

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: HEALTH SERVICES AGENCY *filed*

BOARD AGENDA # \*B-7

Urgent \_\_\_\_\_ Routine X

AGENDA DATE October 2, 2001

CEO Concurs with Recommendation YES *pr* NO \_\_\_\_\_  
(Information Attached)

4/5 Vote Required YES \_\_\_\_\_ NO X

SUBJECT: AUTHORIZATION TO ACCEPT CONTRACT NUMBER 01-16163 FROM THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES TO PROVIDE OUTREACH TO ENROLL CHILDREN IN THE HEALTHY FAMILIES AND MEDICAL PROGRAMS.

STAFF  
RECOMMEN-  
DATIONS:

1. AUTHORIZATION TO ACCEPT CONTRACT NUMBER 01-16163 FROM THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES TO PROVIDE OUTREACH TO ENROLL CHILDREN IN THE HEALTHY FAMILIES AND MEDICAL PROGRAMS.
2. AUTHORIZE THE MANAGING DIRECTOR OF THE HEALTH SERVICES AGENCY OR HER DESIGNEE TO SIGN AND EXECUTE THE CONTRACT.

FISCAL  
IMPACT:

This is a \$50,000 contract to provide services. These funds have been included in our FY01/02 budget unit 1400001, Fund #1403. There will be no financial impact to the County General Fund.

BOARD ACTION AS FOLLOWS:

No. 2001-748

On motion of Supervisor Simon, Seconded by Supervisor Blom  
and approved by the following vote,

Ayes: Supervisors: Mayfield, Blom, Simon, Caruso, and Chair Paul

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

- 1) X Approved as recommended
- 2) \_\_\_\_\_ Denied
- 3) \_\_\_\_\_ Approved as amended

MOTION:

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

By: Christine Ferraro  
Deputy

File No.

**SUBJECT:** AUTHORIZATION TO ACCEPT CONTRACT NUMBER 01-16163 FROM THE CALIFORNIA DEPARTMENT OF HEALTH SERVICES TO PROVIDE OUTREACH TO ENROLL CHILDREN IN THE HEALTHY FAMILIES AND MEDI-CAL PROGRAMS.

**PAGE:** 2

**DISCUSSION:** The California Department of Health Services, Medi-Cal Policy Division, Medi-Cal Eligibility Branch, has additional funds available through the federal State Children's Health Insurance Program (SCHIP) to provide outreach to enroll children in the Healthy Families and Medi-Cal Programs. The Health Services Agency has been providing these services, largely without funding from the California Department of Health Services. This contract for \$50,000 will cover a portion of our ongoing activities to enroll and re-enroll families into these programs.

**POLICY**

**ISSUES:** Approval to apply for this grant meets the Board of Supervisors priority of ensuring a safe, healthy community by encouraging families to sign up for health insurance programs they may be eligible for.

**STAFFING**

**IMPACTS:** None.



**HEALTH SERVICES AGENCY**  
Administration

**Beverly M. Finley**  
Managing Director

830 Scenic Drive, P.O. Box 3271, Modesto, CA 95353  
Fax: (209) 558-8320  
[www.hshealth.org](http://www.hshealth.org)

September 20, 2001

Valerie Ruelas  
Los Angeles County Dept. of Health Services  
313 N. Figueora St. #807  
Los Angeles, CA 90012

By mail and email: [vruelas@dhs.co.la.ca.us](mailto:vruelas@dhs.co.la.ca.us)

Dear Ms. Ruelas:

Enclosed is the budget, budget justification and scope of work for the \$50,000 contract to provide outreach to enroll children in the Healthy Families and Medi-Cal Programs. We have also enclosed a copy of our Board Order Request to the Stanislaus County Board of Supervisors for a resolution authorizing this contract. This will be an agenda item on their October 2<sup>nd</sup> regular meeting.

Should you have any questions or require further information, please contact Nilda Johnson, Program Manager, at (209) 558-7576, email [njohnson@schsa.org](mailto:njohnson@schsa.org).

Thank you for your consideration of these documents. We look forward to implementing this contract.

Sincerely,

Mary Ann Lee  
Associate Director, Managed Care  
(Project Director)

Enc.

Cc: Nilda Johnson, Program Manager  
Sandy Wallace, Grant Writer  
Finance

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

- I. **Goal 1:** Provide Application Assistance to 500 Healthy Families/Medi-Cal (HF/MC) eligible individuals.
  - A. **Objective 1:** Help 250 families enroll in HF/MC at Golden Valley Health Center (GVHC) clinic sites, WIC sites, small business sites, and day care centers.
    1. **Time Line:** 7/1/01-11/30/01
    2. **Major Functions, Tasks and Activities:**
      - a. Outstation a full-time outreach worker to rotate visits at these sites on a standardized and published schedule.
    3. **Responsible Party Contractor/Subcontractor:**
      - a. Subcontractor: Golden Valley Health Centers
    4. **Performance Measure and/or Deliverables:**
      - a. The outstation worker will keep a daily log of activities and families served.
      - b. Families for whom applications are completed will be followed-up on by the outstation worker through monthly telephone calls to the families to see if their applications have been approved.
  - B. **Objective 2:** Help 50 families enroll or re-enroll in HF/MC at small business sites and Health Services Agency (HSA) Medical Office and Administration sites.
    1. **Time Line:** 7/1/01-11/30/01
    2. **Major Functions, Tasks and Activities:**
      - a. HSA Clerical Support will gather returned flyers and mail applications to those families requesting them.
      - b. HSA Program Manager will schedule appointments based on need generated by our flyers and advertising campaign.
    3. **Responsible Party Contractor/Subcontractor:**
      - a. Contractor: HSA
    4. **Performance Measure and/or Deliverables:**
      - a. HSA Clerical Support will keep a log of families who return the flyers to us.
      - b. HSA Support Systems (Quality Management Coordinator) will compile monthly reports using data collected by the Clerical Support. The Program Manager and Project Director will review these reports
      - c. For those families who request assistance, the HSA Program Manager will make appointments or telephone visits with them to provide assistance as needed.
      - d. Families for whom applications are completed will be followed-up on by the Program Manager through monthly telephone calls to the families to see if their applications have been approved.

II. **Goal 2:** Educate 1,000 families about the availability of HF/MC Programs by generating publicity about the programs through the distribution of flyers and soliciting advertising such as radio spots and grocery bag ads.

A. **Objective 1:** Distribute 150,000 flyers.

1. **Time Line:** 7/1/01-11/30/01
2. **Major Functions, Tasks and Activities:**
  - a. HSA Program Manager will reprint existing flyer and distribute to the employers, schools, day care centers, GVHC clinics, and HSA sites.
  - b. Those sites will then distribute the flyers to potentially eligible HF/MC families.
  - c. Flyers have space on them for families to indicate whether or not they wish to receive an application, be contacted for assistance in completing the application, or request any other questions or assistance they may need.
3. **Responsible Party Contractor/Subcontractor:**
  - a. HSA Program Manager and staff at listed sites
4. **Performance Measure and/or Deliverables:**
  - a. A copy of the flyer and receipts for printing will be kept on file at HSA.
  - b. The HSA Program Manager will also keep track of the number of flyers given to each agency.

B. **Objective 2:** Pursue local advertising opportunities about the HF/MC programs such as radio spots and grocery bag ads.

1. **Time Line:** 7/1/01-11/30/01
2. **Major Functions, Tasks and Activities:**
  - a. HSA Program Manager will meet with HSA's Director of Marketing to explore advertising opportunities.
  - b. HSA will use existing advertising materials available through the Managed Risk Medical Insurance Board (MRMIB) approved public service announcements.
  - c. HSA's Director of Marketing will obtain quotes from potential advertisers and HSA's Program Manager will purchase advertising as the budget allows.
3. **Responsible Party Contractor/Subcontractor:**
  - a. Contractor: HSA Program Manager and Director of Marketing
4. **Performance Measure and/or Deliverables:**
  - a. Copies of ads generated by this activity will be maintained by HSA and shared with the California Department of Health Services as requested.
  - b. Advertisers will be asked to estimate the number of individuals reached by their ads and share this information with HSA.

- c. Phone calls made to HSA and GVHC will be logged; if callers mention ads, we will note that information in the log and compile it in the reports.
- C. **Objective 3:** Program staff will give presentations about the HF/MC programs to community groups and at targeted sites.
- 1. **Time Line:** 7/1/01-11/30/01
  - 2. **Major Functions, Tasks and Activities:**
    - a. Monthly presentations on the HF/MC programs will be given by the HSA Program Manager and GVHC staff.
  - 3. **Responsible Party Contractor/Subcontractor:**
    - a. Contractor and Subcontractor: HSA and GVHC
  - 4. **Performance Measure and/or Deliverables:**
    - a. A minimum of one presentation per month per agency will be given for a total minimum of 10 presentations given during the funding period.

**Exhibit B, Attachment 1**

**Budget**

<b>Budget Categories</b>	<b>Calculation Method</b>	<b>Final Budget 7/1/01-12/31/01</b>	<b>County Match 35% Minimum</b>
<b>Personnel Expenses:</b>			
Project Director (Associate Director, Managed Care Division)	.05 FTE \$42.48/hour x .05 FTE x 2080 divided by 5 months		1,837
Project Coordinator (Managed Care Program Manager)	.50 FTE \$29.85/hour x .50 FTE (.30 FTE from contract funds and .20 FTE as inkind match) x 2080 divided by 5 months	7,757	5,174
Director of Marketing	.10 FTE \$26.41/hour x .10 FTE x 2080 divided by 5 months		2,288
Accountant II Quality Management Coordinator (Systems Support)	.20 FTE \$21.80/hour x .20 FTE x 2080 hours divided by 5 months		3,779
Administrative Clerk III (Clerical Support)	.20 FTE \$12.17/hour x .20 FTE x 2080 hours divided by 5 months	2,106	1,785
<b>Subtotal Personnel</b>		<b>9,863</b>	<b>14,863</b>
<b>Fringe Benefits</b>			
Fringe Benefits	33% of salaries	3,255	4,905
<b>Subtotal Fringe</b>		<b>3,255</b>	<b>4,905</b>
<b>Subtotal Personnel and Fringe</b>		<b>13,118</b>	<b>19,768</b>
<b>Operating Expenses</b>			
Printing of Flyers	Approximately 150,000 flyers at average cost of .03/each	4,500	
Audit Expenses		6,500	
Advertising: Radio Spots and Grocery Bag ads	Estimated five radio/grocery bag ads at average cost of \$1,000/each	5,000	
General Expenses	Supplies, postage, etc. estimated at \$200/month x 5 months	1,000	
<b>Subtotal Operating Expenses</b>		<b>17,000</b>	
<b>Travel Expenses</b>			
Travel and Per Diem	Local mileage reimbursement at .345/mile and per diem for trips to and from meetings at State of California approved rates	906	
<b>Subtotal Travel Expenses</b>		<b>906</b>	
<b>Subcontracts</b>			
Golden Valley Health Center	See Attachment 2, Subcontractor line item budget and justification.	17,664	
<b>Subtotal Subcontracts</b>		<b>17,664</b>	
<b>Total Direct Expenses</b>		<b>48,688</b>	<b>19,768</b>
<b>Indirect Costs</b>	<b>10% of personnel and fringe costs</b>	<b>1,312</b>	<b>1,977</b>
<b>TOTAL CONTRACT AMOUNT</b>		<b>50,000</b>	<b>21,745</b>

**Exhibit B, Attachment 2**

**Subcontractor Budget – Golden Valley Health Centers**

<b>Budget Categories</b>	<b>Calculation Method</b>	<b>Final Budget 7/1/01-12/31/01</b>	<b>County Match 35% Minimum</b>
<b>Personnel Expenses:</b>			
Program Coordinator	\$19.70/hour x .08 FTE x 2080 hours divided by 5 months	1,361	
Outreach Worker	\$11.46/hour x 1 FTE x 2080 hours divided by 5 months	9,932	
<b>Subtotal Personnel</b>		<b>11,293</b>	
<b>Fringe Benefits</b>			
Fringe Benefits	20% of salaries	2,259	
<b>Subtotal Fringe</b>		<b>2,259</b>	
<b>Subtotal Personnel and Fringe</b>		<b>13,552</b>	
<b>Operating Expenses</b>			
Program Supplies	Average \$450/month x 5 months	2,250	
Office Supplies	Average \$200/month x 5 months	1,000	
Incentives/Marketing	Average \$10/month x 5 months	50	
<b>Subtotal Operating Expenses</b>		<b>3,300</b>	
<b>Travel Expenses</b>			
Local Mileage Reimbursement	.345/mile	812	
<b>Subtotal Travel Expenses</b>		<b>812</b>	
<b>Total Direct Expenses</b>		<b>17,664</b>	
Indirect Costs	10% of personnel and fringe costs		
<b>TOTAL CONTRACT AMOUNT</b>		<b>17,664</b>	



**Contractor:** Stanislaus County Health Services Agency

**Contract Number:** 01-16163

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**Exhibit C  
Budget Justification**

**Personnel**

**Project Director**

Responsible for directing all aspects of the outreach project including, implementation of project work plan, contract administration with Subcontractors, communication with county administration and the Board of Supervisors, and project evaluation and reporting.

**Project Coordinator**

Responsible for coordination of outreach activities and training. Community participant collaboration and support, monitoring outreach efforts and outcomes.

**Director of Marketing**

Responsible for soliciting and selecting local advertising opportunities to promote the Healthy Families/Medi-Cal programs, using public service announcements already approved by the MRMIB.

**Accountant II**

Responsible for financial administration of grant, grant financial reporting, and financial administration of subcontracts.

**Systems Support – Quality Management Coordinator**

Responsible for establishing and maintaining database systems for tracking and reporting outreach outcomes, including the numbers of individuals outreached and the number of individuals applying and re-enrolling in Medi-Cal as a result of outreach efforts.

**Clerical Support – Administrative Clerk II**

Responsible for the data entry of all individuals outreached by each project participant and of all individuals applying and re-enrolling in Medi-Cal

**Fringe Benefits**

Includes payroll taxes, health, dental and vision insurance, retirement and vacation liability. Calculated at average cost of 33% of personnel.

**Operating Expenses**

**Printing**

Printing of Medi-Cal Information Brochures, Medi-Cal Eligibility Surveys, and Medi-Cal Outreach documentation forms for use by Program Manager and Golden Valley Health Centers.

**Audit**

Mandatory independent financial audit as required by DHS.

**Contractor:** Stanislaus County Health Services Agency

**Contract Number:** 01-16163

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**Advertising**

Radio spots and grocery bags targeted at 18-35 year olds to promote the Healthy Families/Medi-Cal programs.

**General Expenses**

Includes office supplies such as pens, pencils, paper, etc. as well as postage for mailing of flyers and applications.

**Travel**

**Local and Per Diem**

Travel costs for Program Manager in conjunction with outreach efforts in outlying areas of Stanislaus County.

**Subcontracts**

**Golden Valley Health Centers**

Golden Valley Health Centers will provide Healthy Families/Medi-Cal outreach services to potentially eligible families including follow-up outreach to encourage retention through timely Quarterly Status Reporting. Outreach will be performed in accordance with DHS guidelines and requirements.

**Indirect Costs**

Indirect is calculated at 10% personnel costs less fringe benefits and includes personnel, administration, and office space expenses.

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY

GRAY DAVIS, Governor

**DEPARTMENT OF HEALTH SERVICES**

MEDI-CAL POLICY DIVISION  
MEDI-CAL ELIGIBILITY BRANCH  
714/744 P Street, Room 1650  
P.O. Box 942732  
Sacramento, CA 94234-7320  
(916) 657-2952



*DJE:  
9/21/01  
+ need board  
order to accept*

**EXPEDITE**

August 24, 2001

**NOTICE OF INTENT TO AWARD**

Nilda Johnson  
Stanislaus County Health Services Agency  
830 Scenic Drive  
Modesto, CA 95353

Contract Number: 01-16163

Dear City or County Government Representative:

The Department of Health Services is pleased to announce that your county or city has been awarded a \$50,000 contract to provide outreach to enroll children in the Healthy Families and Medi-Cal Programs under funds available through the federal State Children's Health Insurance Program (SCHIP). Please submit this Notice of Intent to Award to your County Board of Supervisors or City Council to obtain a resolution authorizing this contract; contracts must be fully executed by the county or city as well as the State no later than November 30, 2001.

There are special federal requirements for these SCHIP funds. The following are the conditions for accepting and using the funds:

- Awards are subject to a 35 percent match with non-federal funds.
- The term of the contract will be 7/1/01 through 12/31/01; contractors will have the ability to invoice in arrears for approved outreach activities performed after July 1, 2001, upon the full execution of the contract, for activities not charged to any other fund source.
- Contracts must be fully executed by both the city or county and the State by 11/30/01.
- Final invoices must be submitted and received no later than 11/30/01 in order to process and pay all invoices no later than 12/31/01. Any invoices received after 11/30/01 will not be processed or paid.

Contract awards are contingent upon receipt of the Budget, Budget Justification, and Scope of Work (in the required format attached) no later than close of business Friday, September 21, 2001. The Scope of Work must identify both Healthy Families and Medi-Cal outreach efforts. Failure to submit these documents by this date will result in the contract

City and County Governments  
Page 2

award being cancelled. An electronic version of the budget and scope of work forms can be sent to you upon request to: [vruelas@dhs.co.la.ca.us](mailto:vruelas@dhs.co.la.ca.us).

The Department has obtained the assistance of county and city staff in addition to state staff to help prepare the contracts. The following person has been designated as the lead person to coordinate the preparation of the contract. Please submit the budget, budget justification, and scope of work by mail and e-mail to:

Valerie Ruelas  
Los Angeles County Dept. Health Services  
313 N. Figueroa St. #~~800~~ 807  
Los Angeles, CA 90012  
[vruelas@dhs.co.la.ca.us](mailto:vruelas@dhs.co.la.ca.us)  
Phone Number: (213)240-8286

Upon completion of the budget, budget justification and scope of work, the contract materials will be reviewed, prepared and then submitted to the State for processing. If the budget and scope of work are not in the requested format and/or do not follow the guidelines in the attached samples, you will be contacted and asked to resubmit the documents.

Please notify the Department in writing if you are **declining** the award of this contract no later than September 5, 2001.

If you have any questions regarding this Notice of Intent to Award, please contact Sarah-Soto Taylor at (916) 657-3087.

Sincerely,



Richard Brantingham, Chief  
Education and Outreach Section  
Medi-Cal Eligibility Branch

Cc: Valerie Ruelas

**TIPS FOR WRITING SCOPE OF WORK (SOW)**

1. Include as much detail as possible. Quality and depth are extremely important. Focus on the outcomes or product and not the process.
2. Include quantifiable and measurable goals and objectives.
3. Keep technical jargon to a minimum.
4. Spell out all acronyms the first time used. Example, Medi-Cal (MC).
5. Do not use statements such as "to be determined by the agency." Performance requirements cannot be determined later or be based on unknowns.
6. Write the SOW as if your were developing it for a total stranger.
7. Ask yourself did you address What, Why, When, Where, How Much, etc?
8. Use the headers, footers and format in the attached example.

Contractor  
Contract Number

Exhibit A  
Scope of Work

- I. **Goal 1: Provide Application Assistance to 1000 Healthy Families/Medi-Cal eligible individuals**
  - A. **Objective 1: Help 200 families enroll in Healthy Families/Medi-Cal at ABC community clinic.**
    - 1. **Time Line:** 7/1/01 – 11/30/01
    - 2. **Major Functions, Tasks and Activities:**
      - a. Outstation eligibility worker at ABC community clinic
    - 3. **Responsible Party Contractor/Subcontractor:**
      - a. Contractor and XYZ subcontractor
    - 4. **Performance Measure and/or Deliverables:**
      - a. Check MEDS and follow-up with families to ensure timely enrollment.
      - b. Monitor number of potentially eligible at clinic site Adjust days, time and location as necessary.
  
- II. **Goal 2: Educate 1000 Families about the availability of Healthy Families and Medi-Cal**
  - A. **Objective 1: Air 10 Healthy Families/Medi-Cal commercials on channel 8.**
    - 1. **Time Line:** 7/1/01 – 11/30/01
    - 2. **Major Functions, Tasks and Activities:**
      - a. Develop and purchase ad.
    - 3. **Responsible Party Contractor/Subcontractor:**
      - a. XYZ subcontractor
    - 4. **Performance Measure and/or Deliverables:**
      - a. Monitor the number of follow-up appointments set and applications submitted as a result contacts received from the commercial.

Contractor Name  
Contract Number

Exhibit B, Attachment I  
Budget

BUDGET CATEGORIES		FINAL BUDGET 7/1/01 - 12/31/01	COUNTY MATCH 35% MIN.
<b>Personnel Expenses:</b>		\$37,500	\$13,125
Position Title/# of Each/Salary	FTE%		
Project Director (1) @ \$75,000	1%		
Outreach Worker (2) @ \$30,000	50%		
<b>Fringe Benefits:</b>		\$7,500	\$2,625
(20% of Personnel Expenses)			
<b>Operating Expenses:</b>		\$1,500	\$525
General Expenses Description	Cost		
Telephone	\$300		
Postage	\$100		
Rent (300 sq. feet @ \$3 foot)	\$900		
Reproduction/Copying/Printing	\$200		
<b>Equipment Expenses:</b>		\$0	\$0
Equipment Description	Cost		
<b>Travel Expenses:</b>		\$1,500	\$525
	Cost		
Local Trips @ .31/mile:	\$500		
Non-Local Trips:	\$1,000		
<b>Subcontracts:</b>		\$0	\$0
(Itemize and provide budget justification, if total exceeds \$50,000 attach subcontractor budget)			
ABC Community Based Organization	\$0		
XYZ Community Based Organization	\$0		
<b>Other Expenses:</b>		\$11,400	\$3,990
	Cost		
Auditing Costs:	\$9,300		
Training for Project Staff:	\$100		
Collateral Materials:	\$2,000		
Evaluation:	in-kind		
<b>Indirect Costs (10% of Costs/Expenses):</b>		\$600	\$210
<b>TOTAL CONTRACT AMOUNT:</b>		\$60,000	\$21,000

**DEPARTMENT OF HEALTH SERVICES**

714/744 P STREET  
 P.O. BOX 942732  
 SACRAMENTO, CA 94234-7320

BOARD OF SUPERVISORS

NOV 15 2001

NOV 15 2001

**CONTRACTOR NOTICE/INSTRUCTIONS**

10/2/01

**CONTRACTOR:** County of Stanislaus

# B-7

**CONTRACT NUMBER:** 01-16163

**Inquiries about this notice must reference the contract number above and be directed to the Department of Health Services' (DHS) Contract Management Unit (CMU) at (916) 322-6122.**

**To complete the processing of your contract, follow all instructions checked [X] below:**

- Affix an original signature to each enclosed contract copy/face sheet. Retain one full contract copy. Return, to CMU's address below, any remaining contract copies/face sheets, along with any additional items being requested, as indicated by a check mark [X].
- Enclosed for your records is your fully executed contract copy. Include DHS's contract number on all invoices and future correspondence related to this contract.
- The enclosed contract has been fully approved by the State. Upon affixing your signature, the contract will be fully executed. Retain a full contract copy. Sign/return, to CMU's address below, any remaining contract copies/face sheets for final distribution.
- The enclosed agreement has been signed by DHS. When fully executed, return one originally signed copy and any extra copies to CMU's address below. Include DHS's contract number on future correspondence related to this contract.
- Complete, sign, and return the enclosed Vendor Data Record form.
- Return two copies of Board Motion/Resolution.
- Other:

**Return all items requested above to CMU at the following address:**

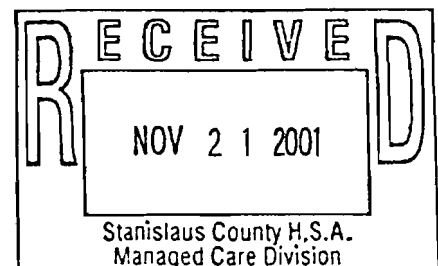
DHS Contract Management Unit (CMU)  
 P.O. Box 942732  
 1800 Third Street, Suite 455  
 Sacramento, CA 94234-7320

Please do not alter the enclosed contract. Until the contract is fully executed and distributed, no costs are reimbursable.

**For program matters, invoice issues, or to request contract alterations, contact:**

DHS Eligibility Support & Local Assist  
 Attn: Susan Hollingshead (916) 657-0255  
 714 P Street, Room 1650  
 Sacramento, CA 95814

Enclosures





STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
 STD 213 (New 02/98)

AGREEMENT NUMBER <b>01-16163</b>
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1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Department of Health Services

CONTRACTOR'S NAME

Stanislaus County Health Services Agency

2. The term of this Agreement is: July 1, 2001 through December 31, 2001

3. The maximum amount of this Agreement is: \$ 50,000  
 Fifty Thousand Dollars

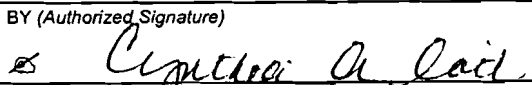
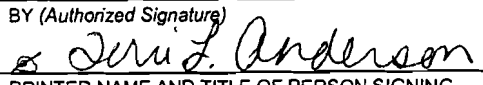
4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Scope of Work	8 Pages
Exhibit B – Budget Detail and Payment Provisions	4 Pages
Exhibit B, Attachment I – Budget	1 Page

*Exhibit C – General Terms and Conditions	GTC 201 dated 2/20/01
Exhibit D(F) – Special Terms and Conditions Notwithstanding provision 22 which does not apply to this agreement	26 Pages
Exhibit E – Additional Provisions	3 Pages
Exhibit F – Contractor's Release	1 Page
Exhibit G – Travel Reimbursement Information	2 Pages
See Exhibit E, Provision 1 for additional exhibits.	

\* View at [www.dgs.ca.gov/contracts](http://www.dgs.ca.gov/contracts).

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

<b>CONTRACTOR</b>		California Department of General Services Use Only																								
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) Stanislaus County Health Services Agency																										
BY (Authorized Signature) 	DATE SIGNED 10/26/01																									
PRINTED NAME AND TITLE OF PERSON SIGNING Cindy Coit, Finance Officer																										
ADDRESS 830 Scenic Drive, Modesto, CA 95353		<table border="1"> <tr> <td style="font-size: 2em; font-weight: bold;">R</td> <td style="font-size: 2em; font-weight: bold;">E</td> <td style="font-size: 2em; font-weight: bold;">C</td> <td style="font-size: 2em; font-weight: bold;">E</td> <td style="font-size: 2em; font-weight: bold;">I</td> <td style="font-size: 2em; font-weight: bold;">V</td> <td style="font-size: 2em; font-weight: bold;">E</td> <td style="font-size: 2em; font-weight: bold;">D</td> </tr> <tr> <td colspan="8" style="text-align: center;"> <input checked="" type="checkbox"/> Exempt per W&amp;I14067c            NOV 21 2001         </td> </tr> <tr> <td colspan="8" style="text-align: center;">           Stanislaus County H.S.A.            Managed Care Division         </td> </tr> </table>	R	E	C	E	I	V	E	D	<input checked="" type="checkbox"/> Exempt per W&I14067c NOV 21 2001								Stanislaus County H.S.A. Managed Care Division							
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<input checked="" type="checkbox"/> Exempt per W&I14067c NOV 21 2001																										
Stanislaus County H.S.A. Managed Care Division																										
<b>STATE OF CALIFORNIA</b>																										
AGENCY NAME California Department of Health Services																										
BY (Authorized Signature) 	DATE SIGNED																									
PRINTED NAME AND TITLE OF PERSON SIGNING Edward Stahlberg, Chief, Program Support Branch																										
ADDRESS 1800 3rd. Street, Rm. 455, P.O. Box 942732, Sacramento, CA 94234-7320																										

## **Exhibit A Scope of Work**

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

Develop, implement, and provide direct outreach and education activities associated with enrollment of eligible children and their parents in the Healthy Families or Medi-Cal (HF/MC) programs. The Contractor's outreach activities shall enhance and expand the State's overall education and outreach activities.

2. The Contractor shall perform the services at various community-based settings accessible by the Contractor.
3. The services shall be provided during the normal Contractor working hours, Monday through Friday, excluding national holidays.
4. The project representatives during the term of this agreement will be:

**Department of Health Services**

Richard Brantingham, Chief  
Education and Outreach Section  
Medi-Cal Eligibility Branch  
714 "P" St., Room 1440  
Sacramento, CA 95814  
Phone: (916) 654-6821  
FAX: (916) 657-3224

**Contractor:**

Nilda Johnson  
Project Director  
830 Scenic Drive  
Modesto, CA 95353  
Phone: (209) 558-7675  
FAX: (510) 351-1367

Direct all inquiries to:

**Department of Health Services**

Education and Outreach Section  
Attention: Monet Parham  
714 "P" St., Room 1650  
Sacramento, CA 95814  
Telephone: (916) 657-3087  
Fax: (916) 657-3224

**Contractor:**

Stanislaus County Health Services Agency  
Attention: Nilda Johnson,  
Project Director  
830 Scenic Drive  
Modesto, CA 95353  
Phone: (209) 558-7675  
FAX: (510) 351-1367

All Invoices, Progress Reports and Media approvals shall be sent to:

**Department of Health Services**

Education and Outreach Section

Attention: Monet Parham

714 "P" St., Room 1650

Sacramento, CA 95814

Telephone: (916) 657-3087

Fax: (916) 657-3224

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.

5. Allowable Informal Scope of Work Changes:

- A. The Contractor or the State may propose informal changes or revisions to the activities, tasks, deliverables, and/or performance time frames specified in the Scope of Work, provided such changes do not alter the overall goals and basic purpose of the agreement.
- B. Informal SOW changes may include the substitution of specified activities or tasks, the alternation or substitution of agreement deliverables, and modifications to anticipated completion/target dates.
- C. Informal SOW changes processed hereunder, shall not require a formal agreement amendment, provided the contractors annual budget does not increase or decrease as a result of the informal SOW change.
- D. Unless otherwise stipulated in this agreement, all informal SOW changes and revisions are subject to prior written approval by the State.
- E. In implementing this provision, the State may provide a format for the Contractor's use to request informal SOW changes. If no format is provided by the State, the Contractor may devise its own format for this purpose.

6. The Contractor shall complete all identified activities and tasks, as well as accomplish all deliverables, within the timeframes indicated, as outlined in Exhibit A and its attachments. The Department will monitor performance of the agreement on an ongoing basis.

Deliverables include, but are not limited to, the following:

- A. Successfully provide assistance to eligible parents for the enrollment of children, youth, and their parents into the HF/MC programs;
- B. Successfully educating families about the availability of the HF/MC programs.

Outreach and assistance to enroll parents of eligible or enrolled children into Healthy Families shall not begin until the Contractor receives written notification from the State.

7. Administrative Structure and Capacity:

The Contractor must have and must maintain the administrative ability to manage state agreement funds and the technical expertise and resources to successfully coordinate and implement the scope of services provided under this agreement, as well as comply with all agreement requirements:

- A. Contractor must maintain accurate records regarding program implementation, document the number of people served, materials developed, and activities conducted. Personal information relating to individuals receiving services must be maintained confidentially.
- B. Contractor must provide program staff with the appropriate training and experience to fulfill the scope of work objectives as well as fiscal and administrative staff to fulfill payroll and accounting procedures. The Contractor shall maintain records documenting training and work schedules for volunteers.
- C. Should the Contractor intend to serve individuals whose primary language is not English, the Contractor must provide educational materials and provide outreach activities in a culturally and linguistically appropriate manner and at a literacy level understood by the targeted populations. Contractors must hire and retain staff who is competent to address the cultural and linguistic needs of the target populations.

8. Prohibited Activities

- A. In accordance with California Code of Regulations, Title 10, Chapter 5.8, entitled Healthy Families Program, Article 2, Section 2699.6629, the Contractor is prohibited from assisting any applicant in choosing a health, dental, and vision plan as part of their outreach and enrollment activities. The Contractor may provide factual information comparing, contrasting, and explaining the differences between plans and/or provider networks when assisting an applicant. In no instance may an applicant assistant suggest which plan or provider and applicant should choose.
- B. In accordance with California Code of Regulations, Title 22, Chapter 4.1, Article 7, Section 53880, and Title 22, Chapter 4.5, Article 3, Section 53920, the Contractor is prohibited from engaging in any activity which could be construed as marketing of Medi-Cal health plans, as used in these sections, without the express, prior approval of the Department.

9. Media Approval

All media developed, including creative concepts, scripts, storyboards, videos, radio announcements, opinion editorials, press releases, and advertisements must be submitted for prior review and approval to the State's Contract Administrator. The Contractor shall refer to Exhibit D (F), paragraph 10, Intellectual Property Rights, for general guidelines to use for media development.

10. Progress Reports and Other Performance Requirements

- A. A Monthly Progress Report will quantify and document progress-to-date on Scope of Work objectives and performance goals for the period being reported. Each Monthly Progress Report must include documentation showing the number of people served and enrolled, materials developed, and activities conducted.

The Monthly Progress Report shall document the identity and number of any Certified Application Assistants or Enrollment Entities to which the Contractor has referred for application assistance. The monthly status report shall document the reason(s) for the referrals. The Monthly Progress Reports shall be submitted in the manner and format specified by the State to the State Representative identified in Paragraph 4 of Exhibit A.

B. Contractor shall submit:

- 1) An original and one copy of the Monthly Progress Reports.
- 2) A Final Report that summarizes all accomplishments during the agreement period.
- 3) All reports shall be submitted in the manner and format specified by the State and in accordance with the schedule below.

C. Schedule of Report Due Dates

- 1) A Progress Report is due monthly. All Monthly Progress Reports shall accompany the payment request for the period being reported and must be postmarked no later than the 21<sup>st</sup> calendar day of the month following the month being reported.
- 2) The Final Report shall cover the entire agreement award period and shall be submitted with the accompanying final payment request to the State postmarked no later than November 30, 2001.

D. Contractor understands that failure to submit timely and complete Monthly Progress Reports is cause for the State to withhold up to one hundred percent (100%) from future payments, and/or terminate the agreement.

E. Contractor shall comply with all state programs and policy letters that may be issued by the State and received by the Contractor during the agreement term, that the State determines are necessary to implement and administer the terms of the agreement.

F. The Contractor shall submit to the State an original and one copy of a Monthly Progress Report and a final report upon completion of the agreement that summarizes all accomplishments during the agreement period.

11. See the next page for a detailed description of the work to be performed.

Exhibit A  
Scope of Work

- I. **Goal 1: Provide Application Assistance to 500 Healthy Families/Medical (HF/MC) eligible individuals.**
  - A. **Objective 1:** Help 250 families enroll in HF/MC at Golden Valley Health Center (GVHC) clinic sites, WIC sites, small business sites, and day care centers.
    1. **Time Line:** 7/1/01-11/30/01
    2. **Major Functions, Tasks and Activities:**
      - a. Outstation a full-time outreach worker to rotate visits at these sites on a standardized and published schedule.
      - b. Families for whom applications are completed will be followed-up on by the outstation worker through monthly telephone calls to the families to see if their applications have been approved.
    3. **Responsible Party Contractor/Subcontractor:**
      - a. Subcontractor: Golden Valley Health Centers
    4. **Performance Measure and/or Deliverables:**
      - a. GVHC to maintain site schedule on file.
      - b. The outstation worker will maintain on file a daily log of activities and families served.
  - B. **Objective 2:** Help 50 families enroll or re-enroll in HF/MC at small business sites and the Stanislaus County Health Services Agency (HSA) Medical Office and Administration sites.
    1. **Time Line:** 7/1/01-11/30/01
    2. **Major Functions, Tasks and Activities:**
      - a. HSA Clerical Support will gather returned flyers and mail applications to those families requesting them.
      - b. HSA Program Manager will schedule appointments based on need generated by our flyers and advertising campaign.
      - c. For those families who request assistance, the HSA Program Manager will make appointments or telephone visits with them to provide assistance as needed.
      - d. Families for whom applications are completed will be followed-up on by the Program Manager through monthly telephone calls to the families to see if their applications have been approved.
      - e. HSA Support Systems (Quality Management Coordinator) will compile monthly reports using data collected by the Clerical Support. The Program Manager and Project Director will review these reports.

3. **Responsible Party Contractor/Subcontractor:**
    - a. Contractor: HSA
  4. **Performance Measure and/or Deliverables:**
    - a. HSA Clerical Support will maintain a log of families who return the flyers to HSA.
    - b. Program Manager will maintain a daily log of activities and families served.
    - c. HAS Support Systems monthly report will be maintained on file.
- II. **Goal 2: Educate 1,000 families about the availability of HF/MC Programs by generating publicity about the programs through the distribution of flyers and soliciting advertising such as radio spots and grocery bag ads.**
- A. **Objective 1: Distribute 150,000 flyers. (Flyers are designed to be returned to HSA and have space for families to indicate whether or not they wish to receive an application, be contacted for assistance in completing the application, or request any other information or assistance they may need.)**
    1. **Time Line: 7/1/01-11/30/01**
    2. **Major Functions, Tasks and Activities:**
      - a. HSA Program Manager will reprint existing flyer and distribute to the employers, schools, day care centers, GVHC clinics, and HSA sites.
      - b. Those sites will then distribute the flyers to potentially eligible HF/MC families.
    3. **Responsible Party Contractor/Subcontractor:**
      - a. HSA Program Manager and staff at listed sites
    4. **Performance Measure and/or Deliverables:**
      - a. A copy of the flyer and receipts for printing will be kept on file at HSA.
      - b. The HSA Program Manager will track and maintain a log of the number of flyers given to each agency.
  - B. **Objective 2: Pursue local advertising opportunities about the HF/MC programs such as radio spots and grocery bag ads.**
    1. **Time Line: 7/1/01-11/30/01**
    2. **Major Functions, Tasks and Activities:**
      - a. HSA Program Manager will meet with HSA's Director of Marketing to explore advertising opportunities.
      - b. HSA will use existing advertising materials available through the Managed Risk Medical Insurance Board (MRMIB) approved public service announcements.
      - c. HSA's Director of Marketing will obtain quotes from potential advertisers and HSA's Program Manager will purchase advertising as the budget allows.



3. **Responsible Party Contractor/Subcontractor:**
    - a. Contractor: HSA Program Manager and Director of Marketing
  4. **Performance Measure and/or Deliverables:**
    - a. Copies of ads generated by this activity will be maintained by HSA and shared with the California Department of Health Services as requested.
    - b. Advertisers will be asked to estimate the number of individuals reached by their ads and provide this information to HSA.
    - c. Phone calls made to HSA and GVHC will be logged; if callers mention ads, that information will be noted in the log and compiled in the monthly reports.
- C. **Objective 3:** Program staff will give presentations about the HF/MC programs to community groups and at targeted sites.
1. **Time Line:** 7/1/01-11/30/01
  2. **Major Functions, Tasks and Activities:**
    - a. The HSA Program Manager and GVHC staff will conduct monthly presentations regarding the HF/MC programs. A minimum of one presentation per month per agency will be given for a total minimum of 10 presentations given during the funding period.
  3. **Responsible Party Contractor/Subcontractor:**
    - a. Contractor and Subcontractor: HSA and GVHC
  4. **Performance Measure and/or Deliverables:**
    - a. HSA and GVHC will document number of presentations conducted and maintain sign-in sheets on file at each respective agency.

**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 amounts specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall be submitted in duplicate not more frequently than monthly in arrears to the States Contract Administrator:

**Department of Health Services**

Education and Outreach Section

Attn: Monet Parham

714 "P" St., Room 1650

Sacramento, Ca. 95814

Telephone: (916) 657-3087

Fax: (916) 657-3224

- C. Contractor will submit an original and one copy of all invoices, in arrears, no later than, November 30, 2001 following completion of specific work products as identified in the Scope of Work.

Invoices shall include the following information:

- 1. Contractor name and address (on letterhead stationary)
- 2. Contract Number
- 3. Billing Period
- 4. Amount Claimed, by budget category and total claimed
- 5. Original signature of an authorized representative and date signed (original signature, not copy)
- 6. Receipt(s), if applicable

**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 or 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.

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

- 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.

**4. Budget and Accounting Requirements**

1. The Budget shall identify the personnel/salaries, fringe benefits, operating expenses, equipment expenses, travel, subcontractor expenses, other expenses and indirect costs of the projects based upon the maximum amount specified in this contract.
2. Contractor must maintain standard payroll practices including state and federal tax withholding requirements. Contractor must have appropriate procedures designating who in the contracting agency may sign payroll time cards, requisitions and invoices.
3. Contractor shall maintain books, payroll records, documents, and ledgers following generally accepted accounting procedures and practices that properly reflect all direct and indirect expenses related to this contract.
4. The records shall be kept and made available to the State for three years from the date of final contract payment.

**5. Timely Submission of Final Invoice**

- A. A final undisputed invoice shall be submitted for payment no later than November 30, 2001. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of the State under this contract have ceased and that no further payments are due or outstanding. No invoice will be processed which are received after November 30, 2001.
- B. 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

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

approximate percentage amount, if any, of recycled products used in performance of this contract.

**6. Allowable line item shifts**

- A. Cumulative line item shifts of up to \$10,000 per line item may be made, provided no line item is increased or decreased by more than \$10,000 and the annual contract total is not changed.
- B. Line item shifts meeting these criteria shall not require a formal contract amendment.
- C. 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.

**7. Budget Change or Revisions**

During the term of the contract, if any of the activities, tasks, and deliverables (as identified in Exhibit A) need to be modified according to Exhibit B, paragraph 6, Contractor shall submit to the State approval for the following:

- A. Revised Exhibit B, Attachment I, Budget with written justification; and/or
- B. A revised Exhibit A.

Revisions to Exhibit B, Attachment 1, and Exhibit A, are not considered binding until approved in writing by the State and formalized as an amendment to this agreement.

**8. Prohibited Expenses**

The Contractor shall not use funds from this contract for reimbursement of the cost related to any of the following goods, services, or activities:

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

- A. Bonuses/commissions – excludes commissions associated with media purchases
- B. Lobbying
- C. Motor Vehicles
- D. Fund raising
- E. Purchase of real property
- F. Interest
- G. Lease – purchase options
- H. Contract writing
- I. Religious doctrine/benefits – For purposes of this contract, religious doctrine/benefits means program services or educational curricula that promote religious doctrine, or payments to, or in aid of, a church, religious sect, creed, or sectarian purpose
- J. Food not intended for the targeted outreach population

**9. Duplicate Billing Prohibition**

Contractor is prohibited from billing or receiving the \$50 Application Assistance Fee, the \$25 Annual Eligibility Review fee and the \$25 Parent Enrollment Fee or from referring persons to other Enrollment Entities. Contractors must not attempt to circumvent this prohibition against billing or receiving the \$50 and \$25 assistance fee for work performed from the contract effective date through November 30, 2001. Any contractor found to be in violation of this prohibition is subject to immediate contract termination and repayment to the State of contract payments and any money received from assistance fee.

**9. Withhold of Contract Payment(s)**

- A. This provision supersedes and replaces provision 22 appearing in Special Terms and Conditions Exhibit D (F).
- B. The State may withhold up to one hundred percent (100%) from each monthly payment(s), subject to the terms and conditions of Exhibit A, Paragraph 10. Upon receipt and approval by the State of the progress reports required under Exhibit A, Paragraph 10. Contractor may submit a request for payment of previously withheld payment(s).

Stanislaus County Health Services Agency  
Contract Number: 01-16163

Exhibit B, Attachment 1  
Budget

Budget Categories	Calculation Method	Final Budget 7/1/01-11/30/01	County Match 35% Minimum
<b>Personnel Expenses:</b>			
Project Director (Associate Director, Managed Care Division)	.05 FTE \$42.48/hour x .05 FTE x 2080 divided by 5 months		1,837
Project Coordinator (Managed Care Program Manager)	.50 FTE \$29.85/hour x .50 FTE (.30 FTE from contract funds and .20 FTE as inkind match) x 2080 divided by 5 months	7,757	5,174
Director of Marketing	.10 FTE \$26.41/hour x .10 FTE x 2080 divided by 5 months		2,288
Accountant II	.20 FTE \$21.80/hour x .20 FTE x 2080 hours divided by 5 months		3,779
Quality Management Coordinator (Systems Support)	\$20.64/hour x 10 FTE x 2080 divided by 5 months		1,785
Administrative Clerk III (Clerical Support)	.20 FTE \$12.17/hour x .20 FTE x 2080 hours divided by 5 months	2,106	
<b>Subtotal Personnel</b>		<b>9,863</b>	<b>14,863</b>
<b>Fringe Benefits</b>			
Fringe Benefits	33% of salaries	3,255	4,905
<b>Subtotal Fringe</b>		<b>3,255</b>	<b>4,905</b>
<b>Subtotal Personnel and Fringe</b>		<b>13,118</b>	<b>19,768</b>
<b>Operating Expenses</b>			
Printing of Flyers	Approximately 150,000 flyers at average cost of .03/each	4,500	
Audit Expenses		6,500	
Advertising: Radio Spots and Grocery Bag ads	Estimated five radio/grocery bag ads at average cost of \$1,000/each	5,000	
General Expenses	Supplies, postage, etc. estimated at \$200/month x 5 months	1,000	
Travel and Per Diem	Average of 584/miles month x .31/mile x 5 months	906	
<b>Subtotal Operating Expenses</b>		<b>17,906</b>	<b>-</b>
<b>Subcontracts</b>			
Golden Valley Health Center		17,664	
<b>Subtotal Subcontracts</b>		<b>17,664</b>	
<b>Total Direct Expenses</b>		<b>48,688</b>	<b>19,768</b>
Indirect Costs	10% of personnel and fringe costs	1,312	1,977
<b>TOTAL CONTRACT AMOUNT</b>		<b>50,000</b>	<b>21,745</b>

**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.

**Index of Special Terms and Conditions**

1. Federal Equal Employment Opportunity Requirements	18. Novation Requirements
2. Travel and Per Diem Reimbursement	19. Debarment and Suspension Certification
3. Procurement Rules	20. Smoke-Free Workplace Certification
4. Equipment Ownership / Inventory / Disposition	21. Covenant Against Contingent Fees
5. Subcontract Requirements	22. Payment Withholds
6. Income Restrictions	23. Performance Evaluation
7. Audit and Record Retention	24. Officials Not to Benefit
8. Site Inspection	25. Year 2000 Compliance
9. Federal Contract Funds	26. Prohibited Use of State Funds for Software
10. Intellectual Property Rights	27. University of California Mutual Indemnification
11. Air or Water Pollution Requirements	28. Use of Small, Minority Owned and Women's Businesses
12. Prior Approval of Training Seminars, Workshops or Conferences	29. Alien Ineligibility Certification
13. Confidentiality of Information	30. Union Organizing
14. Documents, Publications, and Written Reports	31. Contract Uniformity (Fringe Benefit Allowability)
15. Dispute Resolution Process	32. Lobbying Restrictions and Disclosure Certification
16. Financial and Compliance Audit Requirements	
17. Human Subjects Use Requirements	

provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by DHS, the Contractor may request in writing to DHS, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

## 2. Travel and Per Diem Reimbursement

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

Reimbursement for travel and per diem expenses from DHS under this agreement shall, unless otherwise specified in this agreement, be at the rates currently in effect, as established by the California Department of Personnel Administration (DPA), for nonrepresented state employees. If the DPA rates change during the term of the agreement, the new rates shall apply upon their effective date and no amendment to this agreement shall be necessary. Exceptions to DPA rates may be approved by DHS upon the submission of a statement by the Contractor indicating that such rates are not available to the Contractor. No travel outside the State of California shall be reimbursed without prior written authorization from DHS.

## 3. Procurement Rules

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

### a. Equipment definitions

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

- (1) **Major equipment:** A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by DHS or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
  - (2) **Minor equipment:** A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more that is listed on the DHS Asset Management Unit's Minor Equipment List and is either furnished by DHS or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the DHS program contract manager.
  - (3) **Miscellaneous property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by DHS or the cost is reimbursed through this agreement. Examples include, but are not limited to: furniture (excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.
- b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 shall also apply, if equipment purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.
- c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment and services related to such purchases for performance under this agreement.

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

To secure equipment above the annual maximum limit of \$50,000, the Contractor shall make arrangements through the appropriate DHS program contract manager, to have all remaining



- h. DHS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 3 by giving the Contractor no less than 30 calendar days written notice.

#### 4. Equipment Ownership / Inventory / Disposition

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

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

All equipment and/or miscellaneous property that are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement and not fully consumed in performance of this agreement shall be considered state equipment and the property of DHS.

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

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

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

- (a) Include in the inventory report, equipment and/or miscellaneous property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).

- (b) Submit the inventory report to DHS according to the instructions appearing on the inventory form or issued by the DHS program contract manager.

- (c) Contact the DHS program contract manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or miscellaneous property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by DHS' Asset Management Unit.

- b. Title to state equipment and/or miscellaneous property shall not be affected by its incorporation or attachment to any property not owned by the State.

- c. Unless otherwise stipulated, DHS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or miscellaneous property.

- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or miscellaneous property.

- (1) In administering this provision, DHS may require the Contractor and/or Subcontractor to repair or replace, to DHS' satisfaction, any damaged, lost or stolen state equipment and/or

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

## 5. Subcontract Requirements

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

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor shall obtain at least three bids or justify a sole source award.
  - (1) The Contractor must provide in its request for authorization, all particulars necessary for evaluating the necessity or desirability of incurring such cost.
  - (2) The State may identify the information needed to fulfill this requirement.

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

## 6. Income Restrictions

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

## 7. Audit and Record Retention

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

- a. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's and/or subcontractor's facility or office or such part thereof as may be engaged in the performance of this agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHS, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this agreement, or by subparagraphs (1) 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.

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

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

**b. Retained Rights / License Rights**

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

**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

- (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
  - (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to DHS in this agreement.
  - (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
  - (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this agreement.
- (2) DHS MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

**g. Intellectual Property Indemnity**

- (1) Contractor shall indemnify, defend and hold harmless DHS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of DHS' use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this agreement. DHS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against DHS.
- (2) Should any Intellectual Property licensed by the Contractor to DHS under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve DHS' right to use the licensed Intellectual Property in accordance with this agreement at no expense to DHS. DHS shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for DHS to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, DHS shall be entitled to a refund of all monies paid under this agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
- (3) Contractor agrees that damages alone would be inadequate to compensate DHS for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges DHS would suffer irreparable harm in the event of such breach and agrees DHS shall be entitled to

- d. The Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the client, any such identifying information to anyone other than DHS without prior written authorization from the DHS program contract manager.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

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

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

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

#### 15. Dispute Resolution Process

- a. A Contractor grievance exists whenever the Contractor believes there is a dispute arising from DHS' action in the administration of an agreement. If the Contractor believes there is a dispute or grievance between the Contractor and DHS, both parties shall follow the procedure outlined below.
  - (1) The Contractor should first discuss the problem informally with the DHS program contract manager. If the problem cannot be resolved at this stage, 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 make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the Branch Chief's decision, the Contractor may appeal to the second level.
  - (2) The Contractor must prepare a letter indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the letter a copy of the Contractor's original statement of dispute with any supporting documents and a copy of the Branch Chief's response. This letter shall be sent 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 funding this agreement 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 funding this agreement or his/her designee shall be returned to the Contractor within twenty (20) working days of receipt of the Contractor's letter.
- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division funding this agreement 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 by DHS, dispute, grievance and/or appeal correspondence shall be directed to the DHS program contract manager.

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

#### 19. Debarment and Suspension Certification

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

- a. By signing this agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
  - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;

- d. Contractor or Grantee further agrees that it will insert this certification into any subawards (subcontracts or subgrants) entered into that provide for children's services as described in the Act.

## 21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

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

## 22. Payment Withholds

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

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

## 23. Performance Evaluation

(Not applicable to grant agreements.)

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

## 24. Officials Not to Benefit

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

## 25. Year 2000 Compliance

(Applicable to agreements in which Information Technology (IT) services are provided to DHS or if IT equipment is procured.)

The Contractor warrants and represents that the goods or services sold, leased, or licensed to the State of California, its agencies, or its political subdivisions, pursuant to this agreement are "Year 2000 Compliant." For the purposes of this agreement, a good or services is Year 2000 compliant if it will continue to fully function before, at, and after the Year 2000 without interruption and, if applicable, with full ability to accurately and unambiguously process, display, compare, calculate, manipulate, and otherwise utilize date information. This warranty and representation supersedes all warranty disclaimers and limitations and all limitations on liability provided by or through the Contractor.

## 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.



### 30. 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 2 above, 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.

### 31. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

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

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

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

b. Prohibition

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

**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  
0348-0046

<p>1. Type of Federal Action:</p> <p><input type="checkbox"/> a. contract</p> <p><input type="checkbox"/> b. grant</p> <p><input type="checkbox"/> c. cooperative agreement</p> <p><input type="checkbox"/> d. loan</p> <p><input type="checkbox"/> e. loan guarantee</p> <p><input type="checkbox"/> f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. bid/offer/application</p> <p><input type="checkbox"/> b. initial award</p> <p><input type="checkbox"/> c. post-award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. initial filing</p> <p><input type="checkbox"/> b. material change</p> <p>For Material Change Only:</p> <p>Year _____ quarter _____</p> <p>date of last report _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime <input type="checkbox"/> Subawardee</p> <p>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 Sheets(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>\$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned</p>	<p>13. Type of Payment (check all that apply):</p> <p><input type="checkbox"/> a. retainer</p> <p><input type="checkbox"/> b. one-time fee</p> <p><input type="checkbox"/> c. commission</p> <p><input type="checkbox"/> d. contingent fee</p> <p><input type="checkbox"/> e. deferred</p> <p><input type="checkbox"/> f. other, specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p><input type="checkbox"/> a. cash</p> <p><input type="checkbox"/> b. in-kind, specify: Nature _____</p> <p>Value _____</p>	<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: <input type="checkbox"/> Yes <input type="checkbox"/> 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 \$19,000 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. Incorporated Exhibits Continued**

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

- 1) Exhibit A1, Contractor Equipment Purchases with DHS Funds-2 pages
- 2) Exhibit A2, Inventory/Disposition of DHS Funded Equipment -1 page

**2. Contract Amendments**

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

**3. Contract Termination**

**1. Termination for Cause:**

The State may immediately terminate the contract upon the occurrence of any of the following:

- a. The Contractor's financial condition endangers performance of its duties under the contract.
- b. The Contractor fails to comply with applicable Federal laws, State laws or regulations, or with the terms and conditions of the contract.

In this instance, the contract termination shall be effective as of the date indicated on the State's Notice of Termination letter. The State shall be relieved of any payments should the Contractor fail to perform the requirements of the contract at the time and in the manner identified in the contract.

2. Termination at Will:

- a. Either party may terminate the contract at any time, without cause, by giving thirty- (30) calendar days advance written notice to the other party. Notice of Termination shall state the effective date of and the reason for the termination. The State and the Contractor shall negotiate, in good faith, to establish the scope of duties and the objectives to be completed by the Contractor within these thirty (30) calendar days and to any final duties and/or products that the Contractor is to provide the State at the end of the thirty (30) calendar days). A failure to reach an agreement regarding the Contractor's final duties and/or products shall not affect the validity of the termination or its effective date. Should either party terminate the contract, payment will be made in accordance with the provisions of Exhibit B.
  
- b. After receipt of the Notice of Termination letter, and except as directed by the State, the Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any amounts due under this clause. The Contractor shall:
  - 1) Stop work as specified in the Notice of Termination letter;
  - 2) Place no further subcontracts for materials, services, or facilities, except as necessary to complete the continued portion of the contract;
  - 3) Terminate all subcontracts to the extent they relate to the work terminated; and
  - 4) Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts; the approval or ratification of, which will be final for purposes of this clause.

**4. Equipment Purchases**

- A. Contract funds may not be used to reimburse the Contractor for equipment purchased or ordered prior to the effective date of this contract.

## Contractor's Release

### Instructions to Contractor:

With final invoice(s) submit one (1) original and two (2) copies. The original must bear the original signature of a person authorized to bind the Contractor. The additional copies may bear photocopied signatures.

### Submission of Final Invoice

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

### Release of all Obligations

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

### Repayments Due to Audit Exceptions / Record Retention

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

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

### Recycled Product Use Certification

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

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

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

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

### Patents / Other Issues

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

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

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

Date: \_\_\_\_\_

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

DHS Distribution:    Accounting (Original)    Program    CMU contract file

**Travel Reimbursement Information  
Effective November 1, 1999**

1. The following rate policy is to be applied for reimbursing the travel expenses of persons under contract.
  - a. Reimbursement shall be at the rates established for nonrepresented/excluded state employees.
  - 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 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 special assignments.
  - c. Contractors on travel status for more than one 24-hour period and less than 31 consecutive days may claim a fractional part of a period of more than 24 hours. Consult the chart appearing on page 2 of this exhibit to determine the reimbursement allowance. All lodging must be receipted. If contractor does not present receipts, lodging will not be reimbursed.

(1) Lodging (with receipts):

<b>Travel Location / Area</b>	<b>Reimbursement Rate</b>
Statewide Non-High Cost Area	\$ 84.00 plus tax
High Cost Areas including the following counties: Alameda, San Francisco, San Mateo, Santa Clara and Central and Western Los Angeles (L.A.). Central and Western L.A. is the territory bordered by Sunset Blvd. On the north, the Pacific Ocean on the West, Imperial Blvd./Freeway 105 on the South and Freeways 110, 10, and 101 on the East.  Central and Western L.A. includes downtown L.A., Englewood, L.A. International Airport, Playa del Rey, Venice, Santa Monica, Brentwood, West L.A., Westwood Village, Culver City, Beverly Hills, Century City, West Hollywood and Hollywood.	\$110.00 plus tax

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

- (2) Meal/Supplemental Expenses (with or without receipts): With receipts, the contractor will be reimbursed actual amounts spent up to the maximum.

<b>Meal / Expense</b>	<b>Reimbursement Rate</b>
Breakfast	\$ 6.00
Lunch	\$ 10.00
Dinner	\$ 18.00
Incidental	\$ 6.00

- d. Out-of-state travel may only be reimbursed if such travel has been stipulated in the contract 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 must have prior Departmental approval and a budgeted trip authority.
- e. In computing allowances for continuous periods of travel of less than 24 hours, consult the chart appearing on page 2 of this bulletin.
- 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.



**Exhibit G (Continued)**

2. If any of the reimbursement rates stated herein are changed by the Department of Personnel Administration, no formal contract amendment will be required to incorporate the new rates. However, DHS shall inform the contractor, in writing, of the revised travel reimbursement rates.
3. For transportation expenses, the contractor must retain receipts for parking; taxi, airline, bus, or rail tickets; car rental; or any other travel receipts pertaining to each trip for attachment to an invoice as substantiation for reimbursement. Reimbursement may be requested for commercial carrier fares; private car mileage; parking fees; bridge tolls; taxi, bus, or streetcar fares; and auto rental fees when substantiated by a receipt.
4. **Note on use of autos:** If a contractor uses his or her car for transportation, the rate of pay will be 31 cents maximum per mile. If the contractor is a person with a disability who must operate a motor vehicle on official state business and who can operate only specially equipped or modified vehicles may claim a rate of 31 cents per mile without certification and up to 37 cents per mile with certification. If a contractor uses his or her car "in lieu of" air fair, the air coach fair will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the state. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. Travel detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc.
6. Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

**Travel Reimbursement Guide**

<b>Length of travel period</b>	<b>This condition exists...</b>	<b>Allowable Meal(s)</b>
Less than 24 hours	Travel begins at 6:00 a.m. or earlier and continues until 9:00 a.m. or later.	Breakfast
Less than 24 hours	<ul style="list-style-type: none"> <li>• Travel period ends at least one hour after the regularly scheduled workday ends, or</li> <li>• Travel period begins prior to or at 5:00 p.m. and continues beyond 7:00 p.m.</li> </ul>	Dinner
24 hours	Travel period is a full 24-hour period determined by the time that the travel period begins and ends.	Breakfast, lunch, and dinner
Last fractional part of more than 24 hours	Travel period is more than 24 hours and traveler returns at or after 8:00 a.m.	Breakfast
	Travel period is more than 24 hours and traveler returns at or after 2:00 p.m.	Lunch
	Travel period is more than 24 hours and traveler returns at or after 7:00 p.m.	Dinner



After a Standard Agreement contract has been approved and the equipment has been received, the DHS Program Liaison is responsible for obtaining the following information from the contractors and ensuring that the information is complete and accurate. The information will be used to track DHS contract equipment.

#### INSTRUCTIONS:

1. List each item of: *Tangible* equipment having a base cost per unit of \$500.00 or more and a life expectancy of 4 years or more.  
*Intangible* equipment having a base cost per unit of \$5,000.00 or more and a life expectancy of 4 years or more (e.g., software, video, etc.).

The Department of Health Services (DHS) reserves the right to require the reporting and tagging of expendable equipment having a base cost per unit under \$500.00. This equipment will be issued either number series ID tags (e.g., computer monitor, facsimile, television, VCR, etc.) or blank tags (e.g., furniture, typewriter, calculator, etc.).

NOTE: It is a DHS policy not to ID tag modular furniture.

2. DHS Order or DHS Document Number: If applicable, DHS Program Liaison will note DHS Agency Purchase Estimate Number or Agency Contract Number.  
If applicable, DHS Asset Management will note DHS document number that applies to final disposition of equipment.
3. Identification tags that have been lost or destroyed must be replaced and can be obtained by contacting the DHS Asset Management Unit.
4. If additional pages are necessary, please use additional copies of this report and label the upper right-hand corner (e.g., Page 1 of 3, etc.).
5. When completed, the contractor is to return the original and one copy of this form to the DHS Program Liaison. The program will forward the original form to the Contracts and Business Services/Asset Management Unit at the following address:  
P.O. Box 942732, 1800 Third Street, Room 455, Sacramento, CA 94234-7320.
6. A copy of this report is to be retained on file with the DHS program.
7. Upon receipt of this report in the Asset Management Unit, identification tags will be issued to the DHS Program Liaison. The DHS Program Liaison will forward the ID tags to the contractor. The contractor will place ID tags in plain sight to be easily read. To the extent possible, all equipment will be tagged on the asset's front, left-hand corner. The manufacturer's make and model number is not to be covered by the ID tags.

For more information regarding listing and tagging of equipment, please call Asset Management at (916) 323-4524.

