are retained. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
9. **AUDIT FILING COMPLIANCE:** Recipient will comply with the federal audit requirements of 2 CFR 200, Subpart F, 200.501, if applicable, including providing a copy of its reporting package to PHI if required by the circular. Recipient will take appropriate and timely action to follow up and correct all audit findings. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
10. **FFATA REPORTING:** Recipient will furnish its Unique Entity Identifier (UEI) number to PHI and Recipient will comply with the Federal Funding Accountability and Transparency Act (FFATA) of 2006 (Pub. L. 109-282), as amended, and 2 CFR part 170, "Reporting Subaward and Executive Compensation Information."

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11. **COPYRIGHT:** Any work product, including, without limitation, any trade secret, copyright, patent, trademark, or other intellectual property, that the Recipient creates or helps create in performing services under this Agreement will be, and are hereby assigned to the Funder as its sole and exclusive property. If requested by PHI, Recipient will assist PHI, at its expense, during and after the expiration or termination of this Agreement, to obtain and enforce copyright and other protections for these works. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
12. **RIGHTS IN DATA:** PHI shall have the right to obtain, reproduce, disclose, or otherwise use data first produced by Recipient in the direct performance of this Agreement for educational and research purposes only and Funder shall have the rights set forth in 45 CFR § 75.322 or 2 CFR §200.315(d), as applicable.
13. **ACKNOWLEDGMENT:** Recipient will acknowledge this financial support as follows: "Funding is provided by PHI Ctr for Hlth Ldr Imp PCHLI, a program of the Public Health Institute, through funding from State of California - Department of Health Care Services."
14. **INDEPENDENT CONTRACTOR:** Recipient is an independent contractor, not an employee of PHI or Funder, if applicable. Nothing contained in this Agreement shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment, or fiduciary relationship between the parties. Recipient agrees that it is ineligible for PHI employee benefits and is exclusively responsible for income tax payments, social security, and any and all employment benefits, including but not limited to unemployment insurance and worker's compensation insurance.
15. **CONFIDENTIALITY:** Recipient will hold in strict confidence and not disclose or permit others to disclose to any third party, except as authorized in writing by PHI, confidential or proprietary information or materials disclosed to Recipient by PHI in the course of providing services under this Agreement. All PHI confidential information will be clearly marked "Confidential" and will be sent to Recipient's Authorized Representative. If not marked, information shall be considered "Confidential Information" if a person knowledgeable in the relevant field would conclude from the nature of the information and the circumstances of disclosure that it is the confidential or proprietary property of PHI. Confidential Information shall also include any portions thereof contained in analyses, complications, studies, notes and other material prepared by or in the possession or control of Recipient as is specified in this definition. Recipient will incorporate the requirements of this clause in all lower tier agreements, if applicable. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
16. **PUBLICATIONS:** Recipient will not publish any journal articles or other materials that disclose the objectives, contents, methods, or results of work hereunder without the prior written authorization of PHI. Recipient will send to PHI copies of all papers, manuscripts and other materials produced that are related to this Agreement. Recipient will incorporate the requirements of this clause in all lower tier agreements. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
17. **USE OF NAME:** Neither party will use the other party's name, trade name, trademark, designations, or other logos in any advertisements, press releases, in connection with any products or promotions, marketing materials, or other publicity without the prior written approval of an authorized representative of that party. The parties agree that each party may use factual information regarding the existence and purpose of the relationship that is the subject of

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this Agreement to satisfy any reporting and funding obligations, or as required by applicable law or regulation, without written permission from the other party. In any such statement, the relationship of the parties shall be accurately described.

18. **INDEMNIFICATION:** Each party will indemnify, defend and hold harmless the other party and its directors, officers, members, employees, contractors and agents, and Recipient agrees to indemnify, defend and hold harmless Funder, if any, from and against any and all claims, losses, damages, costs, expenses or other liability resulting directly or indirectly from any intentional or willful misconduct, grossly negligent act, or failure to act by the indemnifying party's directors, officers, employees or agents in the performance of this Agreement, including without limitation any accident or injury to persons or property or any liability for copyright, patent or trademark infringement. The parties' obligations under this section will survive the expiration or termination of this Agreement until all claims involving any of the indemnified matters are fully and finally resolved or barred by applicable statutes of limitation.
19. **INSURANCE AND LICENSES:** Recipient will possess and maintain all necessary licenses, permits, certificates, minimum legal liability insurance coverage and credentials required by the laws of the United States, the State of California, the County of Recipient's domicile, and all other appropriate governmental agencies. Recipient's failure to maintain the licenses, permits, certificates, insurance and credentials may be deemed by PHI to be a material breach of this Agreement and may constitute grounds for PHI's termination. Recipient will provide PHI with a copy of insurance upon request. Recipient will comply with the Funder's additional requirements, as outlined in Exhibit B (PHI's Prime Award Terms & Conditions).
20. **LIMITATION OF LIABILITY:** To the maximum extent permitted by law, in no event will either party be liable to the other for any indirect, incidental, special, consequential, exemplary, or punitive damages of any kind, lost goodwill, lost profits, lost business, or other indirect economic damages, whether such claim is based on contract, negligence, tort (including strict liability) or other legal theory, as a result of a breach of any warranty or any other term of this Agreement, and regardless of whether a party was advised or had reason to know of the possibility of such damages in advance.
21. **NON-DISCRIMINATION:** As applicable to this Agreement, Recipient shall comply with:
 - A. Executive Order (E.O.) 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
 - B. 41 CFR 60-300.5(a), which prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans.
 - C. 41 CFR 60-741.5(a), which prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities. Title II of the Americans with Disabilities Act of 1990 (28 CFR Part 35).
 - D. The Contractor agrees to ensure that deliverables developed and produced, pursuant to this Agreement shall comply with the accessibility requirements of Sections 7405 and 11135 of the California Government Code, Section 508 of the Rehabilitation Act of 1973 as amended

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(29 USC § 794d), regulations implementing the Rehabilitation Act of 1973 as set forth in Part 1194 of Title 36 of the Code of Federal Regulations, and the Americans with Disabilities Act of 1990 (42 USC § 12101 et seq.). In 1998, Congress amended the Rehabilitation Act of 1973 to require Federal agencies to make their electronic and information technology (EIT) accessible to people with disabilities. California Government Code Sections 7405 and 11135 codify Section 508 of the Rehabilitation Act of 1973 requiring accessibility of EIT.

Recipient shall incorporate the requirements of this clause in all nonexempt lower tier agreements.

22. **INCORPORATION BY REFERENCE:** All provisions of the prime award issued by Funder that are applicable to this Agreement are hereby incorporated by reference in Exhibit B (PHI's Prime Award Terms & Conditions) and Recipient will comply with them in all respects. Recipient expressly waives any right to further notification or explanation of prime award provisions. If any of the prime award provisions directly and irreconcilably conflict with any other provisions of this Agreement, the prime award will take precedence. Recipient will incorporate the requirements of this section into lower tier agreements.

23. **FEDERAL RESEARCH PROVISIONS:**

- A. **MISCONDUCT IN SCIENCE:** Recipient certifies that it has established administrative policies relating to misconduct in science that comply with 42 CFR Part 93 and further certifies that it will comply with those policies and the requirements of the regulations.
- B. **RIGHTS TO INVENTION:** Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- C. **CONFLICT OF INTEREST:** Recipient certifies that it maintains an appropriate, written enforced policy on conflict of interest that complies with 42 CFR part 50, Subpart F, and further certifies that it will comply with that policy and the requirements of the regulations. Recipient shall report any financial conflict of interest to PHI's Administrative Representative. Any financial conflicts of interest identified shall subsequently be reported to the funder. Such report shall be made before expenditure of funds authorized in this Agreement and within 45 days of any subsequently identified financial conflict of interest. Reports of financial conflicts of interest shall include the information listed in 42 CFR 50.605(b)(3). Recipient shall report to the PHI's Administrative Representative within 45 days when a financial conflict of interest no longer exists. Recipient shall report to the PHI's Administrative Representative within 90 days of learning of noncompliance requiring retrospective review if bias was identified. The report shall include the information listed in 42 CFR 50.605(a)(3)(B) (1)-(9).
- D. **PROTECTION OF HUMAN SUBJECTS:** Recipient certifies that it will comply with the applicable requirements of 45 CFR Part 46, including filing all required assurances and certifications.

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- E. **HUMAN SUBJECTS EDUCATION:** Recipient certifies that all key personnel who are involved in the design and conduct of research involving human subjects under this Agreement have completed the HHS computer-based training in the protection of human research participants (<https://www.hhs.gov/ohrp/education-and-outreach/human-research-protection-training/index.html>) or a comparable program, and Recipient agrees to provide documentation thereof to PHI.
24. **ASSURANCE OF COMPLIANCE:** Recipient certifies that it will comply with all applicable federal statutes, regulations, and policies (including income tax regulations), and all applicable state and local laws and ordinances. In addition, Recipient represents that it has an Assurance of Compliance with the following statutes on file with the HHS Office of Civil Rights:
- A. Title VI of the Civil Rights Act of 1964;
 - B. Section 504 of the Rehabilitation Act of 1973;
 - C. Title IX of the Education Amendments of 1972;
 - D. Age Discrimination Act of 1975;
 - E. Animal Welfare: all Subrecipient organizations are required to comply, as applicable, with the regulations (9CFR, Subchapter A) issued by the U.S. Department of Agriculture under the Animal Welfare Act, as amended, 7 U.S.C. 2131 et seq., and other Federal statutes and regulations relating to animals;
 - F. Drug Free Workplace: the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et. Seq.) requires all organizations receiving awards from any Federal agency agree to maintain a drug-free workplace;
 - G. Inclusiveness of Women and Minorities in Research Design. Supported Clinical research must conform to the NIH Policy and Guidelines on the Inclusion of Women and Minorities as Subjects in Clinical Research in accord with section 492B of the PHS Act, added by the NIH Revitalization Act of 1993;
 - H. Section 1557 of the Affordable Care Act;
 - I. Trafficking Victims Protection Act of 2000 (22 USC 7104(G), as amended, and 2 CFR Part 175;
 - J. Byrd Anti-Lobbying Amendment (31 USC 1352);
 - K. Confidentiality of Alcohol and Drug Abuse Patient Records (42 CFR Part 2, Subparts A – E); and
 - L. Alien Ineligibility Certification. 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.).
25. **CLEAN AIR AND WATER:** Recipient will comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C 1251 et seq.). Violations will be reported to HHS and the appropriate Environmental Protection Agency Regional Office.

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26. **LOBBYING:** If this Agreement exceeds \$100,000, Recipient certifies that to the best of its knowledge and belief no federal appropriated funds have been or will be paid by it or on its behalf to 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 the making, award, extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, or cooperative Subcontract, provided that if any funds other than federal appropriated funds (including profit or fee received under a covered federal transaction) have been or will be paid to any person for the above-noted purposes in connection with this, Recipient will complete and submit to PHI OMB Standard Form LLL “Disclosure of Lobbying Activities.” Recipient will incorporate the requirements of this clause in all nonexempt lower tier agreements and require Recipient to certify and disclose to it, and forward their disclosures to PHI.
27. **PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT:** Recipient shall comply with all applicable standards, orders or regulations issued, and as amended, under 48 CFR § 52.204-25 (“Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment”) and 2 CFR § 200.216 (“Prohibition on certain telecommunications and video surveillance services or equipment”), as applicable.
28. **TRAFFICKING IN PERSONS:** This Agreement is subject to requirements of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104). Recipient must comply with the applicable requirements pertaining to prohibited conduct relating to the trafficking of persons, whether on the part of Recipient or individuals defined as “employees” of Recipient. The details of Recipient's obligations regarding prohibited conduct related to trafficking in persons can be found in 22 USC 7104 and FAR 52.222-50, as applicable, which are incorporated by reference. Recipient must inform PHI immediately of any information Recipient receives from any source alleging a violation of a prohibited conduct outlined in this award term. Failure to abide by the requirements of 22 USC 7104 and FAR 52.222-50, as applicable, may result in the termination of this Agreement. Recipient shall incorporate the requirements of this clause in all lower tier agreements.
29. **DEBARMENT CERTIFICATION:** Recipient certifies by signing this Agreement that neither it nor its principals (including personnel) participating directly or indirectly in the performance of this project are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency as specified in 2 CFR 376. Recipient certifies that it is not listed as debarred or suspended in www.sam.gov. Recipient will incorporate the requirements of this section in all non-exempt lower tier agreements. Recipient will notify PHI should its status herein change. Recipient will query www.sam.gov for all non-exempt lower tier covered transactions.

By signing this Agreement, the Recipient certifies to the best of its knowledge and belief, that it and its principals:

- A. Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) violation of Federal or State antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false

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- claims, obstruction of justice, or the commission of any other offense indicating a lack of business integrity or business honesty that seriously affects its business honesty; and
- B. 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 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.
 - C. Have not, within a three-year period preceding this application/proposal/agreement, engaged in any of the violations listed under 2 C.F.R. Part 180, Subpart C as supplemented by 2 C.F.R. Part 376.
 - D. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 C.F.R. .part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - E. 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.

If the Recipient is unable to certify to any of the statements in this certification, the Recipient must submit an explanation to the Funder. If the Recipient knowingly violates this certification, in addition to other remedies available to the Federal Government, the DHCS may terminate this Agreement for cause or default.

- 30. **NONDELINQUENCY ON FEDERAL DEBT:** Recipient represents to the best of its knowledge that it is not delinquent in repaying any federal debt.
- 31. **EXECUTIVE ORDER:** Recipient is required to comply with the Governor of California's Executive Order N-6-22 (found at <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>) regarding sanctions in response to Russian aggression in Ukraine. Compliance with the EO includes, but is not limited to, compliance with the federal executive orders identified in Executive Order 14065 and the sanctions identified on the United States Department of Treasury website (found at <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>). This clause shall apply to all lower tier transactions (e.g. agreements, sub-agreements, contracts, subcontracts, and subawards, etc.). Recipient shall incorporate the contents of this clause into each lower tier transaction.
- 32. **RESTRICTION ON THE USE OF GENERATIVE AI:** Recipient will not, without the prior written consent of the PHI authorized signatory, use any generative artificial intelligence software, tools, or technologies, including, natural language processing, deep learning algorithms, or machine learning models ("Generative AI"), including, but not limited to, Chat GPT, Google BARD, etc., directly or indirectly in the performance of this Agreement or in the creation of, or otherwise incorporated into, any work under this Agreement. Consistent with this requirement, Recipient is specifically prohibited from using Generative AI to analyze, process, or store any information proprietary to the PHI without prior written consent. Recipient represents and warrants that all reports, deliverables and any other information provided under this Agreement will be the result of Recipient's independent, original efforts without any unapproved Generative AI assistance, and will not incorporate, or be based upon, any output or

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contribution generated by Recipient or to the knowledge of Recipient, in whole or in part, through use of Generative AI.

33. **APPLICABILITY TO LOWER-TIER VENDORS AND SUPPLIERS:** Recipient will require its subcontractors, suppliers, employees, consultants, and agents to comply with all applicable provisions of this Agreement.
34. **TERMINATION:** PHI may suspend or terminate this Agreement at any time by giving written notice of suspension or termination to Recipient if the prime award is suspended or terminated in whole or in relevant part. If Recipient materially fails to comply with, or materially breaches, any of the terms and conditions of this Agreement, PHI may provide written notice of the breach and Recipient shall have ten (10) business days within which to remedy the breach. If Recipient fails to remedy the breach within such period, the Agreement automatically shall terminate upon the expiration of the ten (10) day cure period. Either party may terminate this Agreement without cause upon thirty (30) days written notice to the other party. If Recipient sends or receives a notice of suspension or termination, Recipient will cancel as many outstanding obligations as possible, and will provide a full accounting of all non-cancellable obligations for PHI's review and approval. On the date of suspension or termination, Recipient will stop work and Recipient will not incur any new obligations.
35. **STANDARD TERMS AND CONDITIONS**
- A. **REPRESENTATIONS:** Recipient represents that services will be performed in a good and workmanlike manner, free from defects, and by personnel with the requisite skill, qualifications, and licenses.
- B. **EXCUSABLE DELAY:** If Recipient is delayed in the performance of its obligations by reason of power failure, acts of government, or acts of God, or other reasons or causes beyond Recipient's reasonable control, Recipient provides prompt notice to PHI of the nature and circumstances of the delay, and if agreed to in writing by the Parties, performance may be, at PHI's sole discretion, excused for the period of delay and the Agreement may be extended for a period equivalent to the delay.
- C. **INTERFERING CONDITIONS:** Recipient will promptly notify PHI of any condition that might interfere with this Agreement. Notification will not relieve Recipient of any responsibilities hereunder.
- D. **WHISTLEBLOWER:** Recipient and employees working on this Agreement will be subject to the whistleblower rights and remedies under 41 U.S.C. 4712 as implemented under 48 CFR Subpart 3.9 or 2 CFR 200.217, as applicable. The Recipient will inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712. The Recipient will insert the substance of this clause in all lower tier agreements over the simplified acquisition threshold.
- E. **COMPLIANCE WITH LAW:** Recipient will comply with all relevant state and federal statutes and regulations.
- F. **GOVERNING LAW:** The validity, construction, and effect of this Agreement will be governed by the laws of the United States of America and the State of California.

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- G. **SEVERABILITY:** If any provision of this Agreement is held in conflict with law, the validity of the remaining provisions will not be affected.
- H. **DISPUTES AND ARBITRATION:** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the arbitrator's award may be entered in any court having jurisdiction.
- I. **ATTORNEY'S FEES:** If any action or proceeding including arbitration is brought by either party against the other under this Agreement, the prevailing party will be entitled to recover court costs and the fees of its attorneys in such action or proceeding in such amount as the court or arbitrator finds reasonable.
- J. **TRADEMARKS:** Neither party will use the name, trade name, trademark or other designation of the other party or its affiliates in connection with any products, promotion or advertising without the prior written permission of the other party.
- K. **WARRANTY:** PHI makes no representations and extends no warranties of any kind, either express or implied. There are no express or implied warranties of merchantability or fitness for a particular purpose, or that the use of the results will not infringe any patent, copyright or trademark or other rights.
- L. **NON-ASSIGNMENT:** This Agreement is not assignable by Recipient without the prior written consent of PHI Authorized Representative.
- M. **SURVIVAL OF OBLIGATIONS:** Expiration or termination of this Agreement will not extinguish any previously-accrued rights or obligations of the parties.
- N. **NOTICES:** Any notice given by any of the parties will be sufficient only if in writing to the PHI Administrative Representative and by/to the Recipient's Authorized Representative named on the cover page of this Agreement.
- O. **ENTIRE AGREEMENT:** This is the entire Agreement between the parties. It supersedes all prior oral or written agreements or understandings and it may be amended only in writing.
- P. **AUTHORIZATION:** Recipient represents and warrants that they are fully authorized and empowered to enter into this Agreement and that the performance of the obligations under this Agreement will not violate any agreement between Recipient and any other person, firm, or organization.

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**EXHIBIT A
STATEMENT OF OBJECTIVES and PAYMENT SCHEDULE**

SEE ATTACHED

**EXHIBIT B
PHI'S PRIME AWARD TERMS & CONDITIONS**

SEE ATTACHED

EXHIBIT A
STATEMENT OF OBJECTIVES AND PAYMENT SCHEDULE

Year	Months	Objectives	Payment	Total	Estimated Payment Date	
Yr 1 - 1/1/25-6/30/25	Jan 1-Mar 31, 2025	Submit quarterly report by designated deadline	\$ 9,090.91	18181.82	Apr 2025	
		Participate in learning group call with other funded coalitions led by the COPN Impact Coach	\$ 9,090.91			
	Apr 1-Jun 30, 2025	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Jul 2025	
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach				\$ 6,060.61
		Attend biannual check-in call with COPN staff to discuss progress on workplan and requests for additional resources				\$ 6,060.61
Year 1 Total Payment:				\$36,363.64		
Yr 2 - 7/1/25-6/30/26	Jul 1-Sep 30, 2025	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Oct 2025	
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach				
		Achieve >80% of total performance measure targets below:				
		1) By August 30, 2025, Know Overdose Nevada County will: Expand audience for Opioid Overdose Prevention (OOP), harm reduction, and anti-stigma education and awareness sessions to community service providers and youth <div><div>i. 130 people in attendance at KONC hosted OOP training sessions and TOT session</div></div>				
		2) By August 30, 2025, Know Overdose Nevada County will: expand local knowledge of MAT offerings <div><div>i. 5000 impressions from social media posts through analytics</div><div>ii. 38 people reached with updated OOP content</div></div>				
	Oct 1-Dec 31, 2025	3) By August 30, 2025, Know Overdose Nevada County will: Collaborate with local syringe service program and behavioral health partners to distribute harm reduction supplies <div><div>i. 250 naloxone distributed through Health Access Vending Machines and partners</div><div>ii. 200 fentanyl testing strips distributed through Health Access Vending Machines and partners</div></div>	\$ 6,060.61	18,181.82	Jan 2026	
		4) By August 30, 2025, Know Overdose Nevada County will: strengthen partnerships with local SSP and integrate state-funded MAT providers into MAT education development. <div><div>i. 1 contract with Yuba Harm Reduction Collective</div></div>				
		Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan				
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach				
		Attend biannual check-in call with COPN staff to discuss progress on workplan and requests for additional resources				
Jan 1-Mar 31, 2026	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 9,090.91	18,181.82	Apr 2026		
	Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach				\$ 9,090.91	

Apr 1-Jun 30, 2026	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Jul 2026
	Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach	\$ 6,060.61		
	Attend biannual check-in call with COPN staff to discuss progress on workplan and requests for additional resources	\$ 6,060.61		

Year 2 Total Payment: \$72,727.28

Yr 3 - 7/1/26-6/30/27	Jul 1-Sep 30, 2026	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Oct 2026
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach			
		Achieve >80% of total performance measure targets below:			
		1) By August 30, 2026, Know Overdose Nevada County will: Expand audience for Opioid Overdose Prevention (OOP), harm reduction, and anti-stigma education and awareness sessions to community service providers and youth			
		i. 325 total people in attendance at KONC hosted OOP training sessions and TOT session			
		ii. 20 people trained on OOP hosted by service providers that participated in TOT			
		2) By August 30, 2026, Know Overdose Nevada County will: expand local knowledge of MAT offerings			
		i. 5000 total impressions from social media posts through analytics			
		ii. 384 total people reached with updated OOP content			
		3) By August 30, 2026, Know Overdose Nevada County will: Collaborate with local syringe service program and behavioral health partners to distribute harm reduction supplies			
		i. 625 total naloxone distributed through Health Access Vending Machines and partners			
		ii. 500 total fentanyl testing strips distributed through Health Access Vending Machines and partners			
		4) By August 30, 2026, Know Overdose Nevada County will: Know Overdose Nevada County will: strengthen partnerships with local SSP and integrate state-funded MAT providers into MAT education development by having completed collaborative deliverables (creation of MAT training materials and outreach materials, polysubstance use materials, and vending machine promotion) and having MAT provider attendees at feedback sessions			
		i. 1 contract - Completion of collaborative deliverables (creation of MAT training materials and outreach materials, polysubstance use materials, and vending machine promotion) with Yuba Harm Reduction Collective			
		ii. 5 total MAT provider attendees at feedback session			
		5) By August 30, 2026, Know Overdose Nevada County will: Reach local youth with harm reduction, prevention, and treatment information			
		i. 100 educational training materials disseminated			
		ii. 100 students/staff reached			
		6) By August 30, 2026, Know Overdose Nevada County will: Provide education regarding polysubstance use (PSU) to local PWUD, service providers, and youth			
		i. 320 PSU materials distributed			
		ii. 80 attendees for harm reduction youth training including PSU content			



		7) By August 30, 2026, Know Overdose Nevada County will: Collaborate with Behavioral Health providers to provide education and information on overdose prevention and harm reduction i. 12 CRC participants and staff reached			
	Oct 1-Dec 31, 2026	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Jan 2027
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach	\$ 6,060.61		
		Attend biannual check-in call with COPN staff to discuss progress on workplan and requests for additional resources	\$ 6,060.61		
	Jan 1-Mar 30, 2027	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 9,090.91	18,181.82	Apr 2027
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach	\$ 9,090.91		
	Apr 1-Jun 30, 2027	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.61	18,181.82	Jul 2027
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach	\$ 6,060.61		
		Attend biannual check-in call with COPN staff to discuss progress on workplan and requests for additional resources	\$ 6,060.61		
	Year 3 Total Payment:				\$72,727.28
Yr 4 - 7/1/27-8/30/27	Jul 1-Aug 30, 2027	Submit quarterly report by designated deadline outlining progress on performance objectives and upload documentation of deliverables listed in coalition workplan	\$ 6,060.60	18,181.80	Sept 2027
		Participate in a minimum of two (2) monthly learning group calls per quarter with other funded coalitions led by the COPN Impact Coach	\$ 6,060.60		
		Achieve >80% of total performance measure targets below:	\$ 6,060.60		
		1) By August 30, 2027, Know Overdose Nevada County will: Expand audience for Opioid Overdose Prevention (OOP), harm reduction, and anti-stigma education and awareness sessions to community service providers and youth i. 520 total people in attendance at KONC hosted OOP training sessions and TOT session ii. 50 total people trained on OOP hosted by service providers that participated in TOT			
		2) By August 30, 2027, Know Overdose Nevada County will: expand local knowledge of MAT offerings i. 5000 total impressions from social media posts through analytics ii. 500 total people reached with updated OOP content			
		3) By August 30, 2027, Know Overdose Nevada County will: Collaborate with local syringe service program and behavioral health partners to distribute harm reduction supplies i. 1,000 total naloxone distributed through Health Access Vending Machines and partners ii. 800 total fentanyl testing strips distributed through Health Access Vending Machines and partners			
		4) By August 30, 2027, Know Overdose Nevada County will: strengthen partnerships with local SSP and integrate state-funded MAT providers into MAT education development by having completed collaborative deliverables (creation of MAT training materials and outreach materials, polysubstance use materials, and			

	<div><div>i. 1 contract - Completion of collaborative deliverables (creation of MAT training materials and outreach materials, polysubstance use materials, and vending machine promotion) with Yuba Harm Reduction Collective</div><div>ii. 5 total MAT provider attendees at feedback session</div><div>5) By August 30, 2027, Know Overdose Nevada County will: Reach local youth with harm reduction, prevention, and treatment information</div><div>i. 200 total educational training materials disseminated</div><div>ii. 200 total students/staff reached</div><div>6) By August 30, 2027, Know Overdose Nevada County will: Provide education regarding polysubstance use (PSU) to local PWUD, service providers, and youth</div><div>i. 800 total PSU materials distributed</div><div>ii. 200 total attendees for harm reduction youth training including PSU content</div><div>7) By August 30, 2027, Know Overdose Nevada County will: Collaborate with Behavioral Health providers to provide education and information on overdose prevention and harm reduction</div><div>i. 30 total CRC participants and staff reached</div><div>ii. One Health Access Vending Machine installed in the CRC</div></div>			
Year 4 Total Payment:			\$18,181.80	
Year 1-4 Total Payment:			\$200,000.00	

EXHIBIT B
PHI's PRIME AWARD TERMS & CONDITIONS

Funding Guidelines:

1. Contractor agrees expenditures must adhere to the following guidelines:
 - A. Expenditures must be tied to, and for the purposes of, the State Opioid Response Project.
 - B. Expenditures must be used for allowable activities and costs as outlined in this Agreement and the following:
 - i. Code of Federal Regulations (CFR), Title 45, Part 75, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
 - ii. SAMHSA Standard Terms and Conditions.
 - iii. DHCS SOR IV Allowable Cost Fact Sheet.
 - C. A provider organization for direct client services (mental health/substance use disorder prevention, treatment, and recovery supports) appropriate to the award must be involved in the project. The provider may be the applicant or another organization. More than one provider organization may be involved.
 - D. A mental health/substance use disorder prevention, treatment, and recovery support provider organization (which may include the applicant and any partners) must have at least two years of experience (as of the due date of the application) providing relevant services. Official documents must establish that the organization has provided relevant services for the last two years.
 - E. A mental health/substance use disorder prevention, treatment, or recovery support provider organization must be in compliance with all applicable local (city, county) and state licensing, accreditation, and certification requirements, as of the due date of the application.
 - F. Expenditures must be reasonable in light of the services or goods provided.
 - G. Expenditures must be substantiated by invoices, receipts, pay records, checks, and other appropriate documentation; and
 - H. All invoices related to this contract must be submitted to PHI within thirty (30) days of the date of service.
2. Contractor shall not use any grant funds made available under this Agreement to:
 - A. Pay for any contingency management treatment activities.
 - B. Pay for any lease beyond the State Opioid Response Project period or prepay any other expense beyond the Project period.
 - C. Pay for patient housing.
 - D. Pay for cleaning supplies, and hand sanitizers as personal protective equipment.
 - E. Pay for telehealth equipment for use by clients or patients.
 - F. Provide residential or outpatient treatment services when the facility has not yet been acquired, sited, approved, and met all requirements for human habitation and services provision (expansion or enhancement of existing residential services is permissible).
 - G. Make direct payments to individuals to induce them to enter prevention or treatment services. However, SAMHSA grant funds may be used for non-clinical support services (e.g., bus tokens, childcare) designed to improve access and retention in prevention and treatment programs.
 - H. Make direct payments to individuals to encourage attendance and/or attainment of prevention or treatment goals. Meals are generally unallowable unless specifically stated as an allowable expense in the Notice of Funding Opportunity. Grant funds may be used for light snacks, not to exceed \$10.00 per person per day.
 - I. The cost of food or meals are unallowable, even if they are considered an integral part of a conference or gathering.
 - J. Please reference SOR IV Allowable Cost Sheet for additional guidance on unallowable costs.
3. Grant funds shall not be used for services that can be paid through other accessible sources of funding, such as Title XIX of the Social Security Act, other federal discretionary and formula grant funds, non-federal funds, third party insurance, and sliding scale self-pay, among others.
4. Grant funds made available under this Agreement shall not be utilized to pay for services covered by Medi-Cal for individuals who qualify for Medi-Cal but do not apply. The Contractor must implement policies and procedures that ensure other sources of funding (such as Medicare, Medicaid, private insurance, etc.) are used

first when available for that individual. Policies and procedures must also be in place to determine affordability and insurance coverage for individuals seeking services. Grant award funds for payment of services may be used for individuals who are not covered by public or other health insurance programs. The Contractor must also assist eligible uninsured clients with applying for health insurance. If appropriate, consider other systems from which a potential service recipient may be eligible for services (for example, the Veterans Health Administration or senior services). The Contractor shall provide written policy and procedures to PHI for review within 90 days from contract execution.

5. Grant funds shall not supplant current funding of existing activities program income revenue generated by providing services must first be used to pay for programmatic expenses related to proposed grant activities.
6. Grant funds allocated under this contract must be expended within each budget year.
7. The Contractor is responsible for ensuring that all expenditures are made in compliance with the budget and timelines set forth in this contract.

Federal Equal Opportunity Requirements

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

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action will include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government, PHI and Funder, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices will state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
2. 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.
3. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and will post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 Code of Federal Regulations (C.F.R.) Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.

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

Records and Record Keeping

1. The Contractor shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the grant in accordance with 45 CFR section 75.361.
2. SAMHSA, the Inspector General, the Comptroller General, Funder and PHI, or any of its authorized representatives, have the right to access any documents, papers, or other records of the Contractor which are pertinent to the grant, for the purpose of performing audits, examinations, excerpts, and transcripts. The right to access records also includes timely and reasonable access to the Contractor's personnel for the purpose of interview and discussion related to the requested documents.
3. The right to access records is not limited to the required retention period (three years) but lasts as long as the records are retained by the Contractor.

Monitoring and Audits

1. The Contractor shall be subject to monitoring by Funder or PHI for compliance with the provisions of this Agreement. Such monitoring activities shall include, but are not limited to, inspection and auditing of the Contractor's management procedures, books, and records, as Funder or PHI deems appropriate. Funder or PHI may conduct monitoring activities at any time during the Contractor's normal business hours.
2. Funder or PHI shall conduct a review of the Contractor's records to determine if any of the claimed expenditures were an improper use of grant funds.
3. The Contractor's refusal to permit access to physical facilities and/or inspection of any documents, files, books, or records necessary for Funder or PHI to complete its monitoring and auditing activities constitutes an express and immediate material breach of this Agreement and will be a sufficient basis to terminate the Agreement for cause.
4. 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 Funder or PHI by one of the following options:
 - A. Contractor's remittance to Funder or PHI of the full amount of the audit exception within 30 days following Funder or PHI's request for repayment; or
 - B. A repayment schedule that is agreeable to both Funder, PHI and the Contractor.
5. Funder or PHI reserve the right to select which option to employ, and Funder or PHI will notify the Contractor in writing of the claim procedure to be utilized.
6. 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 the Contractor's receipt of Funder or PHI's demand for repayment.
7. 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, the Contractor shall repay, to Funder or PHI, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of Funder or PHI's notice requesting reimbursement of questioned audit costs or disallowed expenses.

Contractor Non-Compliance

1. If the Contractor fails to comply with Federal statutes, regulations, or the terms and conditions of the grant, DHCS may impose additional conditions on the sub-award, including:
 - A. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period.
 - B. Requiring additional or more detailed financial reports.
 - C. Requiring technical or management assistance; and/or
 - D. Establishing additional prior approvals.
2. If DHCS determines that the Contractor's noncompliance cannot be remedied by imposing additional conditions, DHCS may take one or more of the following actions:
 - A. Temporarily withhold cash payments pending correction of the deficiency by the Contractor.
 - B. Disallow all or part of the cost of the activity or action not in compliance.
 - C. Wholly or partly suspend the award activities or terminate the Contractor's subaward.
 - D. Recommend that suspension or debarment proceedings be initiated by the Federal awarding agency.
 - E. Withhold further Federal awards.
 - F. Take other remedies that may be legally available.

Federal Equal Opportunity Requirements

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action will include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government, PHI and Funder, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212). Such notices will state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and will post copies of the notice in conspicuous places available to employees and applicants for employment.
- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. § 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 Code of Federal Regulations (C.F.R.) Part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 C.F.R. Part 60, "Office of Federal

Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, ‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’ and as supplemented by regulation at 41 C.F.R. Part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor,” or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. § 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs, Funder or PHI 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 Funder or PHI, the Contractor may request in writing to Funder or PHI, who, in turn, may request the United States to enter into such litigation to protect the interests of PHI and Funder and of the United States.

Subcontract Requirements

- a. Prior written authorization will be required before the Consultant enters into or is reimbursed for any subcontract for services costing \$5,000 or more. When securing subcontracts for services exceeding \$5,000, the Consultant shall obtain at least three bids or justify a sole source award.
 - (1) The Consultant must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - (2) PHI and Funder may identify the information needed to fulfill this requirement.
 - (3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - a) A local governmental entity or the federal government,
 - b) A State college or State university from any State,
 - c) A Joint Powers Authority,
 - d) An auxiliary organization of a California State University or a California community college,
 - e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - g) Firms or individuals proposed for use and approved by PHI and Funder’ funding Program via acceptance of an application or proposal for funding or pre/post contract award negotiations,
 - h) Entities and/or service types identified as exempt from advertising and competitive bidding in State Contracting Manual Chapter 5 Section 5.80 Subsection B.2.
- b. PHI and Funder reserves the right to approve or disapprove the selection of Consultants and with advance written notice, require the substitution of Consultants and require the Consultant to terminate subcontracts entered into in support of this Agreement.
 - (1) Upon receipt of a written notice from PHI and Funder requiring the substitution and/or termination of a subcontract, the Consultant 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 PHI and Funder.
- c. Actual subcontracts (i.e., written agreement between the Consultant and a Consultant) of \$5,000 or more are subject to the prior review and written approval of PHI and Funder. PHI and Funder may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by PHI and Funder.
- d. Consultant shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by PHI and Funder, make copies available for approval, inspection, or audit.

- e. PHI and Funder assumes no responsibility for the payment of Consultants used in the performance of this Agreement. Consultant accepts sole responsibility for the payment of Consultants used in the performance of this Agreement.
- f. The Consultant is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
- g. The Consultant shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.

Audit and Record Retention

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

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

Site Inspection

The Funder, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder. Consultant shall 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.

Intellectual Property Rights

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

- g. In the case of copyrighted materials, all materials distributed under the terms of this Agreement, and any reproductions or derivative works thereof, must include a notice of copyright in a place that can be visually perceived at the direction of PHI and Funder. This notice must be placed prominently on products or materials and set apart from other matter on the page or medium where it appears. The notice "Copyright" or "©", the year in which the work was first created, and the Department of Health Care Services DHCS", or other appropriate mark as directed by DHCS, must be included on any such products or materials.
- h. Contractor represents and warrants that:
 - 1. It is free to enter into and fully perform this Agreement.
 - 2. It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
 - 3. Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or PHI and Funder and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, nondisclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any State, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
 - 4. Neither Contractor's performance nor any part of its performance will violate the right of privacy of or constitute a libel or slander against any person or entity.
 - 5. It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real property, sites, locations, property or props that may be used or shown.
 - 6. It has not granted and will not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to PHI and Funder in this Agreement.
 - 7. It has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 - 8. It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.
- i. PHI AND FUNDER MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.
- j. INTELLECTUAL PROPERTY INDEMNITY
 - 1. Contractor must indemnify, defend and hold harmless PHI and Funder and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of PHI and Funder's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or PHI and Funder and which result directly or indirectly from

this Agreement. This indemnity obligation will apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. PHI and Funder reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against PHI and Funder.

2. Should any Intellectual Property licensed by the Contractor to PHI and Funder under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve PHI and Funder's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to PHI and Funder. PHI and Funder will have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for PHI and Funder 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, PHI and Funder will be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
 3. Contractor agrees that damages alone would be inadequate to compensate PHI and Funder for breach of any term of this Intellectual Property attachment by Contractor. Contractor acknowledges PHI and Funder would suffer irreparable harm in the event of such breach and agrees PHI and Funder will be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.
 4. If this Agreement is funded in whole or part by federal funds, PHI and Funder will retain all Intellectual Property rights, title, and ownership, which result directly or indirectly from the Agreement pursuant to applicable federal law including, but not limited to, 45 C.F.R. § 75.322 and 45 C.F.R. § 95.617, except as provided in 37 C.F.R. Part 401.14. However, the federal government will have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.
- k. The provisions set forth herein will survive any termination or expiration of this Agreement.

Confidentiality of Information

- a. The Contractor and its employees, agents, or subcontractors must protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- b. The Contractor and its employees, agents, or subcontractors must not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
- c. The Contractor and its employees, agents, or subcontractors must promptly transmit to PHI and the Funder's Program Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor must not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than PHI and Funder without prior written authorization from PHI and the Funder's Program Contract Manager, except if disclosure is required by State or Federal law.

- e. For purposes of this provision, identity will include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
- f. As deemed applicable by PHI and Funder, this provision may be supplemented by additional terms and conditions covering personal health information or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

Documents, Publications and Written Reports

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

Officials Not to Benefit

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

Union Organizing

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

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

Suspension or Stop Work Notification

- a. Funder may, at any time, issue a notice to suspend performance or stop work under this Agreement. The initial notification may be a verbal or written directive issued by the Funder's Program's Contract Manager. Upon receipt of said notice, the Contractor is to suspend and/or stop all, or any part, of the work called for by this Agreement.
- b. Written confirmation of the suspension or stop work notification with directions as to what work (if not all) is to be suspended and how to proceed will be provided within 30 working days of the verbal notification. The suspension or stop work notification will remain in effect until further written notice is received from Funder. The resumption of work (in whole or part) will be at Funder's discretion and upon receipt of written confirmation.

1. Upon receipt of a suspension or stop work notification, the Contractor must immediately comply with its terms and take all reasonable steps to minimize or halt the incurrence of costs allocable to the performance covered by the notification during the period of work suspension or stoppage.
2. Within 90 days of the issuance of a suspension or stop work notification, Funder will either:
 - a) Cancel, extend, or modify the suspension or stop work notification; or
 - b) Terminate the Agreement as provided for in the Cancellation / Termination clause of the Agreement.
- c. If a suspension or stop work notification issued under this clause is canceled or the period of suspension or any extension thereof is modified or expires, the Contractor may resume work only upon written concurrence from PHI or Funder.
- d. If the suspension or stop work notification is canceled and the Agreement resumes, changes to the services, deliverables, performance dates, and/or contract terms resulting from the suspension or stop work notification will require an amendment to the Agreement.
- e. If a suspension or stop work notification is not canceled and the Agreement is canceled or terminated pursuant to the provision entitled Cancellation / Termination, DHCS will allow reasonable costs resulting from the suspension or stop work notification in arriving at the settlement costs.
- f. DHCS will not be liable to the Contractor for loss of profits because of any suspension or stop work notification issued under this clause.

Public Communications

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

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

Compliance with Statutes and Regulations

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

Lobbying Restrictions and Disclosure Certification

- a. Certification and Disclosure Requirements
 - 1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, must file a certification (in the form set forth in Attachment 1, consisting of one page, entitled “Certification Regarding Lobbying”) that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.

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

b. Prohibition

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

Attachment 1
CERTIFICATION REGARDING LOBBYING

The recipient 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 must complete and submit Standard Form LLL, "Disclosure of Lobbying Activities" (Attachment 2) in accordance with its instructions.
3. The recipient must 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 must 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 will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

By signing or otherwise accepting the Agreement, the recipient certifies and files this Attachment 1.

CERTIFICATION REGARDING LOBBYING, as required by Section 1352, Title 31, U.S.C., unless the conditions stated in paragraph 2 above exist. In such case, the awardee/contractor must complete and sign Attachment 2. **CERTIFICATION REGARDING LOBBYING and returning it to the Department of Health Care Services.**

Attachment 2
CERTIFICATION REGARDING LOBBYING

Approved by OMB (0348-0046)
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:		2. Status of Federal Action:		3. Report Type:	
–	a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	–	a. bid/offer/application b. initial award c. post-award	–	a. initial filing b. material change For Material Change Only: Year ____ quarter ____ date of last report ____
4. Name and Address of Reporting Entity:				5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:	
<input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier __, if known:					
Congressional District, If known:				Congressional District, If known:	
6. Federal Department/Agency				7. Federal Program Name/Description:	
				CDFA Number, if applicable:	
8. Federal Action Number, if known:				9. Award Amount, if known:	
10.a. Name and Address of Lobbying Registrant <i>(individual, last name, first name, MI):</i>				<i>(If</i> b. Individuals Performing Services <i>(including address if different from 10a.</i> <i>(Last name, First name, MI):</i>	
11. 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 this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person that fails to file the required disclosure shall be subject to a not more than \$100,000 for each such failure.					
Signature:					
Print Name:					
Title:					
Telephone Number:					
Date:					
Federal Use Only				Authorized for Local Reproduction Standard Form-LLL (Rev. 7-97)	

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

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, 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. 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 followup 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 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grant.
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 (CFDA) 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-90-001".
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 registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(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. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, 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.

Insurance Requirements

Contractor must comply with the following insurance requirements:

A. General Provisions Applying to All Policies

1. Coverage Term

Coverage needs to be in force for the complete term of the contract. If insurance expires during the term of the contract, a new certificate must be received by the State at least thirty (30) days prior to the expiration of this insurance. Any new insurance must still comply to the original terms of the contract.

2. Policy Cancellation or Termination & Notice of Non-Renewal

Contractor is responsible to notify the State within thirty (30) days of any cancellation, non-renewal or material change that affects required insurance coverage. In the event Contractor fails to keep in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate this Contract upon the occurrence of such event, subject to the provisions of this Contract.

3. Deductible & Other Costs

Contractor is responsible for any deductible or self-insured retention contained within their insurance program, or any premiums or assessments.

4. Primary Clause

Any required insurance contained in this contract must be primary, and not excess or contributory, to any other insurance carried by the State.

5. Insurance Carrier Required Rating

All insurance companies must carry an A rating or better. If the Contractor is selfinsured for a portion or all of its insurance, review of financial information including a letter of credit may be required.

6. Endorsements

Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.

7. Inadequate Insurance

Inadequate or lack of insurance does not negate the Contractor's obligations under the contract.

8. Subcontractors

If Contractor has identified subcontractors for the work/services identified in the scope of work, the Contractor must include all subcontractors as insureds under Contractor's insurance or supply evidence of subcontractor's insurance to the State equal to policies, coverages and limits required of Contractor.

9. Certificate of Insurance

The Contractor shall furnish a Certificate of Insurance for in complete compliance with the terms of the applicable insurance requirements in this provision (i.e., coverage type; dollar limit per occurrence; cancellation requires notification to DHCS at least thirty (30) days in advance; and the State of California, its officers, agents, and employees are included as additional insureds with respect to work performed for the State of California under this Agreement).

B. Commercial General Liability

Contractor and any subcontractors must maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limits must apply separately to this project/location, or the general aggregate limit must be twice the required occurrence limit. If the aggregate applies "per project/location" it must so state on the certificate. The policy must include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance must apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability. The policy must be endorsed to include the State of California, its officers, agents and employees as additional insured with respect to work performed under the contract. The additional insured endorsement must be provided with the certificate of insurance.

C. Automobile Liability

Contractor must maintain motor vehicle liability with limits not less than \$1,000,000 combined single limit per accident. Such insurance must cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. The policy must be endorsed to include the State of California, its officers, agents and employees as additional insured with respect to work performed under the contract. The additional insured endorsement must be provided with the certificate of insurance.

D. Workers Compensation and Employers Liability

Contractor must maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the Contract. Employer's liability limits of \$1,000,000 are required. The Workers' Compensation policy must be endorsed with a waiver of subrogation in favor of the State.

Avoidance of Conflicts of Interest by Contractor

- A. PHI and Funder 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, PHI and Funder reserve 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 PHI and Funder 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.
 - 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 DHCS 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 DHCS to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by DHCS and cannot be resolved to the satisfaction of DHCS, the conflict will be grounds for terminating the Contract. DHCS may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.

Business Associate Addendum

1. This Agreement has been determined to constitute a business associate relationship under the Health Insurance Portability and Accountability Act (HIPAA) and its implementing privacy and security regulations at 45 Code of Federal Regulations, Parts 160 and 164 (collectively, and as used in this Agreement)
2. The term “Agreement” as used in this document refers to and includes both this Business Associate Addendum and the contract to which this Business Associate Agreement is attached as an exhibit, if any.
3. For purposes of this Agreement, the term “Business Associate” shall have the same meaning as set forth in 45 CFR section 160.103.
4. The Department of Health Care Services (DHCS) intends that Business Associate may create, receive, maintain, transmit or aggregate certain information pursuant to the terms of this Agreement, some of which information may constitute Protected Health Information and/or confidential information protected by Federal and/or state laws.
 - 4.1 As used in this Agreement and unless otherwise stated, the term “PHI” refers to and includes both “PHI” as defined at 45 CFR section 160.103 and Personal Information (PI) as defined in the Information Practices Act (IPA) at California Civil Code section 1798.3(a). PHI includes information in any form, including paper, oral, and electronic.
 - 4.2 As used in this Agreement, the term “confidential information” refers to information not otherwise defined as PHI in Section 4.1 of this Agreement, but to which state and/or federal privacy and/or security protections apply.
5. Contractor (however named elsewhere in this Agreement) is the Business Associate of DHCS acting on DHCS's behalf and provides services or arranges, performs or assists in the performance of functions or activities on behalf of DHCS, and may create, receive, maintain, transmit, aggregate, use or disclose PHI (collectively, “use or disclose PHI”) in order to fulfill Business Associate’s obligations under this Agreement.
DHCS and Business Associate are each a party to this Agreement and are collectively referred to as the "parties.”
6. The terms used in this Agreement, but not otherwise defined, shall have the same meanings as those terms in HIPAA and/or the IPA. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.
7. **Permitted Uses and Disclosures of PHI by Business Associate.** Except as otherwise indicated in this Agreement, Business Associate may use or disclose PHI, inclusive of de-identified data derived from such PHI, only to perform functions, activities or services specified in this Agreement on behalf of DHCS, provided that such use or disclosure would not violate HIPAA or other applicable laws if done by DHCS.
 - 7.1 **Specific Use and Disclosure Provisions.** Except as otherwise indicated in this Agreement, Business Associate may use and disclose PHI if necessary for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate. Business Associate may disclose PHI for this purpose if the disclosure is required by law, or the Business Associate 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 the person. The person shall notify the Business Associate of any instances of which the person is aware that the confidentiality of the information has been breached, unless such person is a treatment provider not acting as a business associate of Business Associate.
 - 7.2 **Nondisclosure.** Business Associate shall not use or disclose PHI or other confidential information other than as permitted or required by this Agreement or as required by law.
8. **Compliance with Other Applicable Law**
 - 8.1 To the extent that other state and/or federal laws provide additional, stricter and/or more protective (collectively, more protective) privacy and/or security protections to PHI or other confidential

information covered under this Agreement beyond those provided through HIPAA, Business Associate agrees:

- 8.1.1 To comply with the more protective of the privacy and security standards set forth in applicable state or federal laws to the extent such standards provide a greater degree of protection and security than HIPAA or are otherwise more favorable to the individuals whose information is concerned; and
- 8.1.2 To treat any violation of such additional and/or more protective standards as a breach or security incident, as appropriate, pursuant to Section 19. of this Agreement.
- 8.2 Examples of laws that provide additional and/or stricter privacy protections to certain types of PHI and/or confidential information, as defined in Section 4. of this Agreement, include, but are not limited to the Information Practices Act, California Civil Code sections 1798-1798.78, Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2, Welfare and Institutions Code section 5328, and California Health and Safety Code section 11845.5.
- 8.3 If Business Associate is a Qualified Service Organization (QSO) as defined in 42 CFR section 2.11, Business Associate agrees to be bound by and comply with subdivisions (2)(i) and (2)(ii) under the definition of QSO in 42 CFR section 2.11.

9. Additional Responsibilities of Business Associate

9.1 Safeguards and Security.

- 9.1.1 Business Associate shall use safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of PHI and other confidential data and comply, where applicable, with subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the information other than as provided for by this Agreement. Such safeguards shall be based on applicable Federal Information Processing Standards (FIPS) Publication 199 protection levels.
 - 9.1.2 Business Associate shall, at a minimum, utilize a National Institute of Standards and Technology Special Publication (NIST SP) 800-53 compliant security framework when selecting and implementing its security controls and shall maintain continuous compliance with NIST SP 80053 as it may be updated from time to time. The current version of NIST SP 800-53, Revision 5, is available online at <https://csrc.nist.gov/publications/detail/sp/800-53/rev-5/final>; updates will be available online at <https://csrc.nist.gov/publications/sp800>.
 - 9.1.3 Business Associate shall employ FIPS 140-3 validated encryption of PHI at rest and in motion unless Business Associate determines it is not reasonable and appropriate to do so based upon a risk assessment, and equivalent alternative measures are in place and documented as such. FIPS 140-3 validation can be determined online at <https://csrc.nist.gov/projects/cryptographic-module-validation-program/validatedmodules/search>. In addition, Business Associate shall maintain, at a minimum, the most current industry standards for transmission and storage of PHI and other confidential information.
 - 9.1.4 Business Associate shall apply security patches and upgrades, and keep virus software up-to-date, on all systems on which PHI and other confidential information may be used.
 - 9.1.5 Business Associate shall ensure that all members of its workforce with access to PHI and/or other confidential information sign a confidentiality statement prior to access to such data. The statement must be renewed annually.
 - 9.1.6 Business Associate shall identify the security official who is responsible for the development and implementation of the policies and procedures required by 45 CFR Part 164, Subpart C.
 - 9.1.7 Remote access to PHI from outside the continental United States, inclusive of remote access to PHI by Business Associate's support staff in identified support centers, is prohibited.
 - 9.1.8 Business Associate shall only store PHI in a data center physically located within the continental United States.
- 9.2 **Business Associate's Agent.** Business Associate shall ensure that any agents, subcontractors, subawardees, vendors or others (collectively, "agents") that use or disclose PHI and/or confidential information on behalf of Business Associate agree to the same restrictions and conditions that apply to Business Associate with respect to such PHI and/or confidential information.

- 10. Mitigation of Harmful Effects.** Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI and other confidential information in violation of the requirements of this Agreement.
- 11. Access to PHI.** Business Associate shall make PHI available in accordance with 45 CFR section 164.524.
- 12. Amendment of PHI.** Business Associate shall make PHI available for amendment and incorporate any amendments to protected health information in accordance with 45 CFR section 164.526.
- 13. Accounting for Disclosures.** Business Associate shall make available the information required to provide an accounting of disclosures in accordance with 45 CFR section 164.528.
- 14. Collaboration.** The parties shall collaborate as appropriate and necessary to ensure compliance with this Agreement, including but not limited to Sections 11 – 13 of this Agreement. The parties acknowledge and agree that neither party intends that this Agreement shall create obligations and/or liabilities that do not otherwise exist as appropriate based on the nature of the work performed and applicable law.
- 15. Compliance with DHCS Obligations.** To the extent Business Associate is to carry out an obligation of DHCS under 45 CFR Part 164, Subpart E, comply with the requirements of the subpart that apply to DHCS in the performance of such obligation.
- 16. Access to Practices, Books and Records.** Business Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI on behalf of DHCS available to the federal Secretary of Health and Human Services for purposes of determining DHCS' compliance with 45 CFR Part 164, Subpart E.
- 17. Return or Destroy PHI on Termination; Survival.** At termination of this Agreement, if feasible, Business Associate shall return or destroy all PHI and other confidential information received from, or created or received by Business Associate on behalf of, DHCS that Business Associate still maintains in any form and retain no copies of such information. If return or destruction is not feasible, Business Associate shall notify DHCS of the conditions that make the return or destruction infeasible, and DHCS and Business Associate shall determine the terms and conditions under which Business Associate may retain the PHI. If such return or destruction is not feasible, Business Associate shall extend the protections of this Agreement to the information and limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible.
- 18. Special Provision for SSA Data.** If Business Associate receives data from or on behalf of DHCS that was verified by or provided by the Social Security Administration (SSA data) and is subject to an agreement between DHCS and SSA, Business Associate shall provide, upon request by DHCS, a list of all employees and agents and employees who have access to such data, including employees and agents of its agents, to DHCS.
- 19. Breaches and Security Incidents.** Business Associate shall implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and take the following steps:
 - 19.1 Notice to DHCS.**
 - 19.1.1** Business Associate shall notify DHCS **immediately** upon the discovery of a suspected breach or security incident that involves SSA data. This notification shall be provided via the DHCS Incident Reporting Portal upon discovery of the breach. If Business Associate is unable to provide notification via the DHCS Incident Reporting Portal, then Business Associate shall provide notice by email or telephone to DHCS.
 - 19.1.2** Business Associate shall notify DHCS **within 24** hours via the online DHCS Incident Reporting Portal (or by email or telephone if Business Associate is unable to use the DHCS Incident Reporting Portal) of the discovery of the following, unless attributable to a treatment provider that is not acting as a business associate of Business Associate:

- 19.1.2.1 Unsecured PHI if the PHI is reasonably believed to have been accessed or acquired by an unauthorized person;
 - 19.1.2.2 Any suspected security incident which risks unauthorized access to PHI and/or other confidential information;
 - 19.1.2.3 Any intrusion or unauthorized access, use or disclosure of PHI in violation of this Agreement; or
 - 19.1.2.4 Potential loss of confidential information affecting this Agreement.
- 19.1.3 Notice submitted to the DHCS Incident Reporting Portal will be sent to the DHCS Program Contract Manager (as applicable), the DHCS Privacy Office, and the DHCS Information Security Office. If providing notice to DHCS via email, use the DHCS contact information at Section 19.6 below (collectively, "DHCS Contacts").

Notice shall be made using the DHCS Incident Reporting Portal via the link on the DHCS Data Privacy Website online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/default.aspx>

Notice via email shall be made using the current DHCS "Privacy Incident Reporting Form" and shall include all information known at the time the incident is reported. The form is available online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Documents/Privacy-Incident-Report-PIR.pdf>

Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of PHI, Business Associate shall take:

 - 19.1.3.1 Prompt action to mitigate any risks or damages involved with the security incident or breach; and
 - 19.1.3.2 Any action pertaining to such unauthorized disclosure required by applicable Federal and State law.
- 19.2 **Investigation.** Business Associate shall immediately investigate such security incident or breach.
- 19.3 **Complete Report.** Business Associate shall provide a complete report of the investigation to DHCS within ten (10) working days of the discovery of the security incident or breach. This complete report must include any applicable additional information not included in the initial submission. The complete report shall include an assessment of all known factors relevant to a determination of whether a breach occurred under HIPAA and other applicable federal and state laws. The report shall also include a full, detailed corrective action plan, including its implementation date and information on mitigation measures taken to halt and/or contain the improper use or disclosure. If DHCS requests additional information, Business Associate shall make reasonable efforts to provide DHCS with such information. DHCS will review and approve or disapprove Business Associate's determination of whether a breach occurred, whether the security incident or breach is reportable to the appropriate entities, if individual notifications are required, and Business Associate's corrective action plan.
 - 19.3.1 If Business Associate does not submit a complete report within the ten (10) working day timeframe, Business Associate shall request approval from DHCS within the ten (10) working day timeframe of a new submission timeframe for the complete report.
- 19.4 **Notification of Individuals.** If the cause of a breach is attributable to Business Associate or its agents, other than when attributable to a treatment provider that is not acting as a business associate of Business Associate, Business Associate shall notify individuals accordingly and shall pay all costs of such notifications, as well as all costs associated with the breach. The notifications shall comply with applicable federal and state law. DHCS shall approve the time, manner and content of any such notifications and their review and approval must be obtained before the notifications are made.
- 19.5 **Responsibility for Reporting of Breaches to Entities Other than DHCS.** If the cause of a breach of PHI is attributable to Business Associate or its agents, other than when attributable to a treatment provider that is not acting as a business associate of Business Associate, Business Associate is responsible for all required reporting of the breach as required by applicable federal and state law.
- 19.6 **DHCS Contact Information.** To contact the above referenced DHCS staff, the Contractor shall initiate contact as indicated here. DHCS reserves the right to make changes to the contact information below by giving written notice to Business Associate. These changes shall not require an amendment to this Agreement.

DHCS Program Contract Manager	DHCS Privacy Office	DHCS Information Security Office
See the Scope of Work exhibit for Program Contract Manager information. If this Business Associate Agreement is not attached as an exhibit to a contract, contact the DHCS signatory to this Agreement.	Privacy Office c/o: Data Privacy Unit Department of Health Care Services P.O. Box 997413, MS 4722 Sacramento, CA 95899-7413 Email: incidents@dhcs.ca.gov Telephone: (916) 445-4646	Information Security Office Department of Health Care Services P.O. Box 997413, MS 6400 Sacramento, CA 95899-7413 Email: incidents@dhcs.ca.gov

20. Responsibility of DHCS. DHCS agrees to not request the Business Associate to use or disclose PHI in any manner that would not be permissible under HIPAA and/or other applicable federal and/or state law.

21. Audits, Inspection and Enforcement

- 21.1 From time to time, DHCS may inspect the facilities, systems, books and records of Business Associate to monitor compliance with this Agreement. Business Associate shall promptly remedy any violation of this Agreement and shall certify the same to the DHCS Privacy Officer in writing. Whether or how DHCS exercises this provision shall not in any respect relieve Business Associate of its responsibility to comply with this Agreement.
- 21.2 If Business Associate is the subject of an audit, compliance review, investigation or any proceeding that is related to the performance of its obligations pursuant to this Agreement, or is the subject of any judicial or administrative proceeding alleging a violation of HIPAA, Business Associate shall promptly notify DHCS unless it is legally prohibited from doing so.

22. Termination

- 22.1 **Termination for Cause.** Upon DHCS' knowledge of a violation of this Agreement by Business Associate, DHCS may in its discretion:
 - 22.1.1 Provide an opportunity for Business Associate to cure the violation and terminate this Agreement if Business Associate does not do so within the time specified by DHCS; or
 - 22.1.2 Terminate this Agreement if Business Associate has violated a material term of this Agreement.
- 22.2 **Judicial or Administrative Proceedings.** DHCS may terminate this Agreement if Business Associate is found to have violated HIPAA, or stipulates or consents to any such conclusion, in any judicial or administrative proceeding.

23. Miscellaneous Provisions

- 23.1 **Disclaimer.** DHCS makes no warranty or representation that compliance by Business Associate with this Agreement will satisfy Business Associate's business needs or compliance obligations. Business Associate is solely responsible for all decisions made by Business Associate regarding the safeguarding of PHI and other confidential information.
- 23.2 **Amendment.**
 - 23.2.1 Any provision of this Agreement which is in conflict with current or future applicable Federal or State laws is hereby amended to conform to the provisions of those laws. Such amendment of this Agreement shall be effective on the effective date of the laws necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.
 - 23.2.2 Failure by Business Associate to take necessary actions required by amendments to this Agreement under Section 23.2.1 shall constitute a material violation of this Agreement.

- 23.3 **Assistance in Litigation or Administrative Proceedings.** Business Associate shall make itself and its employees and agents available to DHCS at no cost to DHCS to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against DHCS, its directors, officers and/or employees based upon claimed violation of HIPAA, which involve inactions or actions by the Business Associate.
- 23.4 **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to or shall confer, upon any third person any rights or remedies whatsoever.
- 23.5 **Interpretation.** The terms and conditions in this Agreement shall be interpreted as broadly as necessary to implement and comply with HIPAA and other applicable laws.
- 23.6 **No Waiver of Obligations.** No change, waiver or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.