



County of Los Angeles
CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

November 20, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

Dear Supervisors:

**DEPARTMENT OF PUBLIC HEALTH: APPROVAL TO ACCEPT THE
STANDARD AGREEMENT NUMBER 06-55756 FROM THE CALIFORNIA
DEPARTMENT OF HEALTH SERVICES FOR RYAN WHITE HUMAN
IMMUNODEFICIENCY VIRUS/ACQUIRED IMMUNE DEFICIENCY SYNDROME
TREATMENT MODERNIZATION ACT, PART B, LOCAL HIV CARE CONSORTIA
(ALL DISTRICTS) (4 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of the Department of Public Health (DPH), or his designee, to accept and sign the California Department of Health Services (CDHS) Standard Agreement Number 06-55756, substantially similar to Exhibit I, from the Office of AIDS (OA) as provided under the Ryan White Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS) Comprehensive AIDS Resources Emergency (CARE) Act, HIV/AIDS Treatment Modernization Act, Part B, (formerly CARE Title II) Local HIV CARE (CARE Part B) Consortia Years 17, 18, and 19 program funds in the amount of \$14,254,044, allocating \$4,751,348 for each CARE Act, Part B Years 17, 18 and 19, for the period of April 1, 2007 through March 31, 2010.
2. Delegate authority to the Director of DPH, or his designee, to accept and sign any amendments to CDHS Standard Agreement Number 06-55756 for the period of April 1, 2007 through March 31, 2010, to rollover unspent funds, to extend the term and/or increase or decrease the base award up to 25 percent, subject to review and approval by County Counsel and Chief Executive Office and notification to the Board offices.
3. Approve the Request for Appropriation Adjustment in the amount of \$1,012,000 for the period of July 1, 2007 through March 31, 2008, for CARE Act, Part B Year 17. The Appropriation Adjustment will increase Services and Supplies to provide for treatment education, and provide continued support for nutritional therapy, skilled nursing facility and hospice services. There is no net County Cost with this action.

"To Enrich Lives Through Effective And Caring Service"

Honorable Board of Supervisors
November 20, 2007
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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In approving the recommended actions, the Board is authorizing the Director or his designee, to sign the CDHS Standard Agreement Number 06-55756 to accept the Ryan White HIV/AIDS CARE Act, Part B, Local HIV CARE Consortia Years 17, 18 and 19, to ensure the continuation of Countywide HIV/AIDS services and support through various community based organizations.

FISCAL IMPACT/FINANCING

The total program cost for Standard Agreement Number 06-55756 is \$14,254,044, \$4,751,348 for each of the Part B periods beginning April 1, 2007 through March 31, 2010. Funding for this program is included in OAPP's FY 2007-08 Adopted Budget in the amount of \$3,739,000.

The Appropriation Adjustment in the amount of \$1,012,000 will increase the budget for Contracted Program Services to provide for treatment education, and nutritional therapy, skilled nursing facility and hospice services. There is no net County cost with this action.

Funding will be requested through the budget process in future fiscal years, as necessary.

Attachment B provides additional budget details.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Since April 1991, your Board has accepted funding from the Federal Health Resources and Services Administration under the CARE Act. Los Angeles County receives two sources of funding through the CARE Act: Part A (formerly Title I) funds awarded directly to Los Angeles County, and administered by DPH, and Part B funds awarded directly to the State and administered locally by the County for the development, coordination and operation of effective and cost efficient services to HIV-infected individuals.

The Los Angeles County Commission on HIV functions as both the Part A Planning Council and the Part B Consortium.

On December 7, 2004, the Board approved a Standard Agreement for the CARE Act Title II with CDHS for a three year period, April 1, 2004 through March 31, 2007 in the amount of \$10,226,589.

In June 2007, OAPP received from CDHS the Standard Agreement Number 06-55756 to support the Ryan White HIV/AIDS Treatment Modernization Act, Part B in the amount of \$11,216,979 for the period of April 1, 2007 through March 31, 2010.

Honorable Board of Supervisors
November 20, 2007
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In October 2007, OAPP received notice from CDHS of an augmentation to the Standard Agreement Number 06-55756 to support the Ryan White HIV/AIDS Treatment Modernization Act, Part B, increasing the base amount to \$14,254,044 from \$11,216,979, a yearly amount of \$4,751,348, for the period of April 1, 2007 through March 31, 2010.

Exhibit I has been approved as to form by County Counsel.

Attachment A provides additional information. Attachment B is the Grant Management Statement for grants exceeding \$100,000.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will allow DPH to provide continued support for HIV/AIDS services that include nutritional therapy, skilled nursing facility and hospice services Countywide through various community based organizations.

CONCLUSION

DPH requires four signed copies of the Board's action. It is requested that the Executive Officer, Board of Supervisors notifies DPH Contracts and Grants Division at (213) 240-8179 when this document is available.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SS
DRJ:RM:lbn

Attachments (4)

c: County Counsel
Director and Health Officer, Department of Public Health

SUMMARY OF AGREEMENT

1. TYPE OF SERVICE:

DPH's OAPP provides HIV-related health care and support under the CDHS Standard Agreement 06-55756 for Ryan White Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS Treatment Modernization Act through community based organizations.

AGENCY ADDRESS AND CONTACT PERSON:

California Department of Public Health
Office of AIDS
P.O. Box 997426
Sacramento, California 95899-7426
Attention Estella Kile
Telephone: (916) 449-5946, Fax: (916) 319-9624
E-mail: Estella.Kile@cdph.ca.gov

2. TERM OF AGREEMENT:

April 1, 2007 through March 31, 2010.

3. FINANCIAL INFORMATION:

The total program cost for Standard Agreement Number 06-55756 is \$14,254,044, \$4,751,348 for each of the Part B periods beginning April 1, 2007 through March 31, 2010. Funding for this program is included in OAPP's FY 2007-08 Adopted Budget in the amount of \$3,738,993.

The Appropriation Adjustment in the amount of \$1,012,000 for the period of July 1, 2007 through March 31, 2008, will increase Contract Services and Services and Supplies to provide for treatment education, and provide continued support for nutritional therapy, skilled nursing facility and hospice services. There is no net County Cost with this action.

Funding is included in Fiscal Year 2007-08 Adopted Budget and will be requested in future fiscal years, as necessary.

GEOGRAPHIC AREA TO BE SERVED:

Countywide.

4. ACCOUNTABLE FOR MONITORING AND EVALUATION:

Mario J. Pérez
Department of Public Health
Office of AIDS Programs and Policy

5. APPROVALS:

Public Health Programs:	John F. Schunhoff, Ph.D., Chief Deputy Director
Contract Administration:	Gary T. Izumi, Division Chief
County Counsel (approval as to form)	Andrea Ross, Senior Associate County Counsel

Los Angeles County Chief Administrative Office
Grant Management Statement for Grants Exceeding \$100,000

Department: Public Health – Office of AIDS Programs and Policy

Grant Project Title and Description

Ryan White HIV/AIDS Treatment Modernization Act, Part B, Local HIV Care Consortia Agreement
Federal Comprehensive AIDS Resource Emergency (CARE) ,

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CDHS	Grant Number 06-55756	N/A

Total Amount of Grant Funding: \$14,254,044	County Match Requirements N/A	
Grant Period: April 1, 2007 through March 31, 2010	Begin Date: 4/1/07	End Date: 03/31/10
Number of Personnel Hired Under this Grant:	0	Part Time 0

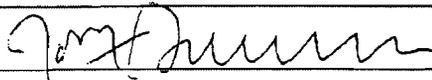
Obligations Imposed on the County When the Grant Expires

- Will all personnel hired for this program be informed this is a grant funded program? Yes No
- Will all personnel hired for this program be placed on temporary ("N") items? Yes No
- Is the County obligated to continue this program after the grant expires Yes No
- If the County is not obligated to continue this program after the grant expires, the Department will:
- a). Absorb the program cost without reducing other services Yes No
- b). Identify other revenue sources Yes No
- (Describe)
- c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant Yes No

Impact of additional personnel on existing space: N/A

Other requirements not mentioned above: None

Department Head Signature



Date 11/1/07

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. 296
No.

DEPARTMENT OF PUBLIC HEALTH

October 24 19 2007

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR
FISCAL YEAR 2007/08
4-VOTE

SOURCES:

USES:

Office of AIDS Programs and Policy
A01-PP-90-9031-25770
Revenue - Federal Grants \$ 1,012,000
Increase Revenue

Office of AIDS Programs and Policy
A01-PP-2000-25770
Services and Supplies \$1,012,000
Increase Appropriation

Total \$ 1,012,000

\$1,012,000

JUSTIFICATION:

This adjustment is required to increase the Office of AIDS Programs and Policy's (OAPP) Services and Supplies for the Ryan White Care Act Part B grant for Fiscal Year 2007-08. The State Office of AIDS and the HIV Care Branch Care Services program was granted an augmentation to increase our base allocation. This grant increase will allow OAPP to restore funding to cuts to Treatment Education made earlier in the Board letter authorizing Year 17 funding changes. The increase will also go to support nutrition therapy, skilled nursing facility and hospice services. The total program increase of \$1,012,000 is effective July 1, 2007 through March 31, 2008 and is 100% offset by State of AIDS funds. Acceptance of this additional funding will not increase Net County cost. This action was not anticipated at the time the FY 07-08 budget was adopted.

Nanette Herrera
Nanette Herrera, Chief

CHIEF ADMINISTRATIVE OFFICER'S REPORT

DPI Controller's Division

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2007 NOV 20 2007

Sachi A. Hama
SACHI A. HAMA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF ADMINISTRATIVE OFFICER FOR

ACTION

APPROVED AS REQUESTED

AS REVISED

RECOMMENDATION

NOV 6, 2007

D Jensen
CHIEF ADMINISTRATIVE OFFICER

AUDITOR-CONTROLLER BY

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

19

No. 047

Barbara Huspaw
OCT. 29, 2007

BY

DEPUTY COUNTY CLERK

STANDARD AGREEMENT

STD 3 (2003 Rev 7/06)

REGISTRATION NUMBER	AGREEMENT NUMBER
	06-55756

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

STATE AGENCY'S NAME (Also referred to as CDHS, DHS, or the State)
 California Department of Health Services

CONTRACTOR'S NAME (Also referred to as Contractor)
 County of Los Angeles

2. The term of this Agreement is: April 1, 2007 through March 31, 2010

3. The maximum amount of this Agreement is: \$ 11,216,979
 Eleven Million, two Hundred Sixteen Thousand, Nine Hundred Seventy-Nine Dollars.

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this Agreement.

Exhibit A – Scope of Work	9 pages
Exhibit A, Attachment I – AIDS Regional Information and Evaluation System (ARIES)	5 pages
Exhibit A, Attachment II – Women, Infants, Children, and Youth (WICY) Report	1 page
Exhibit A, Attachment III – Financial Status Report (FSR)	1 page
Exhibit B – Budget Detail and Payment Provisions	3 pages
Exhibit B, Attachment I – Budget (Year 1)	1 page
Exhibit B, Attachment II – Budget (Year 2)	1 page
Exhibit B, Attachment III – Budget (Year 3)	1 page
Exhibit B, Attachment IV – Invoice Format	1 page
Exhibit B, Attachment V – Budget Overview	1 page
Exhibit B, Attachment VI – Subcontractor Budget Summary	1 page
Exhibit C * – General Terms and Conditions	GTC 307
Exhibit D(F) – Special Terms and Conditions (Attached hereto as part of this agreement)	25 pages
Exhibit E – Additional Provisions	3 pages
Exhibit F – Contractor's Release	1 page

See Exhibit E, Provision 1 for additional incorporated exhibits.

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

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

CONTRACTOR		California Department of General Services Use Only
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)		
County of Los Angeles		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Jonathan E. Fielding, M.D., MPH, Director and Health Officer		
ADDRESS		
C/O Monique Collins, County of Los Angeles, Office of AIDS Programs & Policy 600 S. Commonwealth Ave., 2 nd Floor, Los Angeles, CA 90005		
STATE OF CALIFORNIA		
AGENCY NAME		
California Department of Health Services		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Allan Chinn, Chief, Contracts and Purchasing Services Section		
ADDRESS		
1501 Capitol Avenue, Suite 71.2101, MS 1403, P.O. Box 997413 Sacramento, CA 95899-7413		

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

**Exhibit A, Attachment I
AIDS Regional Information and Evaluation System (ARIES)**

This document provides the background on ARIES and its implementation outlines the pre- and post-implementation requirements for Care Services Program (CSP) contractors and subcontractor; and delineates the requirements for Eligible Metropolitan Areas (EMA) and Transitional Grant Areas (TGA), that do not adopt ARIES.

For the purpose of this document, "fiscal agent" means contractor and "service provider" means subcontractor.

1. Background

ARIES is an Internet-based client case management information system that coordinates and consolidates the data collection and reporting efforts for many of the programs funded through the Office of AIDS (OA) HIV Care Branch.

ARIES is an automated system for managing clients, documenting service utilization, tracking referrals, monitoring health outcomes, managing contracts, and generating mandated and ad hoc reports for the following OA-funded HIV care and treatment programs:

- A. AIDS Medi-Cal Waiver Program (MCWP)
- B. Bridge Project
- C. Comprehensive AIDS Resources Emergency/Health Insurance Premium Payment (CARE/HIPP) Program
- D. Care Services Program (Part B of the Ryan White HIV/AIDS Treatment Modernization Act)
- E. Case Management Program (CMP)
- F. Early Intervention Program (EIP)
- G. Housing Opportunities for Persons with AIDS (HOPWA) Program
- H. Positive Changes Program

ARIES also meets the data collection and federal reporting needs for providers receiving funds from the Health Resources and Services Administration (HRSA) for Titles A, C, and D of the Ryan White HIV/AIDS Treatment Modernization Act. ARIES also generates the CARE Act Data Reports (CADR) as required by HRSA.

2. Implementation

The statewide implementation of ARIES began in October 2006 and is expected to be complete by December 2008. OA will convert selected data from the CAREWare (versions 3.6 or 4.1), Carebase, and COMPIS data systems. The following data elements for active clients who have received services since January 1, 2005 will be imported into ARIES:

- A. All the demographic data elements required to complete the CADR,
- B. All service data for services rendered since January 1, 2005, and

**Exhibit A, Attachment I
AIDS Regional Information and Evaluation System (ARIES)**

- C. Certain historical medical data such as CD4 and viral load counts, regardless of date.

HIV care and treatment programs will come onto ARIES in regional stages. OA will work directly with programs to develop an implementation plan and schedule trainings.

ARIES is required for direct service programs. ARIES is optional for EMAs and TGAs. Requirements for those EMAs and TGAs that do not adopt ARIES are discussed in item 6 below.

3. Pre-Implementation Requirements

Fiscal agents must ensure the following in order to prepare for ARIES implementation:

- A. Service providers shall continue to collect client-level data using either:
1. HRSA's CAREWare (Versions 3.6 or 4.1),
 2. CMP's Carebase, or
 3. Another data collection system that complies with HRSA's export format specifications for submitting client-level data.
- B. Service providers who use CAREWare (Versions 3.6 or 4.1) or Carebase shall ensure that:
1. All client demographic and service data for active clients since January 1, 2005 is up-to-date in these data systems.
 2. All components of the unique record number (URN) have been entered into these data systems for active clients since January 1, 2005 (see Management Memorandum No. 06-04 for instructions). URN components include the client's:
 - a. First Name
 - b. Middle Initial
 - c. Last Name
 - d. Birth Date
 - e. Gender
 - f. Mother's Maiden Name
 - g. County of Residence

**Exhibit A, Attachment I
AIDS Regional Information and Evaluation System (ARIES)**

- C. Service providers shall continue to submit a quarterly client-level data report to OA until they are transitioned to ARIES.
 - 1. Client-level reports consist of exporting data from their databases (Provision 3 A) and copying it onto a CD-Rom or diskette. Client names and other identifying information must not be reported to OA (see Management Memorandum No. 03-03).
 - 2. Submission deadlines are as follows:
 - a. The first quarter report (April 1 through June 30) is due by July 31.
 - b. The second quarter report (July 1 through September 30) is due by October 31.
 - c. The third quarter report (October 1 through December 31) is due by January 31.
 - d. The fourth quarter report (January 1 through March 31) is due by April 30.
 - D. Service providers shall continue to submit their annual CADR using the current method (e.g., CAREWare) to OA by February 15 (Exhibit A, provision 5 E).
 - E. Fiscal agents and service providers shall make staff available to work with OA staff on implementing ARIES in their agencies. Tasks may include participating in teleconferences, attending trainings, and installing digital certificates.
- 4. Post-Implementation Requirements**

As fiscal agents and service providers have been transitioned to ARIES, the following requirements shall be met:

- A. Service providers shall discontinue using CAREWare or Carebase for the purposes of CSP.
- B. Service providers shall cease submission of the quarterly client-level data report to OA.
- C. Fiscal agents and services providers shall adhere to policies and procedures set forth in the *ARIES Policies and Procedures Manual*.
- D. Service providers shall collect the CSP minimum data set in ARIES (see Exhibit A, Provision 5 E).

Exhibit A, Attachment I
AIDS Regional Information and Evaluation System (ARIES)

- E. Service providers shall enter client demographic and service data into ARIES on a timely basis. "Real time" data entry is preferred.
 - F. Service providers shall submit an annual CADR by using ARIES to generate the report and submitting it through HRSA's CADR Web System (Exhibit A, Provision 5 E).
- 5. Additional provisions for EMAs and TGAs**
- A. A partnership fee is assessed to fiscal agents in EMAs or TGAs who use ARIES for both their Part A and B service providers.
 - 1. The annual fee is based on the EMA's/TGA's client caseload as reported in the previous calendar year's CADR:
 - a. \$25,000 for small EMA/TGA (under 3,000)
 - b. \$50,000 for medium EMA/TGA (3,000 to 10,000)
 - c. \$100,000 for large EMA/TGA (over 10,000)
 - 2. The fee will be subtracted from the fiscal agent's Part B allocation at the beginning of each contract year prior to the dispersal of funds.
 - 3. The fee entitles EMAs/TGAs to the following:
 - a. Access to the ARIES Help Desk.
 - b. Use of the State Data Center's servers that host ARIES.
 - c. A vote on the ARIES Governance Committee which determines future enhancements to ARIES and identifies appropriate solutions to system and user issue. ARIES Governance Committee decisions are then communicated to the ARIES programmers.
 - B. EMAs/TGAs must ensure that their Part A and B service providers adhere to policies and procedures as set forth in the *ARIES Policies and Procedures Manual*.
 - C. EMAs/TGAs need at least one staff person to act as the EMA/TGA ARIES specialist and trainer. OA will train OA-funded service providers as well as EMA/TGA ARIES trainers. EMAs/TGAs are responsible for training their providers who receive only Part A funds.

**Exhibit A, Attachment I
AIDS Regional Information and Evaluation System (ARIES)**

6. Requirements for EMAs and TGAs That Do Not Adopt ARIES

EMAs and TGAs that do not adopt ARIES must meet the following requirements:

- A. Service providers must convert the client-level data from their existing data collection systems into the approved format for importation into ARIES. The approved format is available upon request from their CSP Advisor.
- B. Service providers must submit client-level data to OA on a monthly basis beginning April 1, 2008 in the approved format for importation into ARIES.
- C. Fiscal agents and service provider may not use Part B funds to pay for computer programming expenses related to Provision 5 A and 5 B above.
- D. Service providers shall continue to submit their annual CADR to OA by February 15 via hard copy or through HRSA's CADR Web System (Exhibit A, Provision 5 E).
- E. Fiscal agents shall inform their CSP Advisor if they or their service providers decide to adopt ARIES at any time during the contract period.

**Exhibit A
Scope of Work**

1. Service Overview

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

The Contractor will plan, develop and deliver comprehensive outpatient health and support services designed to meet the identified needs of individuals and families with HIV disease. The services provided can include ambulatory/outpatient medical care, case management, home health care, mental health therapy, nutritional services, substance abuse treatment/counseling, and other services of a treatment nature.

2. Service Location

The services shall be performed at applicable facilities in the County of Los Angeles.

3. Service Hours

The services shall be provided during normal County working hours, Monday through Friday, excluding Federal and State holidays.

4. Project Representatives

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

<p>Department of Health Services Estella Kile, Contract Monitor Telephone: (916) 449-5946 Fax: (916) 319-9624 E-mail: Estella.Kile@cdph.ca.gov</p>	<p>Contractor Monique Collins, MPH, CHES State Grant Manager, Planning and Research Division, Office of AIDS Programs and Policy Telephone: (213) 351-8084 Fax: (213) 381-8023 E-mail: Mcollins@ph.lacounty.gov</p>
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B. Direct all inquiries to:

<p>Department of Health Services Office of AIDS, Care Section Attention: Estella Kile Mail Station Code 7700 1616 Capitol Avenue, Suite 615 P.O. Box 997426 Sacramento, CA 95899-7426 Telephone: (916) 449-5946 Fax: (916) 319-9624 E-mail: Estella.Kile@cdph.ca.gov</p>	<p>Contractor Attention: Monique Collins, MPH, CHES 600 S. Commonwealth Avenue, Sixth Floor Los Angeles, CA 90005 Telephone: (213) 351-8084 Fax: (213) 381-8023 E-mail: Mcollins@ph.lacounty.gov</p>
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C. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

**Exhibit A
Scope of Work**

5. Services to be Performed

A. Conditions of Ryan White CARE Act, Part B Funds

The Contractor shall:

1. Develop and implement a service delivery plan that offers comprehensive, on going health and support services to individuals with HIV/AIDS, that actively seeks individuals who know their HIV status but are not accessing services, and that reaches out to people who are HIV positive but unaware of their HIV status.
2. Coordinate an advisory and/or focus group, made up of representatives from state, federal, and local programs that provide health services and education and prevention services; non-profit and for-profit community-based agencies; staff from other key points of entry into medical care, who either provide services to individuals with HIV/AIDS, or who may have contact with HIV positive individuals who are not in care or not aware of their HIV status; individuals with HIV and their advocates, etc. The advisory group provides information to the Contractor regarding health services delivery and the needs of individuals with HIV/AIDS living within the community.

Advisory and/or focus groups will meet at least annually to provide input to the Contractor on issues such as needs assessment, service delivery plans, and comprehensive planning. The Contractor shall maintain minutes and/or documentation of the advisory or focus group meetings.

3. Develop and maintain working relationships with entities who provide key points of entry into medical care, including but not limited to emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, sexually transmitted disease (STD) clinics, HIV counseling and testing sites, mental health programs, homeless shelters, health care points of entry specified by the State, federally qualified health centers, migrant health centers, community health centers, health services for the homeless, family planning grantees, comprehensive hemophilia diagnostic and treatment centers, and non-profit and for profit private entities that provide comprehensive primary care services to populations at risk for HIV. The Contractor shall keep documentation of these working relationships.
4. Ensure that case management services that link available community support services to appropriate specialized medical services shall be provided for individuals residing in rural areas.
5. Demonstrate availability of primary medical care for each population group with HIV disease.
6. Ensure services will be provided in a setting that is accessible to low-income individuals with HIV disease.
7. Provide targeted prevention coordinated with all state and federal programs to low-income individuals with HIV disease and to inform such individuals of the services available under Ryan White Program, Part B.

**Exhibit A
Scope of Work**

8. To the maximum extent practical, ensure that HIV-related health care and support services delivered pursuant to a program established with assistance provided under Ryan White Program, Part B, will be provided without regard to the ability of the individual to pay for such services and without regard to the current or past health condition of the individual with HIV disease.
9. Ensure that funds spent for women, infants, children, and youth are tracked and reported (see Reporting Requirements [Provision 5, subheading D]).
10. Ensure that services provided under this contract are in accordance with the program policy guidance issued by Division of Service Systems (DSS), HIV/AIDS Bureau (HAB) (see www.hab.hrsa.gov).
11. Ensure that the Ryan White HIV/AIDS Treatment Modernization Act of 2006 (Ryan White Program) funds do not comprise more than sixty percent (60%) of any subcontractor's total budget. Ryan White Program funds are intended to provide additional funding to those areas negatively affected by HIV disease and cannot be used to supplant local HIV-related budgets.
12. Ensure that clients are eligible for services in accordance with the program policy guidance issued by DSS, HAB (see www.hab.hrsa.gov).
13. Ensure that no more than ten percent (10%) of the allocation is used for non-direct service functions such as:
 - a. Routine contract administration and monitoring activities, including the preparation of applications for these funds, the receipt and disbursement of program funds, the development and establishment of reimbursement and accounting systems, the preparation of routine programmatic and financial reports, and compliance with contract conditions and audit requirements;
 - b. All activities associated with the Contractor's subcontract award procedures, including the development of request for proposals, contract proposal review activities, negotiation and awarding of subcontracts, grievance process, monitoring of subcontracts through telephone consultation or onsite visits, reporting on subcontracts and funding reallocation activities.
14. Ensure that with prior written approval from the State, no more than five percent (5%) of the allocation is utilized to plan, conduct, and evaluate the needs assessment process.
15. Ensure that subcontractors who provide Medi-Cal reimbursable services are Medi-Cal certified (see www.medi-cal.ca.gov).
16. Ensure that Ryan White Program funds are payor of last resort and ensure that contract funds are not utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service:
 - a. Under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

Exhibit A
Scope of Work

- b. By an entity that provides health services on a prepaid basis.
17. Ensure that no funds are used to make cash payment to intended recipients of services.
 18. Ensure that no funds will be used to purchase or improve (other than minor remodeling) any building or other facility.
 19. Ensure that no funds can be used to pay for automobile parts, repairs, or maintenance, pet care or supplies, funeral expenses, etc. (see www.hab.hrsa.gov).
 20. Ensure that all approved subcontractor invoices are paid within 45 days of receipt.
 21. Ensure that no funds are carried over into subsequent contract years.
 22. Ensure compliance with the Ryan White Program, CSP Application Guidance, Management Memoranda, and program guidelines issued by the federal government and the California Department of Health Services, Office of AIDS.
 23. Administer the Ryan White Program, Part B funds, maintain records and invoices using standard accounting practices coordinate federal and state data reporting, and arrange for fiscal audits (see Exhibit D [F]).
 24. Annually evaluate the cost-effectiveness of the mechanisms used to deliver comprehensive care.
 25. Conduct assessment of HIV/AIDS service needs for the geographic service area at least once every three years. Review the assessment annually and, if needed, update it.
 26. Coordinate and integrate the delivery plan based upon prioritized services, community resources, key points of entry, such as emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, STD clinics, HIV counseling and testing sites, mental health programs, homeless shelters, health care points of entry specified by the State, federally qualified health centers, migrant health centers, community health centers, health services for the homeless, family planning grantees, comprehensive hemophilia diagnostic and treatment centers, and non-profit private entities that provide comprehensive primary care services to populations at risk for HIV, epidemiological data and other data sources.
 27. Ensure that Management Memoranda responses are accurate, complete and received on or before the required response date. Failure to submit responses by the required date may result in a reduction of up to ten percent (10%) of the administrative funds.
 28. Ensure compliance with the following requirements regarding imposition of charges for services, for those providers who charge for services:
 - a. In the case of individuals with an income less than or equal to one hundred percent (100%) of the federal poverty guidelines (see

**Exhibit A
Scope of Work**

www.aspe.hhs.gov/poverty), the provider will not impose charges on any such individual for the provision of services under the contract;

- b. In the case of individuals with an income greater than one hundred percent (100%) of the federal poverty guidelines, the provider:
 - i. Will impose charges on each such individual for the provision of such services; and;
 - ii. Will impose charges according to a schedule of charges that is made available to the public;
 - c. In the case of individuals with an income greater than one hundred percent (100%) of the federal poverty guidelines and not exceeding two hundred percent (200%) of such guidelines, the provider will not, for any calendar year, impose charges in an amount exceeding five percent (5%) of the annual gross income of the individual involved;
 - d. In the case of individuals with an income greater than two hundred percent (200%) of the federal poverty guidelines and not exceeding three hundred percent (300%) of such guidelines, the provider will not, for any calendar year, impose charges in an amount exceeding seven percent (7%) of the annual gross income of the individual involved; and
 - e. In the case of individuals with an income greater than three hundred percent (300%) of the federal poverty guidelines, the provider will not, for any calendar year, impose charges in an amount exceeding ten percent (10%) of the annual gross income of the individual involved.
29. Make staff available to the State for training and meetings, which the State may find necessary from time to time.

B. Monitoring Activities

The Contractor shall:

- 1. Conduct site visits and document/monitor the activities of subcontractors to ensure contractual compliance not less than once every two years.
- 2. Provide any necessary assistance to the State in carrying out its monitoring activities and inspection rights as provided in this agreement.
- 3. Make available all records, materials, data information, and appropriate staff to authorized State and/or federal representatives.
- 4. For all deficiencies cited in the monitoring report, develop a corrective plan, submit it to the State for approval, and implement the plan.
- 5. Provide a corrective plan to the State within 30 days of receipt of the monitoring report. If more than 30 days have lapsed without receipt of the corrective plan, the State may withhold ten percent (10%) of the administrative funds.

**Exhibit A
Scope of Work**

C. Partner Counseling and Referral Service (PCRS)

1. PCRS assists HIV-positive clients in notifying, either directly or through provider-assisted methods, their past or current sex and/or needle-sharing partners of their potential risk for HIV infection. PCRS assures that notified partners are offered appropriate counseling, referrals, medical follow-up (such as HIV antibody testing), and, if positive, subsequent medical evaluation, treatment, counseling, and referral to other services as needed.

A client's participation in PCRS is voluntary and confidential. Clients should be informed that this intervention can play an important role in their own health as well as their partner's.

PCRS should be offered on a routine basis to all HIV-positive clients. Clients should be made aware that receiving assistance in the referral of partners is optional and will be offered periodically. For more information, refer to the *HIV PCRS Standards and Recommendations* manual published by OA's HIV Education and Prevention Services Branch.

2. The Contractor shall ensure that all subcontracts include language that requires:
 - a. Subcontractors inform clients of the availability of PCRS. Subcontractors may either offer PCRS directly through their agency or by referral to their local health jurisdiction's PCRS specialist or program.
 - b. Subcontractors document when PCRS is offered and the outcome (i.e., the number of partners to be notified by the client and/or by the health jurisdiction). Subcontractors using the AIDS Regional Information and Evaluation System (ARIES) should document these encounters on the Basic Medical screen. Subcontractors not using ARIES should document these encounters in the client medical records.

D. Reporting Requirements

1. The Contractor shall submit a Mid-Year and Year-End Report to the Office of AIDS according to the following schedule:

	Reporting Period	Due Date
Mid-Year	April 1 to September 30	November 15
Year-End	October 1 to March 31	May 15

2. The Mid-Year and Year-End Reports shall contain the following components:
 - a. A Financial Status Report with the following (Exhibit A, Attachment III):
 - i. The administrative costs of the Contractor and each subcontractor.
 - ii. The amount of funds obligated to each subcontractor.

**Exhibit A
Scope of Work**

- iii. The total expended to date by each subcontractor.
 - iv. Balance.
 - v. Percentage expended.
 - vi. The total number of unduplicated clients served.
- b. A Women, Infants, Children, and Youth (WICY) Report documenting the funds expended for each of the following categories (**Exhibit A, Attachment II**):
- i. Women (over age 24)
 - ii. Infants (birth through 12 months)
 - iii. Children (ages 1 through 12)
 - iv. Youth (13 to 24 years of age)
- c. A Narrative Report containing the following:
- i. A description of any general accomplishments.
 - ii. A description of the progress made in achieving the Contractor's four goals and objectives.
 - iii. A description of the results of the Contractor's effectiveness measure.
 - iv. A list of any technical assistance needs the Contractor or their subcontractors may have.
3. Failure to submit the Mid-Year or Year-End Report by the due dates may result in a ten percent (10%) reduction in administrative funds.

E. Data Collection and the CARE Act Data Report (CADR)

1. Minimum Data Set
- a. The Contractor shall ensure that subcontractors collect the minimum data set. The minimum data set includes data elements required by HRSA to complete the CADR and by CSP (see *CSP Administrative Manual*).
 - b. The preferred method for collecting and reporting data is the ARIES (see Exhibit A, Attachment I). ARIES is required for direct service programs and optional for Eligible Metropolitan Areas (EMA) and Transitional Grant Areas (TGA).
2. CADR
- a. The Contractor shall ensure their subcontractors:

**Exhibit A
Scope of Work**

- i. Collect the CADR-required data elements beginning April 1 of each agreement year (see www.hab.hrsa.gov/tools.htm).
 - ii. Submit all data collected for the period of January 1 through December 31 of the prior and current contract year on February 15 of each year.
 - iii. Submit data in a format designated by the State, either electronically through HRSA's CADR Web System or on an OMB-approved form that can be provided to the Contractor upon their request.
- b. Acceptance of this award indicates the Contractor's agreement to comply with future data requirements developed by federal program staff and the State.

F. Subcontractor Reporting Requirements

By April of each agreement year the Contractor shall submit to the State a list identifying the name(s) and budget overview of all their subcontractors and total funds available to each subcontractor (Budget Overview, **Exhibit B, Attachment V**). The Contractor shall attach to this list a copy of the approved subcontractor budget (Subcontractor Budget Summary, **Exhibit B, Attachment VI**) and budget justification.

G. Quality Management Program

1. The purpose of quality management (QM) is to identify and remedy problems, barriers, and program deficiencies in order to improve access to, and quality of, health care and supportive services. QM programs are continuous and systematic processes with identified leadership, accountability, and dedicated resources which use data and measurable outcomes to determine progress toward relevant, evidence-based benchmarks. QM programs should also focus on linkages, efficiencies, and provider and client expectations in addressing outcome improvement and be adaptive to change.
2. The Contractor shall ensure that subcontractors have a QM program in place. The QM program should fit within the framework of the subcontractors' other programmatic quality assurance and quality improvement activities. Subcontractors may use an existing QM program (e.g., Case Management Program [CMP], Early Intervention Program [EIP], Joint Commission on Accreditation of Healthcare Organizations [JCAHO], Medicaid) or develop their own program. Subcontractors who develop their own program should refer to the nine steps in HAB's *Quality Management Technical Assistance Manual* (www.hab.hrsa.gov/tools/qm).

H. Data Encryption

The Contractor shall adhere to the Guidelines on Mobile Devices (**Exhibit K**). In addition to the procedures set forth in the Guidelines on Mobile Devices, Contractors must ensure that all mobile devices are equipped with encryption software, even if the Contractor or their subcontractors do not store confidential information on the mobile devices.

**Exhibit A
Scope of Work**

6. Allowable Informal Scope of Work Changes

- A. Changes and revisions to the Scope of Work contained in the agreement, utilizing the "allowable cost payment system", may be proposed by the Contractor in writing. All requested changes and revisions are subject to the approval of the State. Failure to notify the State of proposed revisions to the Scope of Work may result in an audit finding.
- B. The State will respond, in writing, as to the approval or disapproval of all such requests for changes or revisions to the Scope of Work within 30 calendar days of the date the request is received in the program. Should the State fail to respond to the Contractor's request within 30 calendar days of receipt, the Contractor's request shall be deemed approved.
- C. The State may also request changes and revisions to the Scope of Work. The State will make a good-faith effort to provide the Contractor 30 calendar days advance written notice of said changes or revisions.

Contractor's Release

Instructions to Contractor:

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

Submission of Final Invoice

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

Release of all Obligations

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

Repayments Due to Audit Exceptions / Record Retention

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

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

Recycled Product Use Certification

By signing this form, Contractor certifies under penalty of perjury that a minimum of 0% unless otherwise specified in writing of post consumer material, as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether it meets the requirements of Public Contract Code Section 12209. Contractor specifies that printer or duplication cartridges offered or sold to the State comply with the requirements of Section 12156(e).

Reminder to Return State Equipment/Property (If Applicable)

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

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

Patents / Other Issues

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

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

Contractor's Legal Name (as on contract): _____

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: _____

Travel Reimbursement Information
 (Mileage Reimbursement Rate Increase Effective January 1, 2007)

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

(1) Lodging (with receipts*):

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

Reimbursement for actual lodging expenses that exceed the above amounts may be allowed with the advance approval of the Deputy Director of the California Department of Health Service or his or her designee. Receipts are required.

*Receipts from Internet lodging reservation services such as Priceline.com which require prepayment for that service, ARE NOT ACCEPTABLE LODGING RECEIPTS and are not reimbursable without a valid lodging receipt from a lodging establishment.

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

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

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

Travel Reimbursement Information

Exhibit G (Continued)

- If any of the reimbursement rates stated herein is changed by DPA, no formal contract amendment will be required to incorporate the new rates. However, CDHS shall inform the contractor, in writing, of the revised travel reimbursement rates and the applicable effective date of any rate change.

At CDHS' discretion, changes or revisions made by CDHS to this exhibit, excluding travel reimbursement policies established by DPA may be applied retroactively to any agreement to which a Travel Reimbursement Information exhibit is attached, incorporated by reference, or applied by CDHS program policy. Changes to the travel reimbursement rates stated herein may not be applied earlier than the date a rate change was approved by DPA.

- For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
- Note on use of autos:** If a contractor uses his/her or a company car for transportation, the rate of reimbursement will be 48.5 cents maximum per mile. If a contractor uses his/her or a company car "in lieu of" airfare, the air coach fare will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the State. Gasoline and routine automobile repair expenses are not reimbursable.
- The contractor is required to furnish details surrounding each period of travel. Travel expense reimbursement detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc. Reimbursement for travel expenses may be withheld pending receipt of adequate travel documentation.
- Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

Per Diem Reimbursement Guide

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

INSTRUCTIONS FOR HAS 1203
(Please read carefully.)

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

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

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

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

A. Major Equipment:

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

These items are issued green numbered state/CDHS property tags.

B. Minor Equipment/Property: Specific tangible items with a life expectancy of one (1) year or more that have a base unit cost less than \$5,000. **These items are issued green unnumbered "BLANK" state/CDHS property tags with the exception of the following, which are issued numbered tags:** Personal Digital Assistant (PDA), PDA/cell phone combination (Blackberries), laptops, desktop personal computers, LAN servers, routers, and switches. **NOTE:** It is CDHS policy not to tag modular furniture. (See your Federal rules, if applicable.)

3. Provide the CDHS Purchase Order (STD 65) number if the items were purchased by CDHS.

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

5. If all items being reported do not fit on one form, make copies and write the number of pages being sent in the upper right-hand corner (e.g., "Page 1 of 3.") The CDHS Program Contract Manager should retain one copy and send the original to: California Department of Health Services, Asset Management, MS 1405, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, Sacramento, CA 95899-7413.

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

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

INSTRUCTIONS FOR HAS 1204

(Please read carefully.)

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

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

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

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

1. List the state/CDHS property tag, quantity, description, purchase date, base unit cost, and serial number (if applicable) for each item of:
 - A. Major Equipment: (These items were issued green numbered state/CDHS property tags.)
 - Tangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more.
 - Intangible item having a base unit cost of \$5,000 or more and a life expectancy of one (1) year or more (e.g., software, video.)
 - B. Minor Equipment/Property:

Specific tangible items with a life expectancy of one (1) year or more that have a base unit cost less than \$5,000. The minor equipment and/or property items were issued green unnumbered "B ANK" state/CDHS property tags with the exception of the following, which are issued numbered tags: Personal digital Assistant (PDA), 2-DAY/cell phone combination (Blackberries), laptops, desktop personal computers, LAN servers, routers, and switches.
2. If a vehicle is being reported, provide the Vehicle Identification Number (VIN) and the vehicle license number to CDHS Vehicle Services. (See HAM, Section 2-10050.)
3. If all items being reported do not fit on one page, make copies and write the number of pages being sent in the upper right-hand corner (e.g. "Page 1 of 3.")
4. The CDHS Program Contract Manager should retain one copy and send the original to: California Department of Health Services, Asset Management, P.O. Box 997413, 1501 Capitol Avenue, Suite 71.2101, MS 1405, Sacramento, CA 95899-7413.
5. Use the version on the CDHS Intranet forms site. The HAS 1204 consists of one page for completion and one page with information and instructions.

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

**Exhibit J
Subcontractor Model Elements**

The Contractor will annually obtain State approval of a model subcontract, and any subsequent changes thereto, prior to entering into a subcontract. Each subcontract for services, reimbursed in whole or in part under this contract, shall conform to the approved model format. The model subcontract shall include the following elements in the following order:

1. Term of Contract:

The beginning and end dates, as well as methods of amendment and termination.

2. Scope of Work:

A description of the services to be performed by, and the responsibilities of, the Subcontractor, including but not limited to:

- A. Partner Counseling and Referral Services (PCRS) (see Exhibit A, Provision 5C),
- B. Quality Management (QM) Program (see Exhibit A, Provision 5 G), and
- C. The use of the AIDS Regional Information and Evaluation System (ARIES) if required by the Contractor (see Exhibit A, Attachment I).

3. A provision that the Subcontractor is governed by and construed in accordance with all laws, regulations, and contractual obligations to which the Contractor is subject.

4. A provision that the Subcontractor shall make books and records pertaining to the goods and services furnished under the terms of the subcontract available for inspection, examination, or copying:

- A. By representatives of the State and the United States Department of Health and Human Services
- B. At all reasonable times at the Subcontractor's place of business, or other mutually agreeable location in California
- C. Organized and maintained in accordance with general business standards
- D. For at least three years from the close of the fiscal year in which the Subcontract was in effect.

5. Full disclosure of the billing procedures and reimbursement rates.

6. A provision indicating that the Subcontractor shall hold the State and individuals served under this contract harmless in the event the Contractor cannot or will not pay for services performed by the Subcontractor pursuant to the Subcontract (refer to Exhibit C, General Terms and Conditions, Provision 5 [Indemnification]).

Exhibit J
Subcontractor Model Elements

7. A provision indicating that the Subcontractor shall submit no claim to, demand or otherwise collect reimbursement from, individuals served under this contract (or persons acting on their behalf) for any services reimbursed in whole or in part under this contract, except to collect third party co-payment or third party share of cost.
8. A termination provision indicating that the Subcontractor may be terminated immediately with or without cause by the Contractor upon 30 days advance written notice to the Subcontractor.
9. A provision indicating that the Subcontractor shall have procedures to prevent unauthorized disclosure of confidential information during acquisition, use, retention, and disposal.
10. A provision requiring the Subcontractor to ensure that all mobile devices are equipped with encryption software (see Exhibit A, Provision H).
11. A provision indicating that the Subcontractor shall comply with the non-discrimination provisions of the Agreement.
12. A provision indicating that training and preparation of the Subcontractor's employees shall conform to requirements of the program and that all required licenses are current.
13. A provision indicating that the Subcontractor shall maintain at all times during the subcontract, adequate insurance covering liability, worker's compensation, automobile, and malpractice.
14. A provision indicating that the Subcontractor shall maintain licensure and certification requirements at all times during the subcontract.

Exhibit K
California Department of Health Services /Office of AIDS (CDHS/OA)
Contractors Guidelines – Mobile Devices

All Office of AIDS contractors and subcontractors must adhere to the following requirements whether or not the mobile device(s) are purchased with State funds.

Mobile computing has become an inherent part of doing business. Most mobile devices have the capacity to store information (data). Because information can also be portable, all contractors must ensure due diligence is taken to protect mobile devices and data, regardless of whether or not the information is considered sensitive or confidential.

For the purposes of this policy, mobile devices are defined as laptops, mobile phones, wearable computers, personal digital assistants (PDAs), and USB flash drives, memory sticks, smart cards, diskettes, zip disks, CD-R/CD-RW, DVD±R/DVD±RW, removable/portable hard drives, etc. This definition is applicable to any new mobile device technology as it is developed.

These guidelines do not alleviate the contractor's responsibilities for adhering to federal HIPAA regulations for electronic protected health information. Additionally, individual CDHS/OA programs may issue directives to their contractors that further expand on these guidelines.

Policy/Procedural

Contractors must demonstrate accountability and due diligence in the use of mobile devices to conduct CDHS/OA activities. The proper safeguarding of mobile devices is imperative. Contractors must ensure that:

1. All mobile devices are secured at all times.
2. When offsite, mobile devices are kept with users at all times and never left unattended regardless of users' situation in airports, automobiles, hotels, etc.
3. Precautions are implemented to prevent others from viewing on-screen data in public locales.
4. Users sign an agreement through which they acknowledge their understanding of mobile device usage and responsibilities. These agreements must be kept up to date and available for review by a CDHS/OA representative.
5. Identification numbers of the mobile devices are recorded and kept separate in a safe place. They must not be stored with the mobile device or in the carrying case.
6. Mobile devices used for CDHS/OA related business are available for inspection by CDHS/OA, upon request.
7. CDHS/OA is notified immediately if a mobile device used in the performance of CDHS/OA activities is lost or stolen.

Security/Confidential Information

Information related to HIV/AIDS must be kept as secure as possible. Contractors must ensure that:

1. Data files on mobile devices contain confidential information (client-identifying information such as names, social security numbers, unique record number (URN), addresses, telephone numbers, email addresses, medical record numbers, etc.) only if specifically authorized in writing by CDHS/OA.

Exhibit K
California Department of Health Services /Office of AIDS (CDHS/OA)
Contractors Guidelines – Mobile Devices

2. CDHS/OA requires the use of data encryption technology to protect confidential information. Encryption can be implemented at the drive, folder, or file level.
3. When applicable, a disk drive lock should be installed on the mobile device.
4. Mobile devices are password protected and enable password protection after a preset amount of inactivity. Passwords must have a minimum of eight characters including the use of upper and lower case letters and numbers. Passwords must not be shared or written down and must be changed every 60 days.
5. Mobile devices are protected by a power-on password.

Software

Many mobile devices utilize software products to provide functionality. Software flaws can leave mobile devices vulnerable to external threats. Contractors must ensure that:

1. When applicable, all mobile devices have anti-virus software and security patches installed and updated on a regular (at least monthly) basis.
2. Computer software is acquired from reputable sources that assure the integrity of the software.
3. All commercial software installed on each device must have a valid license, and software license agreements, terms and conditions, and copyright laws must be strictly followed.
4. Reasonable steps are taken to protect against the installation of unlicensed or malicious software.

Disposition

Mobile devices are often reassigned, replaced or decommissioned as staff and technology changes. The information contained in mobile devices needs to be properly disposed of when mobile devices are reused, recycled, or otherwise disposed of. Contractors must ensure that:

1. Methods for sanitizing a mobile device do not allow for the retrieval of data using data recovering/salvaging software or services.
2. Mobile devices that contain confidential information are sanitized or destroyed before being designated as excess or surplus, reassigned to other staff, or before being sent off-site for repair.
3. Mobile devices that contain confidential information are sanitized by an appropriate method such as wiping/overwriting or degaussing (demagnetizing) before reuse or retirement. Alternatively, mobile devices may be physically destroyed by a method that leaves the device's data unrecoverable (shredding, incineration, etc.).

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i>	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the

certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

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

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

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a: All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations,

or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

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

Invoice Desk
Department of Health Services
Office of AIDS
MS 7700
1616 Capitol Avenue, Suite 616
P.O. Box 997426
Sacramento, CA 98599-7426

C. Invoices shall:

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

2. Budget Contingency Clause

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

3. Prompt Payment Clause

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

Exhibit B
Budget Detail and Payment Provisions

4. Amounts Payable

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

- 1) \$3,738,993 for the budget period of 04/01/07 through 03/31/08.
- 2) \$3,738,993 for the budget period of 04/01/08 through 03/31/09.
- 3) \$3,738,993 for the budget period of 04/01/09 through 03/31/10.

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

C. The Contractor must maintain records reflecting actual expenditures for each state fiscal year covered by the term of this agreement.

5. Timely Submission of Final Invoice

A. A final undisputed invoice shall be submitted for payment no more than forty-five (45) calendar days following the expiration or termination date of this agreement, unless a later or alternate deadline is agreed to in writing by the program contract manager. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of the State under this agreement have ceased and that no further payments are due or outstanding.

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

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

6. Allowable Line Item Shifts

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

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

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

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

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

Exhibit B
Budget Detail and Payment Provisions

7. Expense Allowability / Fiscal Documentation

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

8. Recovery of Overpayments

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

Exhibit B, Attachment I
BUDGET
(Year 1)
April 1, 2007 - March 31, 2008

A. PERSONNEL	\$307,689
B. OPERATING EXPENSES	\$28,820
C. CAPITAL EXPENDITURES	\$0
D. OTHER COSTS	\$3,365,094
E. INDIRECT COSTS	\$37,390
TOTAL BUDGET	\$3,738,993

Exhibit B, Attachment II
BUDGET
(Year 2)
April 1, 2008 - March 31, 2009

A. PERSONNEL	\$307,689
B. OPERATING EXPENSES	\$28,820
C. CAPITAL EXPENDITURES	\$0
D. OTHER COSTS	\$3,365,094
E. INDIRECT COSTS	\$37,390
TOTAL BUDGET	\$3,738,993

Exhibit B, Attachment III
BUDGET
(Year 3)
April 1, 2009 - March 31, 2010

A. PERSONNEL	\$307,689
B. OPERATING EXPENSES	\$28,820
C. CAPITAL EXPENDITURES	\$0
D. OTHER COSTS	\$3,365,094
E. INDIRECT COSTS	\$37,390
TOTAL BUDGET	\$3,738,993

**MUST BE
PRINTED ON
AGENCY
LETTERHEAD**

County of Los Angeles
06-55756

**Exhibit B, Attachment IV
INVOICE FORMAT**

OA Tracking #:

OA Date Stamp

Contractor Name

Mailing Address

Contract Number

Period of Service (month / year)

Care Services Program

	Amounts
A. PERSONNEL	\$
B. OPERATING EXPENSES	\$
C. CAPITAL EXPENDITURES	\$
D. OTHER COSTS	\$
E. INDIRECT COSTS	\$
TOTAL INVOICE	\$
TOTAL AMOUNT PAYABLE	\$

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

Authorized Signature	Date
Print name of authorized signature	Title

OA Review:

(Initial & Date)

FOR CALIFORNIA DEPARTMENT OF HEALTH SERVICES USE ONLY

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

Subcontractor Budget Summary

Fiscal Agent and Contract Number

Fiscal Year

Subcontractor Information	
Subcontractor Name	Bid Status (Check One) <input type="checkbox"/> Sole Source (Attach Justification) <input type="checkbox"/> Competitive Bid
Contact Person	Title
Mailing Address (include street address if using P.O. Box)	Telephone Number
E-Mail Address	Fax Number
Do members of minority racial/ethnic groups constitute a majority of Board members and/or a majority of staff (volunteer or paid) providing care? (Check one) <input type="checkbox"/> Yes <input type="checkbox"/> No	Ownership Status (Check) <input type="checkbox"/> Public/Local <input type="checkbox"/> Public/State <input type="checkbox"/> Public/Federal <input type="checkbox"/> Private/Non-Profit <input type="checkbox"/> Private/for Profit <input type="checkbox"/> Incorporated

Expenses Category	Description	Estimated Clients Served	Budgeted Amount
Services			
Total Services:			\$0
Indirect			
Total Indirect:			\$0
Operating			
Total Operating:			\$0
Capital			
Total Capital:			\$0
Administrative Personnel		Total Administrative Personnel:	
Total Subcontractor Budget:			\$0

Special Terms and Conditions

(For federally funded service contracts and grant awards)

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

This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount, agreement is federally funded, etc.). The provisions herein apply to this agreement unless the provisions are removed by reference on the face of the agreement, the provisions are superseded by an alternate provision appearing elsewhere in the agreement, or the applicable conditions do not exist.

Index of Special Terms and Conditions

1. Federal Equal Employment Opportunity Requirements	17. Human Subjects Use Requirements
2. Travel and Per Diem Reimbursement	18. Novation Requirements
3. Procurement Rules	19. Debarment and Suspension Certification
4. Equipment Ownership / Inventory / Disposition	20. Smoke-Free Workplace Certification
5. Subcontract Requirements	21. Covenant Against Contingent Fees
6. Income Restrictions	22. Payment Withholds
7. Audit and Record Retention	23. Performance Evaluation
8. Site Inspection	24. Officials Not to Benefit
9. Federal Contract Funds	25. Four-Digit Date Compliance
10. Intellectual Property Rights	26. Prohibited Use of State Funds for Software
11. Air or Water Pollution Requirements	27. Use of Small, Minority Owned and Women's Businesses
12. Prior Approval of Training Seminars, Workshops or Conferences	28. Alien Ineligibility Certification
13. Confidentiality of Information	29. Union Organizing
14. Documents, Publications, and Written Reports	30. Contract Uniformity (Fringe Benefit Allowability)
15. Dispute Resolution Process	31. Lobbying Restrictions and Disclosure Certification
16. Financial and Compliance Audit Requirements	

1. Federal Equal Opportunity Requirements

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

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

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

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

2. Travel and Per Diem Reimbursement

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

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

3. Procurement Rules

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

a. Equipment definitions

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

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

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

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

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

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

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

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

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

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

[1] Avoid purchasing unnecessary or duplicate items.

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

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

- d. Unless waived or otherwise stipulated in writing by CDHS, prior written authorization from the appropriate CDHS program contract manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by CDHS, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.

- e. In special circumstances, determined by CDHS (e.g., when CDHS has a need to monitor certain purchases, etc.), CDHS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. CDHS reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor

purchase that CDHS determines to be unnecessary in carrying out performance under this agreement.

- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. CDHS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Contractor no less than 30 calendar days written notice.

4. Equipment Ownership / Inventory / Disposition

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

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

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

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

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

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

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

- b. Title to state equipment and/or miscellaneous property shall not be affected by its incorporation or

attachment to any property not owned by the State.

- c. Unless otherwise stipulated, CDHS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or miscellaneous property.
- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or miscellaneous property.
 - (1) In administering this provision, CDHS may require the Contractor and/or Subcontractor to repair or replace, to CDHS' satisfaction, any damaged, lost or stolen state equipment and/or miscellaneous property. Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the CDHS program contract manager.
- e. Unless otherwise stipulated by the program funding this agreement, equipment and/or miscellaneous property purchased/reimbursed with agreement funds or furnished by CDHS under the terms of this agreement, shall only be used for performance of this agreement or another CDHS agreement.
- f. Within sixty (60) calendar days prior to the termination or end of this agreement, the Contractor shall provide a final inventory report of equipment and/or miscellaneous property to the CDHS program contract manager and shall, at that time, query CDHS as to the requirements, including the manner and method, of returning state equipment and/or miscellaneous property to CDHS. Final disposition of equipment and/or miscellaneous property shall be at CDHS expense and according to CDHS instructions. Equipment and/or miscellaneous property disposition instructions shall be issued by CDHS immediately after receipt of the final inventory report. At the termination or conclusion of this agreement, CDHS may at its discretion, authorize the continued use of state equipment and/or miscellaneous property for performance of work under a different CDHS agreement.

g. Motor Vehicles

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

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

Automobile Liability Insurance

- (a) The Contractor, by signing this agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by CDHS under the terms of this agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the CDHS program contract manager.
- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this agreement or until such time as the motor vehicle is returned to CDHS.
- (d) The Contractor and/or Subcontractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor and/or Subcontractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State (California Department of Health Services).
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this agreement and any extension or continuation of this agreement.
 - [3] The insurance carrier shall notify the California Department of Health Services (CDHS), in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to the agreement number for which the insurance was obtained.
- (f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by CDHS, in writing, if this provision is applicable to this agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor and/or Subcontractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, CDHS may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

5. Subcontract Requirements

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

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor shall obtain at least three bids or justify a sole source award.

- (1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
- (2) The State may identify the information needed to fulfill this requirement.
- (3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - (a) A local governmental entity or the federal government,
 - (b) A State college or university from any State,
 - (c) A Joint Powers Authority,
 - (d) An auxiliary organization of a California State University or a California community college,
 - (e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - (f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - (g) Entities of any type that will provide subvention aid or direct services to the public,
 - (h) Entities and/or service types identified as exempt from advertising in State Administrative Manual Section 1233 subsection 3. View this publication at the following Internet address: <http://sam.dgs.ca.gov>.
- b. CDHS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this agreement.
 - (1) Upon receipt of a written notice from CDHS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by CDHS.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of CDHS. CDHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by CDHS.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by CDHS, make copies available for approval, inspection, or audit.
- e. CDHS assumes no responsibility for the payment of subcontractors used in the performance of the agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this agreement.
- f. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this agreement.
- h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from CDHS to the Contractor, to permit CDHS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
- i. Unless otherwise stipulated in writing by CDHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.

- j. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 19, 20, 24, and 32.

6. Income Restrictions

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

7. Audit and Record Retention

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

- a. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's and/or subcontractor's facility or office or such part thereof as may be engaged in the performance of this agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that CDHS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this agreement, or by subparagraphs (1) or (2) below.
- (1) If this agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
- (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- f. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this agreement, reduce its accounts, books and records related to this agreement to microfilm, computer disk, CD ROM, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

8. Site Inspection

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

9. Federal Contract Funds

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

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

10. Intellectual Property Rights

a. Ownership

- (1) Except where CDHS has agreed in a signed writing to accept a license, CDHS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or CDHS and which result directly or indirectly from this agreement.
- (2) For the purposes of this agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing

those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.

- (3) In the performance of this agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this agreement. In addition, under this agreement, Contractor may access and utilize certain of CDHS' Intellectual Property in existence prior to the effective date of this agreement. Except as otherwise set forth herein, Contractor shall not use any of CDHS' Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of CDHS. Except as otherwise set forth herein, neither the Contractor nor CDHS shall give any ownership interest in or rights to its Intellectual Property to the other Party. If during the term of this agreement, Contractor accesses any third-party Intellectual Property that is licensed to CDHS, Contractor agrees to abide by all license and confidentiality restrictions applicable to CDHS in the third-party's license agreement.
- (4) Contractor agrees to cooperate with CDHS in establishing or maintaining CDHS' exclusive rights in the Intellectual Property, and in assuring CDHS' sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this agreement, Contractor shall require the terms of the agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to CDHS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or CDHS and which result directly or indirectly from this agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with CDHS in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce CDHS' Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDHS and which result directly or indirectly from this agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this agreement. Contractor hereby grants to CDHS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of CDHS or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Section a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to CDHS to any work product made, conceived, derived from, or reduced to practice by Contractor or CDHS and which result directly or indirectly from this agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDHS and which result directly or indirectly from this agreement, shall include CDHS' notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2006, etc.], California Department of Health Services. This material may not be reproduced or disseminated without prior written permission from the California Department of Health Services." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

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

e. Third-Party Intellectual Property

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

f. Warranties

- (1) Contractor represents and warrants that:
 - (a) It is free to enter into and fully perform this agreement.
 - (b) It has secured and will secure all rights and licenses necessary for its performance of this agreement.
 - (c) Neither Contractor's performance of this agreement, nor the exercise by either Party of the rights granted in this agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDHS and which result directly or indirectly from this agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or

other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.

- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
 - (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
 - (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to CDHS in this agreement.
 - (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
 - (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this agreement.
- (2) CDHS MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

g. Intellectual Property Indemnity

- (1) Contractor shall indemnify, defend and hold harmless CDHS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of CDHS' 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 CDHS and which result directly or indirectly from this agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this agreement. CDHS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against CDHS.
- (2) Should any Intellectual Property licensed by the Contractor to CDHS under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve CDHS' right to use the licensed Intellectual Property in accordance with this agreement at no expense to CDHS. CDHS shall 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 CDHS 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-

- b. The Contractor and its employees, agents, or subcontractors shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this agreement.
- c. The Contractor and its employees, agents, or subcontractors shall promptly transmit to the CDHS program contract manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the client, any such identifying information to anyone other than CDHS without prior written authorization from the CDHS program contract manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

14. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7560.)

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

15. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from CDHS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and CDHS, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the CDHS program contract manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.
- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5, commencing with Section 251, California Code of Regulations.)

- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by CDHS, all dispute, grievance and/or appeal correspondence shall be directed to the CDHS program contract manager.
- e. There are organizational differences within CDHS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the CDHS program contract manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

16. Financial and Compliance Audit Requirements

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

\$500,000 or more in federal funds for the year covered by the audit report.

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

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

17. Human Subjects Use Requirements

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

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

18. Novation Requirements

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

19. Debarment and Suspension Certification

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

- a. By signing this agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the CDHS program funding this contract.

- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the CDHS may terminate this agreement for cause or default.

20. Smoke-Free Workplace Certification

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

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- c. By signing this agreement, Contractor or Grantee certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

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

22. Payment Withholds

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

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

23. Performance Evaluation

(Not applicable to grant agreements.)

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

24. Officials Not to Benefit

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

25. Four-Digit Date Compliance

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

26. Prohibited Use of State Funds for Software

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

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

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

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

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

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

28. Alien Ineligibility Certification

(Applicable to sole proprietors entering federally funded agreements.)

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

29. Union Organizing

(Applicable only to grant agreements.)

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

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

30. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

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

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.
 - (6) Hardship pay.
 - (7) Cost-of-living differentials
- c. Specific allowable fringe benefits include:
 - (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- d. To be an allowable fringe benefit, the cost must meet the following criteria:
 - (1) Be necessary and reasonable for the performance of the agreement.

- (2) Be determined in accordance with generally accepted accounting principles
- (3) Be consistent with policies that apply uniformly to all activities of the Contractor.

e. Contractor agrees that all fringe benefits shall be at actual cost.

f. Earned/Accrued Compensation

- (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See Provision f (3)(a) for an example.
- (2) For multiple year contracts, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the agreement. Holidays cannot be carried over from one contract year to the next. See Provision f (3)(b) for an example.
- (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) **Example No. 1:**

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

(b) **Example No. 2:**

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

(c) **Example No. 3:**

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

31. Lobbying Restrictions and Disclosure Certification

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

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract or grant or any extension or amendment of that contract or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individual(s) influencing or attempting to influence a covered federal action; or
 - (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to CDHS program contract manager.

b. Prohibition

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

CERTIFICATION REGARDING LOBBYING

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

Approved by OMB
0348-0040

<p>1. Type of Federal Action:</p> <ul style="list-style-type: none"> a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance 	<p>2. Status of Federal Action:</p> <ul style="list-style-type: none"> a. bid/offer/application b. initial award c. post-award 	<p>3. Report Type</p> <ul style="list-style-type: none"> a. initial filing b. material change <p>For Material Change Only:</p> <p>Year quarter date of last report</p>
<p>4. Name and Address of Reporting Entity:</p> <p>Prime _____ Subawardee Tier _____, if known:</p> <p>Congressional District, if known: _____</p>		<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p>Congressional District, if known: _____</p>
<p>6. Federal Department/Agency: _____</p>	<p>7. Federal Program Name/Description:</p> <p>CDFA Number, if applicable: _____</p>	
<p>8. Federal Action Number, if known: _____</p>	<p>9. Award Amount, if known: _____</p>	
<p>10. a. Name and Address of Lobbying Entity (If individual, last name, first name, MI):</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		<p>b. Name and Address of Lobbying Entity (If individual, last name, first name, MI):</p>
<p>11. Amount of Payment (check all that apply):</p> <p>\$ _____ actual _____ planned</p>	<p>13. Type of Payment (check all that apply):</p> <ul style="list-style-type: none"> a. retainer b. one-time fee c. commission d. contingent fee e. deferred f. other, specify: _____ 	
<p>12. Form of Payment (check all that apply):</p> <ul style="list-style-type: none"> a. cash b. in-kind, specify: Nature _____ Value _____ 	<p>14. Brief Description of Services Performed or to be Performed and Dates(s) of Service, including Officer(s), Employee(s), or Member(s) Contracted for Payment indicated in item 11:</p> <p>(Attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>	
<p>15. Continuation Sheet(s) SF-LLL-A Attached: Yes _____ No _____</p>		
<p>16. Information requested through this form is authorized by Title 31, U.S.C., Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to Title 31, U.S.C., Section 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$15,000 and not more than \$100,000 for each such failure.</p>		<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No.: _____ Date: _____</p>
<p>Federal Use Only</p>		<p>Authorized for Local Reproduction Standard Form-LLL</p>

Exhibit E
Additional Provisions

1. Additional Incorporated Exhibits

A. The following additional exhibits are attached, incorporated herein, and made a part hereof by this reference:

1) Exhibit G	Travel Reimbursement Information	2 pages
2) Exhibit H	Contractor Equipment Purchased with CDHS Funds	2 pages
3) Exhibit I	Inventory/Disposition of CDHS-Funded Equipment	2 pages
4) Exhibit J	Subcontractor Model Elements	2 pages
5) Exhibit K	CDHS/OA Contractors Guidelines – Mobile Devices	2 pages

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

Published Documents:

- 1) AIDS Regional Information and Evaluation System (ARIES) Policies and Procedure Manual
- 2) Care Services Program Administrative Manual
- 3) Care Services Program Application Guidelines
- 4) Federal Office of Management and Budget (OMB) Circular Number A-133
- 5) HIV Partner Counseling and Referral Services (PCRS): Standards and Recommendations
- 6) Quality Management Technical Assistance Manual

Websites:

- 1) Health Resources and Services Administration (HRSA), Division of Services Systems (DSS), HIV/AIDS Bureau (HAB) – www.hab.hrsa.gov
- 2) California Department of Health Services, Medi-Cal – www.medi-cal.ca.gov
- 3) U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation – www.aspe.hhs.gov/poverty

2. Amendment Process

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

3. Cancellation / Termination

A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.

Exhibit E
Additional Provisions

- B. Upon receipt of a notice of termination or cancellation from CDHS, Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent contract costs.
- C. Contractor shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.

4. Avoidance of Conflicts of Interest by Contractor

- A. CDHS 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, CDHS reserves the right to determine, at its sole discretion, whether any information, assertion or claim received from any source indicates the existence of a real or apparent conflict of interest; and, if a conflict is found to exist, to require the Contractor to submit additional information or a plan for resolving the conflict, subject to CDHS 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 CDHS 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 CDHS to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by CDHS and cannot be resolved to the satisfaction of CDHS, the conflict will be grounds for terminating the contract. CDHS may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.

5. Insurance Requirements

The Contractor agrees to furnish to CDHS a letter certifying that it possesses and/or will obtain self-insurance in an amount that is sufficient to cover bodily injury and property damage liability combined that might arise under this agreement. Self insurance coverage shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal injury, and other applicable liability that may arise under this agreement. The liability insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the Contractor's limit of liability.

Exhibit E
Additional Provisions

6. Freeze Exemptions

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

7. Departmental Reorganization

- A. The parties to this agreement acknowledge that the California Public Health Act of 2006 (Act; Senate Bill 162, Chapter 241, Statutes 2006), effective July 1, 2007, establishes the California Department of Public Health (CDPH) and renames the California Department of Health Services (CDHS) as the California Department of Health Care Services (DHCS).
- B. Agreements approved before July 1, 2007 shall continue in full force and effect, with the renamed DHCS and the newly formed CDPH assuming all of the rights, obligations, liabilities, and duties of the former CDHS and any of its predecessors as relates to the duties, powers, purposes, responsibilities, and jurisdiction vested by the Act in each of the resulting departments.
- C. Agreements approved on or after July 1, 2007 that refer to CDHS shall be interpreted to refer to the renamed DHCS or the newly formed CDPH, as appropriate under the terms of the agreement. DHCS or CDPH, as appropriate under the terms of the agreement, shall assume all of the rights, obligations, liabilities, and duties of the former CDHS and any of its predecessors as relates to the duties, powers, purposes, responsibilities, and jurisdiction vested by the Act in each of the resulting departments. The assumption by each department shall not in any way affect the rights of the parties to the agreement.
- D. As a result of the departmental reorganization discussed above, various CDHS programs may experience a physical relocation, change in personnel, change in procedures, or other effect. If this agreement is impacted by SB 162, CDHS reserves the right, without initiation of a formal amendment, to issue one or more written notices to the Contractor supplying alternate information and/or instructions regarding invoicing, document addressing, personnel changes, and/or other procedural changes.