

REGISTRATION NUMBER

AGREEMENT NUMBER

09-11233

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

STATE AGENCY'S NAME

(Also referred to as CDPH or the State)

California Department of Public Health

CONTRACTOR'S NAME

(Also referred to as Contractor)

San Mateo County Health System

2. The term of this Agreement is: 10/01/2009 through 09/30/2012

3. The maximum amount of this Agreement is: \$ 719,780
Seven Hundred Nineteen Thousand, Seven Hundred Eighty Dollars

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

Exhibit A – Scope of Work	16 pages
Exhibit B – Budget Detail and Payment Provisions	5 pages
Exhibit B, Attachment I – Budget (Year 1)	1 page
Exhibit B Attachment I, Schedule 1 – Subcontractor Budget (Year 1)	1 page
Exhibit B, Attachment II – Budget (Year 2)	1 page
Exhibit B Attachment II, Schedule 1 – Subcontractor Budget (Year 2)	1 page
Exhibit B, Attachment III – Budget (Year 3)	1 page
Exhibit B Attachment III, Schedule 1 – Subcontractor Budget (Year 3)	1 page
Exhibit C * – General Terms and Conditions	GTC 307
Exhibit D(F) – Special Terms and Conditions (Attached hereto as part of this agreement)	25 pages
[Notwithstanding provision 6 which does not apply to this agreement.]	
Exhibit E – Additional Provisions	2 pages
Exhibit F – Contractor's Release	1 page

(Continued on next page)

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

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

CONTRACTOR

CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)

San Mateo County Health System

BY (Authorized Signature)



DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Mark Church, President of Board of Supervisors

ADDRESS

2000 Alameda de las Pulgas, Suite 200, San Mateo, CA 94403

STATE OF CALIFORNIA

AGENCY NAME

California Department of Public Health

BY (Authorized Signature)



DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Sandra Winters, Chief, Contracts and Purchasing Services Section

ADDRESS

1501 Capitol Avenue, Suite 71.5178, MS 1802, PO Box 997377
Sacramento, CA 95899-7377

*California Department of
General Services Use Only*

☐ Exempt per:

4. (Continued from previous page)

Exhibit G – Travel Reimbursement Information	2 pages
Exhibit H – Information Confidentiality and Security Requirements	3 pages
Exhibit I – Information Systems Security Requirements for Projects (ISO/SR1)	24 pages
Exhibit J – Contractor Equipment Purchased With CDPH Funds	2 pages
Exhibit K – Inventory/Disposition of CDPH-Funded Equipment	2 pages
See Exhibit E, Provision 1 for additional incorporated exhibits.	

**FINAL STATE SHARE BUDGET
(Year 1)
(10/01/2009 through 09/30/2010)**

Personnel	\$ 183,718
Fringe Benefits @ 37%-38% of Personnel Salaries	\$ 69,404
Operating Expenses	\$ 15,155
Equipment	\$ 2,400
Travel	\$ 636
Subcontracts	\$ 95,000
Other Costs	\$ 19,000
Indirect Costs @ 20% of Total Salaries	\$ 50,624
Total	\$ <u>435,937</u>

The Contractor may propose changes to this State Share Budget. All changes are subject to prior written approval by the State. Said changes shall not require a formal contract amendment.

This State Share Budget has been incorporated in the contract and made a part thereof by reference in Exhibit E, Additional Provisions, paragraph 1.A. As such, I hereby certify it as final and approved.

Signature and Title of Person with Contract Signature Authority

Date

FINAL STATE SHARE BUDGET
(Year 2)
(10/01/2010 through 09/30/2011)

Personnel	\$ 183,319
Fringe Benefits @ 45%-46% of Personnel Salaries	\$ 83,596
Operating Expenses	\$ 15,539
Equipment	\$ 0
Travel	\$ 636
Subcontracts	\$ 130,880
Other Costs	\$ 9,500
Indirect Costs @ 22%-23% of Total Salaries	\$ 60,559
Total	\$ <u>484,029</u>

The Contractor may propose changes to this State Share Budget. All changes are subject to prior written approval by the State. Said changes shall not require a formal contract amendment.

This State Share Budget has been incorporated in the contract and made a part thereof by reference in Exhibit E, Additional Provisions, paragraph 1.A. As such, I hereby certify it as final and approved.

Signature and Title of Person with Contract Signature Authority

Date

**FINAL STATE SHARE BUDGET
(Year 3)
(10/01/2011 through 09/30/2012)**

Personnel	\$ 191,261
Fringe Benefits @ 45%-46% of Personnel Salaries	\$ 87,514
Operating Expenses	\$ 15,973
Equipment	\$ 0
Travel	\$ 636
Subcontracts	\$ 148,877
Other Costs	\$ 19,000
Indirect Costs @ 22%-23% of Total Salaries	\$ 63,251
Total	\$ <u>526,512</u>

The Contractor may propose changes to this State Share Budget. All changes are subject to prior written approval by the State. Said changes shall not require a formal contract amendment.

This State Share Budget has been incorporated in the contract and made a part thereof by reference in Exhibit E, Additional Provisions, paragraph 1.A. As such, I hereby certify it as final and approved.

Signature and Title of Person with Contract Signature Authority

Date

Exhibit A
Scope of Work

1. Service Overview

Contractor agrees to provide to the California Department of Public Health the services described herein:

Contractor will provide nutrition education and physical activity promotion to United States Department of Agriculture (USDA) Supplemental Nutrition Assistance Program Education (SNAP-Ed) eligible families described herein.

2. Service Location

The services shall be performed at applicable facilities in the County of San Mateo.

3. Service Hours

The services shall be provided during normal contractor working hours and days.

4. Project Representative

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

California Department of Public Health	San Mateo County Health System
CDPH Contract Manager: Mary Carroll Telephone: (916) 449-5424 Fax: (916) 449-5414 E-mail: mary.carroll@cdph.ca.gov	Project Director: Lydia Guzman Telephone: (650) 573-2025 Fax: (650) 578-8939 E-mail: lguzman@sanmateo.ca.us

B. Direct all inquiries to:

California Department of Public Health	San Mateo County Health System
<i>Network for a Healthy California</i> Attention: Gilda Carpenter 1616 Capitol Avenue, Suite 74.516, MS 7204 P.O. Box 997377, MS 7204 Sacramento, CA 95899-7377 Telephone: (916) 449-5409 Fax: (916) 449-5414 E-mail: gilda.carpenter@cdph.ca.gov	Attention: Lydia Guzman 2000 Alameda de las Pulgas, Suite 200 San Mateo, CA 94403 Telephone: (650) 573-2025 Fax: (650) 578-8939 E-mail: lguzman@co.sanmateo.ca.us

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

Exhibit A
Scope of Work

5. Allowable Informal Scope of Work (SOW) Changes

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

6. Progress Reports

- A. The Contractor shall submit one original semi-annual progress report to CDPH in the format prescribed by the State. The progress reports shall describe progress made in completing agreement deliverables, challenges encountered, and solutions proposed.

- B. Progress report periods and due dates are:

	<u>Report Period</u>	<u>Due Date</u>
Semiannual	October 1, 2009 – March 31, 2010	04/16/2010
Final—Year 1	April 1, 2010 – September 30, 2010	09/30/2010
Semiannual	October 1, 2010 – March 31, 2011	04/16/2011
Final—Year 2	April 1, 2011– September 30, 2011	09/30/2011
Semiannual	October 1, 2011 – March 31, 2012	04/16/2012
Final—Year 3	April 1, 2012– September 30, 2012	09/30/2012

- C. If the State does not receive complete and accurate progress reports by the required dates, further payments to the Contractor may be suspended until complete and accurate reports are received.

7. Contractor Requirements

The Contractor shall comply with the guidelines for the development of all education materials as outlined in the Local Incentive Award Program Guidelines Manual. These Guidelines have been incorporated into this agreement and made a part hereof by reference in Exhibit E, Additional Provisions, paragraph 1. In particular, the Contractor shall comply with the following requirements:

- A. Submit any news release related to this agreement to the State for review prior to its release.

Exhibit A
Scope of Work

- B. The Contractor agrees to cooperate with the State in data collection related to evaluation of program effectiveness as requested in the manner, format, and timeline prescribed by the State. Data shall include, at a minimum, demographic descriptions of the population served, audience reach, and items to measure program effectiveness. The data shall be submitted in the required form prescribed by the State.
 - C. The Contractor agrees to cooperate with the State in the review and, when appropriate, the field testing of statewide evaluation instruments and newly developed educational materials.
 - D. The Contractor shall ensure that the USDA SNAP-Ed is clearly identified as a sponsor or support organization on all materials and products funded by the agreement (electronic, print, audiovisual, media, etc.). The Contractor agrees to abide by the guidelines set for usage of the *Network* logos on any products generated by the Contractor.
 - E. The Contractor agrees to cooperate with the State by participating in statewide meetings and site visits, as deemed necessary by the State.
8. See the following pages for a detailed description of the services to be performed.

EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 1: By September 30, 2012, contractor will annually complete and submit all required reports and forms on or before each deadline and participate in Network-sponsored community events and trainings.

Social Ecological Model: ☐ Individual ☐ Interpersonal: Social Groups ☒ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES/ AGES: SEE PROJECT SUMMARY

Activities	Responsible Party	Evaluation	Timeframe
1) Semi-Annual Activity Reports (SAAR) online.	Project Coordinator	Documents completed and submitted to Network	10/2009-9/2012 each April and September
2) Semi-Annual, Annual and Final Reports, including progress reports, progress report narratives, labeled attachments, and Activity Tracking Forms.	Project Coordinator	Documents completed and submitted to Network	10/2009-9/2012 each April and September
3) Participate in ongoing community activities supporting statewide initiatives and provide nutrition education/physical activity promotion resources to local programs, including collaboration with existing University of California Cooperative Extension Supplemental Nutrition Assistance Program Education (SNAP-Ed) Plan agencies and organizations conducting food stamp outreach when appropriate.	Project Coordinator	Record of participation in activities	10/2009-9/2012
4) Attend Regional Network related meetings (e.g., Fruit & Vegetable campaign meetings, collaborative meetings, etc.) to provide input into planning Network regional activities and participate in Network regional activities including the educational initiative efforts.	Project Coordinator	Copies of agendas, record of participation	10/2009-9/2012
5) Attend a minimum of three Network-sponsored trainings and conferences including: annual Network Conference and other Network-sponsored regional trainings; school districts or Local Incentive Awardees working with schools also attend the Network-sponsored regional Shaping Health as Partners in Education (SHAPE) California meetings (spring) and Harvest of the Month (HOTM) Trainings; local health departments also attend annual California Conference of Local Health Department Nutritionists (CCLHDN).	Project Coordinator	Copies of agendas, record of participation	10/2009-9/2012
6) Use United States Department of Agriculture guidelines to ensure State Share activities are allowable and appropriately documented.	Project Coordinator	State Share budget	10/2009-9/2012

Legend: SAAR=Semi Annual Activity Report; Network=Network for a Healthy California; CCLHDN=California Conference of Local Health Department Nutritionists; RD=Registered Dietitian; NE=Nutrition Educator; SC=Subcontractor; ATF=Activity Tracking Form; SMCCHS=San Mateo County Health System; CX³=Communities of Excellence in Obesity Prevention, Nutrition, and Physical Activity; SNAP=Supplemental Nutrition Assistance Program; SNAP-Ed=Supplemental Nutrition Assistance Program Education Plan

EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 2: By September 30, 2012, annually provide two to three "Spring Training," nutrition education programs promoting the importance of eating fruits and vegetables and being physically active to at least 30 teenage boys from qualifying after school programs within qualifying census tracts.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 80% LATINO, 5% AFRICAN AMERICAN, 15% WHITE AGE(S): 11-17 YEARS:

Activities	Responsible Party	Evaluation	Timeframe
1) Schedule two to three (one hour) classes each year at qualifying after school programs and sites. Classes will be conducted at Moonridge, S.A.L. (Sheriff's Activity League) and East Palo Alto Boys and Girls Clubs. Classes are interactive and include information on the importance of consuming fruits and vegetables, drinking water and 60 minutes of daily physical activity. At least 30 teenage boys will learn how to prepare vegetables and fruits, as well as nutritious snacks such as smoothies and veggie bags. <i>Network</i> -approved curriculum will be used.	NE	Handout materials, lesson plans, ATF On File: Sign in Sheets	10/2009 – 9/2012
2) Conduct written evaluation of program. Curriculum will be revised if needed based on outcome of the evaluation.	NE	Analysis of Evaluation Summary	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 3: By September 30, 2012, annually develop and distribute four issues of the Teen Health Spa Newsletter to 3,500 teenage girls living in qualifying census tracts throughout San Mateo County or attending schools with more than 50 percent of the students qualifying for free and reduced priced meals.

Social Ecological Model: ☒ Individual ☐ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 80% LATINO, 5% AFRICAN AMERICAN, 15% WHITE: AGE(S): 12-17 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Develop and distribute four issues of the Teen Health Spa Newsletter each contract year. Each issue provides information on nutrition and physical activity that is culturally appropriate. Topics to be featured include: physical activity and calorie expenditure, eating fruits and vegetables each day, physical activity resources, snacks, and goal setting for healthy change. Newsletter will be submitted for <i>Network</i> review prior to distribution.	NE	Newsletters	10/2009 – 9/2012
2) Distribute 3,500 copies of each issue of the Teen Health Spa Newsletter by mail and through other qualifying outlets, such as the San Mateo County Teen Health Clinics, schools and at other teen programs. Newsletters will also be shared with other <i>Network</i> contractors and programs serving SNAP eligible teenage girls.	NE	Materials Distribution Log On File: Mailing List	10/2009 – 9/2012
3) Conduct a phone survey each year reaching 25 randomly selected girls to obtain feedback on newsletters and ideas for future issues.	NE	Analysis of Phone Survey	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 4: By September 30, 2012, annually provide two to three Teen Health Spa Nutrition Workshops to reach at least 40 girls, and two to three Mini Teen Health Spa Workshops to reach 40 girls. Workshops will promote physical activity and the consumption of fruits and vegetables to teenage girls from qualifying census tracts throughout San Mateo County

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 80% LATINO, 5% AFRICAN AMERICAN, 15% WHITE: AGE(S): 12-17 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Annually conduct two to three (six hour) workshops for 40 SNAP-Ed girls. Each (workshop) is one day (six hours) or three (two hour) workshops or six (one hour) workshops depending on the venue. Nutrition workshops (Teen Health Spas) are held at various qualifying sites such as East Palo Alto Girls Club and Moonridge. Workshop will be interactive and include topics such as low-fat food preparation, how to increase the consumption of fruits and vegetables, physical activity promotion, and goal setting for healthy change. Workshop will include food / recipe preparation demonstration and taste testing. Network-approved curriculum including Spanish materials will be used.	Promotoras/NE	ATF Lesson Plans On File: Sign-in Sheets	10/2009 – 9/2012
2) Annually conduct two to three (two-four hour) Mini Teen Health Spa workshops for 40 SNAP-Ed girls in after school programs at qualifying sites. Mini workshops will be interactive and will focus on increasing fruit and vegetable consumption, preparing easy and nutritious snacks, and promoting physical activity. Network-approved curriculum will be used.	SC	ATF Lesson Plans On File: Sign in Sheets	10/2009 – 9/2012
3) Attending teens will have the opportunity to sign-up to receive the Teen Health Spa Newsletter (Goal 1, Objective 3).	SC	ATF On File: Mailing List	10/2009 – 9/2012
4) Follow-up calls to at least 25 of the girls will be made to conduct a workshop evaluation and to help girls establish and maintain active lifestyles and healthy eating habits.	SC	Summary of Reported Changes Summary of Evaluations	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 5: By September 30, 2012, annually conduct two to three "Women Spas" (nutrition education/physical activity workshops) reaching at least 50 mothers, aunts or grandmothers whose children attend qualifying schools where more than 50 percent of the students receive free or reduced price meals.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 85% LATINO; 5% AFRICAN AMERICAN; 10% WHITE: AGE(S): 25-99 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Each contract year conduct two to three (one in English and one in Spanish) (two hour) nutrition education "Women Spas" in qualifying areas in one or more of the following cities: East Palo Alto, Redwood City, South San Francisco and San Mateo. Program will provide information on reducing the intake of fat and sugar, increasing fruits and vegetables to promote healthy weight and will promote the benefits of daily physical activity and goal setting to support healthy change. A brief Food Stamp promotion message will also be included. Network-approved bilingual curriculum will be used.	SC/NE	Lesson plans, sample handouts On File: Participants List	10/2009 – 9/2012
2) Follow-up calls (in Spanish if needed) to at least 50 women will be made to conduct a program evaluation and to help SNAP eligible women establish and maintain active lifestyles and healthy eating habits.	SC	Analysis of evaluation	10/2009 – 9/2012
3) Provide Spanish speaking women the opportunity to sign-up to receive the Spanish newsletter, <i>El Arco Iris</i> . (Goal 1, Objective 9) English versions will be available to be picked up.	SC	Newsletters On File: Mailing List	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 6: By September 30, 2012, annually conduct one to two workshops ("Honoring Heroes"), for at least 40 men from qualifying census tracts, to promote health through increasing the consumption of vegetables and fruits and participating in at least 30 minutes of daily physical activity.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 80% LATINO; 5% AFRICAN AMERICAN; 15% WHITE: AGE(S): 18-99 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Each contract year, four to six different qualifying after school programs will be selected to participate in the Honoring Heroes Workshop.	SC	ATF	10/2009 – 9/2012
2) Children will be asked to write letters nominating their father, grandfather, uncle or other male member of their community they would like honored for enriching their life. Children's letters will be collected to be photocopied for display at City Hall. Letters are returned with a personal invitation to the workshop. Follow-up calls are made to inform families and "Heroes" about the workshop.	SC	Sample Copies of nomination letters On file: List of participants contacted	10/2009 – 9/2012
3) Annually conduct one to two (two hour) behavior focused interactive nutrition education workshops. All the men nominated by the children are eligible to be "honored" at these events. In addition to the reading of some of the nomination letters, participants will be encouraged to model healthy nutrition and physical activity habits for the children who nominated them. Children will make recommendations to "Heroes" about how to live a healthy lifestyle. Program will provide information on how to reduce the intake of fat and sugar, increasing fruit and vegetable consumption, and will promote daily physical activity by introducing San Mateo County local parks. UC master gardeners will demonstrate how to plant vegetables in containers. Local chef will demonstrate how to grill fruits and vegetables. To encourage participant interaction, we will have stations that provide them with the opportunity to make and taste smoothies, veggie bags, prepare veggies for grilling, and to plant seeds in containers. A brief Food Stamp promotion message will also be included. Network approved curriculum will be used.	SC/NE	ATF Lesson Plans Samples of material distributed On File: Sign in Sheets	10/2009 – 9/2012
4) Written evaluation will be conducted. Results will be used to modify lesson plans if needed for the next session.	SC	Analysis of Evaluation	10/2009-9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 7: By September 30, 2012, annually conduct six to eight nutrition education classes that promote healthy eating habits and physical activity for at least 140 SNAP-Ed parents living in San Mateo County.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 100% LATINO: AGE(S): 18-40 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Annually conduct six to eight (one to one and a half hour) parent nutrition education classes (in both English and Spanish) at qualifying sites in Redwood City, East Palo Alto, South San Francisco, and San Mateo reaching at least 140 parents. Class will demonstrate how to reduce fat and sugar in the diet, and make healthy snacks, how to increase the consumption of fruits and vegetables and the development of healthy eating habits. Interactive activities such as nutrition games, puppet shows, and food demo/tasting maybe conducted depending on class size. The benefits of physical activity will be introduced and participants will be encouraged to hike in San Mateo County Parks. A brief message about the SNAP Program will be included.	SC, NE	ATF Lesson plans Nutrition Curriculum Sample Handouts On File: Participants List	10/2009 – 9/2012
2) At least 50 follow-up calls will be made to conduct a program evaluation and to help SNAP eligible parents establish and maintain active lifestyles and healthy eating habits.	SC	Analysis of evaluation	10/2009 – 9/2012
3) Spanish speaking parents will have the opportunity to sign up to receive <i>El Arco Iris</i> newsletter (Goal 1, Objective 9). English versions will be available to be picked up.	SC	Newsletters On File: Mailing List	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 8: By September 30, 2012, annually conduct eight to twelve one-hour nutrition education classes for at least 160 SNAP eligible English as a Second Language (ESL) students of San Mateo County in order to increase their knowledge and awareness of nutrition and physical activity.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 100% LATINO: AGE(S): 18-65 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Annually conduct four to six (one hour) nutrition classes for the Redwood City Adult Education ESL Program and for the ESL program in East Palo Alto, for a total of 8-12 classes. Topics include: the relationship between chronic diseases risk reduction and fruit and vegetable consumption, how to increase physical activity, and how to reduce fat and sugar in diet. Interactive activities include games (such as musical fruit and veggies, rainbow on your plate), benefits of physical activity and designing an action plan for change. A brief message about SNAP-Ed will also be included. <i>Network</i> and contractor developed bilingual materials will be used.	SC	Lesson Plans ATF On File: Participants List	10/2009 – 9/2012
2) Students will have the opportunity to sign up to receive the Spanish newsletter, <i>El Arco Iris</i> . (Goal 1, Objective 9).	SC	On File: Mailing List	10/2009 – 9/2012

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EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at ≤ 185% Federal Poverty Level.

Objective 9: By September 30, 2012, annually, 4,000 Spanish speaking households in qualifying census tracts in San Mateo County will receive the Spanish nutrition newsletter, *El Arco Iris*.

Social Ecological Model: ☒ Individual ☐ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 100% LATINO: AGE(S): 18-99 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Each contract year, four issues of <i>El Arco Iris</i> , a low literacy newsletter in Spanish, promoting healthy eating habits will be updated and/or revised to incorporate the most recent United States Department of Agriculture (USDA) recommendations. Some of the topics to be featured include: reducing the risk of chronic disease by increasing fruit and vegetable consumption, and the high nutritive value of cultural foods such as beans, mangos, and fresh salsa. Thirty minutes of daily physical activity will be encouraged. Each issue will have a brief SNAP-Ed promotion message. Newsletters will be submitted to the <i>Network</i> for review prior to distribution.	NE	Copies of Newsletter	10/2009 – 9/2012
2) Quarterly distribute 4,000 copies of <i>El Arco Iris</i> newsletter by mail and through the county mailing system to: families who have attended workshops and nutrition education classes; food stamp offices; county health clinics; Women, Infants, and Children (WIC) clinics; and other local qualifying public agencies.	NE	Materials Distribution Log ATF (non-SAAR) On File: Mailing List	10/2009 – 9/2012
3) Each contract year at least 25 newsletter recipients will be contacted by phone, in Spanish if needed, to obtain opinions about content. Feedback and suggestions will be incorporated into future newsletters.	SC	Analysis of Evaluation	10/2009 – 9/2012

Legend: SAAR=Semi Annual Activity Report; *Network*=Network for a Healthy California; CCLHDN=California Conference of Local Health Department Nutritionists; RD=Registered Dietitian; NE=Nutrition Educator; SC=Subcontractor; ATF=Activity Tracking Form; SMCHS=San Mateo County Health System; CX³=Communities of Excellence in Obesity Prevention, Nutrition, and Physical Activity; SNAP=Supplemental Nutrition Assistance Program; SNAP-Ed=Supplemental Nutrition Assistance Program Education Plan

EXHIBIT A
Scope of Work

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 10: By September 30, 2012, annually participate in three to five health fairs or cultural events such as Day in the Park, back to school and Cinco de Mayo, held in qualifying census tracts within San Mateo County reaching SNAP eligible residents.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☒ Institutional/Organizational ☒ Community

TARGET AUDIENCE: RACE/ETHNICITIES 90% LATINO; 5% AFRICAN AMERICAN; 5% WHITE; AGE(S): 5-75 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Annually participate in three to five health fairs and/or cultural events in qualifying census tracts. Distribute <i>Network</i> approved and/or <i>Network</i> developed materials (including <i>E/Arco Iris</i> newsletters) and sign up families for classes and newsletters. A brief SNAP-Ed message will be provided. Nutrition education messages will be conveyed via at least one of the following means: nutrition wheel, displays/demos, or a veggie fair for children. SMCHS will provide the materials and train the presenters. Materials will be available in Spanish and English, and presenters are bilingual.	SC	ATF Materials Distribution Log	10/2009 – 9/2012

Legend: SAAR=Semi Annual Activity Report; *Network*=Network for a Healthy California; CCLHDN=California Conference of Local Health Department Nutritionists; RD=Registered Dietitian; NE=Nutrition Educator; SC=Subcontractor; ATF=Activity Tracking Form; SMCHS=San Mateo County Health System; CX³=Communities of Excellence in Obesity Prevention, Nutrition, and Physical Activity; SNAP=Supplemental Nutrition Assistance Program; SNAP-Ed=Supplemental Nutrition Assistance Program Education Plan

EXHIBIT A
Scope of Work

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 11: By September 30, 2012, annually 8 - 20 Ravenswood Family Health Center medical support staff will be trained on brief motivational interviewing and ©Mini=Max Behavior Change Tool to help SNAP eligible persons establish and maintain active lifestyles and healthy eating habits.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☐ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 50% LATINO; 10% AFRICAN AMERICAN; 40% WHITE; AGE(S): 18-70 YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Develop/refine brief motivational interviewing curriculum. Submit to Network for approval.	RD	Workshop materials	10/2009 – 6/2010
2) Collect nutrition education materials for use in supporting individual behavior changes. Network materials will be used whenever possible. Materials in English, Spanish, and Tongan will be obtained. Materials will be developed and/ or translated if not available. Materials selected or developed will be submitted to Network for approval before use.	SC	Copies of educational materials	10/2009 – 6/2011
3) Update client encounter form to record motivational interview and completion of individual ©Mini=Max Behavior Change Plan. Work with the Ravenswood staff to develop protocols for conducting interviews and administering behavior change tool during client's visit. Develop follow-up protocols for clients expressing desire to make dietary changes and/or wanting to increase physical activity.	SC	Protocols	10/2009 – 6/2010
4) Field test motivational interviewing/©Mini=Max Behavior Change Tool with 20-40 clinic staff members.	NE/SC	ATF On file: Participation list	6/2009 – 10/2010
5) Conduct four (three hour) staff trainings on motivational interviewing and how to administer the ©Mini=Max Behavior Change Tool to provide follow up support for individual behavior change plan. Training includes field testing motivational interviewing/© Mini=Max Behavior Change Tool with 40 - 50 clients.	SC	ATF Training outline Behavior Change Tool On file: Participation list	10/2010 – 6/2012
6) Evaluation of training will be conducted and modifications will be made to the protocol and tool based on feedback.	SC	Summary of Evaluation	10/2009 – 6/2012

Legend: SAAR=Semi Annual Activity Report; Network=Network for a Healthy California; CCLHDN=California Conference of Local Health Department Nutritionists; RD=Registered Dietitian; NE=Nutrition Educator; SC=Subcontractor; ATF=Activity Tracking Form; SMCHS=San Mateo County Health System; CX³=Communities of Excellence in Obesity Prevention, Nutrition, and Physical Activity; SNAP=Supplemental Nutrition Assistance Program; SNAP-Ed=Supplemental Nutrition Assistance Program Education Plan

EXHIBIT A
Scope of Work

San Mateo County Health System
Contract Number: 09-11233

GOAL 1: To promote increased fruit and vegetable consumption and daily physical activity among San Mateo County residents at \leq 185% Federal Poverty Level.

Objective 12: By September 30, 2012, annually 2,000 Ravenswood Family Health Center clients (all are SNAP eligible) will be offered the opportunity to complete a ©Mini=Max Behavior Change Plan to establish and maintain active lifestyles and healthy eating habits.

Social Ecological Model: ☒ Individual ☒ Interpersonal: Social Groups ☒ Institutional/Organizational ☐ Community

TARGET AUDIENCE: RACE/ETHNICITIES: 70% LATINO; 12% AFRICAN AMERICAN; 10% PACIFIC ISLANDER; 8% WHITE; AGE(S): 18-70YEARS

Activities	Responsible Party	Evaluation	Timeframe
1) Update client encounter form to record motivational interview and completion of individual © Mini=Max Behavior Change Plan. Develop protocol for clients who do not desire to complete the tool.	SC	Protocols	10/2009 – 9/2012
2) Each contract year 2,000 clients will be offered the opportunity to complete ©Mini=Max Behavior Change Plan supporting healthy food choices and increasing physical activity. Individuals will receive <i>Network</i> nutrition education materials to support selected behavior change.	SC/NE	Copies of individual behavior change plans will be on file	10/2010 – 9/2012
3) Follow-up phone calls by Ravenswood staff will be made to help clients establish and maintain active lifestyles and healthy eating habits. Clients will be referred to nutrition and chronic disease prevention classes if they desire.	SC/NE	ATF Referral Log Log of calls on file	10/2010 – 9/2012
4) Nutrition education videos (such as: A day in the life and Life is conquered by food) will be shown daily in waiting area. Promotional displays to promote the importance of healthy food choices and physical activity will be placed in waiting areas.	SC/NE	Photos List of videos shown	10/2009 – 9/2012
5) Spanish speaking clients will have the opportunity to sign up to receive the <i>El Arco Iris</i> newsletter (Goal 1, Obj. 9).	SC/NE	On file: mailing list	10/2009 – 9/2012
6) Ravenswood staff will conduct phone calls (in Spanish if needed) to document and evaluate behavior changes. One hundred phone calls will be made each contract year. The evaluation plan will be reviewed with <i>Network's</i> Research and Evaluation Unit.	SC/NE	Summary of reported changes and barriers	10/2010 – 9/2012

Legend: SAAR=Semi Annual Activity Report; *Network*=Network for a Healthy California; CCLHDN=California Conference of Local Health Department Nutritionists; RD=Registered Dietitian; NE=Nutrition Educator; SC=Subcontractor; ATF=Activity Tracking Form; SMCHS=San Mateo County Health System; CX³=Communities of Excellence in Obesity Prevention, Nutrition, and Physical Activity; SNAP=Supplemental Nutrition Assistance Program; SNAP-Ed=Supplemental Nutrition Assistance Program Education Plan

Exhibit B
Budget Detail and Payment Provisions

1. Invoicing and Payment

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

Mary Carroll
California Department of Public Health
Network for a Healthy California
1616 Capitol Avenue, Suite 74.516
MS 7204
P.O. Box 997377
Sacramento, CA 95899-7377

C. Invoice shall:

- 1. Be prepared on company letterhead. If invoices are not on produced letterhead invoices, then it must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent actual expenses for the service performed under this agreement.
 - 2. Bear the Contractor's name as shown on the agreement.
 - 3. Identify the billing and/or performance period covered by the invoice.
 - 4. Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement. Subject to the terms of this agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by CDPH.
- D. Quarterly invoices shall be submitted for payment within 30 days following the end of each calendar quarter in which the work was performed and costs incurred in the performance of the agreement, unless the agreement has reached the expiration or termination date (see paragraph 5, Timely Submission of Final Invoice) or a later or alternate deadline is agreed to in writing by the program contract manager.
 - E. The State may, at its discretion, choose not to honor any delinquent invoice if the Contractor fails to obtain prior written State approval of an alternate invoice submission deadline.

2. Budget Contingency Clause

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

Exhibit B
Budget Detail and Payment Provisions

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. Amounts Payable

- A. The amount payable under this agreement shall not exceed:
 - 1) \$217,456 for the budget period of 10/01/2009 through 09/30/2010.
 - 2) \$239,202 for the budget period of 10/01/2010 through 09/30/2011.
 - 3) \$263,122 for the budget period of 10/01/2011 through 09/30/2012.
- B. Reimbursement shall be made for allowable expenses up to the amount annually encumbered commensurate with the state fiscal year in which services are performed and/or goods are received.
- C. The Contractor must maintain records reflecting actual expenditures for each state fiscal year covered by the term of this agreement.

5. Timely Submission of Final Invoice

- A. A final undisputed invoice shall be submitted for payment no more than ninety (90) calendar days following the expiration or termination date of this agreement, unless a later or alternate deadline is agreed to in writing by the program contract manager. Said invoice should be clearly marked "Final Invoice", thus indicating that all payment obligations of the State under this agreement have ceased and that no further payments are due or outstanding.
- B. The State may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written State approval of an alternate final invoice submission deadline. Written State approval shall be sought from the program contract manager prior to the expiration or termination date of this agreement.
- C. The Contractor is hereby advised of its obligation to submit, with the final invoice, a "**Contractor's Release (Exhibit F)**" acknowledging submission of the final invoice to the State and certifying the approximate percentage amount, if any, of recycled products used in performance of this agreement.

6. Allowable Line Item Shifts

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

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

Exhibit B
Budget Detail and Payment Provisions

- B. Line item shifts meeting this criteria shall not require a formal agreement amendment.
- C. The Contractor shall adhere to State requirements regarding the process to follow in requesting approval to make line item shifts.
- D. Line item shifts may be proposed/requested by either the State or the Contractor.

7. Expense Allowability / Fiscal Documentation

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

8. Recovery of Overpayments

- A. Contractor agrees that claims based upon a contractual agreement or an audit finding and/or an auditing finding that is appealed and upheld, will be recovered by the State and/or Federal Government by one of the following options:
 - 1) Contractor's remittance to the State of the full amount of the audit exception within 30 days following the State's request for repayment;
 - 2) A repayment schedule which is agreeable to both the State and the Contractor.
- B. The State reserves the right to select which option will be employed and the Contractor will be notified by the State in writing of the claim procedure to be utilized.
- C. Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average or the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Contractor, beginning 30 days after Contractor's receipt of the State's demand for repayment.

Exhibit B
Budget Detail and Payment Provisions

- D. If the Contractor has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Contractor loses the final administrative appeal, Contractor shall repay, to the State, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of State's notice requesting reimbursement of questioned audit costs or disallowed expenses.

9. Contractor's State Share Requirements

- A. The contractor shall contribute qualifying network nutrition education contributions from its own State Share resources to the extent of the Contractor's State Share as detailed in the State Share Budgets signed and approved as final by the contractor. These State Share Budgets have been incorporated into this agreement and made a part hereof by reference in Exhibit E, Additional Provisions, paragraph 1.A. The Contractor's State Share must be from a public, non-Federal source.* The Contractor's State Share cannot be used to match another Federal program. In addition, the qualifying nutrition education intervention must target Supplemental Nutrition Assistance Program Education (SNAP-Ed) recipients and/or other similar households living at not higher than 185 percent of the Federal Poverty Level or for school districts and other education agencies, interventions must target low-resource schools, defined as those with 50% of students or more eligible for free or reduced-price school meals.

*Exception: Indian Tribal Organizations can use federal grant funds that are designated as an allowable source of State Share dollars directed toward nutrition education.

- B. The Contractor is responsible for maintaining verifiable records of all State Share contributions. The Contractor shall submit quarterly, State Share reports documenting State Share contributions. The State Share documentation report shall be submitted in a form and format prescribed by the State.
- C. The Contractor shall return any funds necessary to repay the State for any Federal audit exceptions resulting in the disallowance of agreement funds in which the Contractor has not complied with the requirements of this agreement and applicable Federal regulations.
- D. The Contractor agrees to match each Federal Share dollar with two dollars of State Share contributions as detailed in the State Share Budgets. The State Share Budgets represent the minimum support the contractor agrees to provide in exchange for the payments received. Any changes to the Contractor's State Share Budgets as referenced in Exhibit E, Additional Provisions, paragraph 1.A. may be proposed by the Contractor. All changes are subject to prior written approval by the State. Changes to State Share Budgets do not require a formal amendment.

Exhibit B
Budget Detail and Payment Provisions

10. Revenue

- A. This provision supersedes and replaces provision 6 entitled, "Income Restrictions" appearing in Special Terms and Conditions Exhibit D(F).
- B. If the Contractor realizes a profit from the sale of nutrition education materials (videos, literature, etc. paid with agreement dollars), it must report the amount to the State as Contractor income on the SF-269 form. The Contractor shall make the SF-269 form available to the State on request. The Contractor shall place any income, fees, or reimbursements accruing to or received by the Contractor for services rendered under this agreement into a separate identifiable account. Revenues generated by the Contractor as a result of this State agreement must be utilized to meet identified, agreed upon, program-related needs of the Contractor, or must be returned to the State. Any revenues accruing to the Contractor, based on services supported in whole or in part by the State pursuant to this agreement, shall be used to defray costs incurred by this project to measurably expand the program or improve the quality of services detailed in this agreement, and must be approved in writing by the State. Adequate documentation of the use of these funds shall be maintained.

11. Advance Payment

No advance payment is allowed under this agreement.

**Exhibit B Attachment I
BUDGET
(Year 1)
(10/01/2009 through 09/30/2010)**

Personnel		\$ 62,864
Fringe Benefits*		\$ 19,616
Operating Expenses		\$ 32,970
Equipment		\$ 1,074
Travel		\$ 4,837
Subcontracts**		\$ 71,094
<u>Subcontractor Name</u>	<u>Estimated Cost</u>	
El Concilio	\$25,000	
Ravenswood Family Health Clinic	\$46,094	
Other Costs		\$ 8,505
Indirect Costs (20% of Total Salaries)		\$ 16,496
	Total	\$ <u>217,456</u>

* Fringe Benefits @ 31%-32% of Personnel only

**See Exhibit B Attachment I, Schedule 1, for subcontractor's budget breakdown.

Exhibit B Attachment I – Schedule 1
Subcontractor Budgets
(Year 1)
(10/01/2009 through 09/30/2010)

Subcontractor #1: Concilio	
<u>Line Item</u>	<u>Total</u>
Personnel	\$18,000
Fringe Benefits (11.11% of Personnel)	\$2,000
Operating Expenses	\$900
Equipment	\$0
Travel	\$600
Subcontracts	\$0
Other Costs	\$800
Indirect Costs (15% of Total Salaries)	\$2,700
Total Costs	\$25,000

Subcontractor #2: Ravenswood Family Health Clinic	
<u>Line Item</u>	<u>Total</u>
Personnel	\$29,500
Fringe Benefits (25% of Personnel)	\$7,375
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$0
Indirect Costs (25% of Total Direct Costs)	\$9,219
Total Costs	\$46,094

Subcontractor #3: Subcontract ABC	
<u>Line Item</u>	<u>Total</u>
Personnel	\$0
Fringe Benefits (xx% of Personnel)	\$0
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$0
Indirect Costs (xx% of _____)	\$0
Total Costs	\$xxxxxx

Subcontractor #4: Subcontract XYZ	
<u>Line Item</u>	<u>Total</u>
Personnel	\$0
Fringe Benefits (xx% of Personnel)	\$0
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$0
Indirect Costs (xx% of _____)	\$0
Total Costs	\$xxxxxx

Each subcontractor's budget breakdown is displayed for informational purposes only. Changes to a subcontractor's identification or budget will not result in a formal contract amendment. Copies of the budget breakdown and any changes are on file with the State and the Contractor.

Exhibit B Attachment II
BUDGET
(Year 2)
(10/01/2010 through 09/30/2011)

Personnel		\$ 63,821
Fringe Benefits*		\$ 19,999
Operating Expenses		\$ 33,507
Equipment		\$ 0
Travel		\$ 6,757
Subcontracts**		\$ 77,344
<u>Subcontractor Name</u>	<u>Estimated Cost</u>	
El Concilio	\$25,000	
Ravenswood Family Health Clinic	\$52,344	
Other Costs		\$ 21,010
Indirect Costs (20% of Total Salaries)		\$ 16,764
	Total	\$ <u>239,202</u>

* Fringe Benefits @ 31%-32% of Personnel only

**See Exhibit B Attachment II, Schedule 1, for subcontractor's budget breakdown.

Exhibit B Attachment III
BUDGET
(Year 3)
(10/01/2011 through 09/30/2012)

Personnel		\$ 65,073
Fringe Benefits*		\$ 20,389
Operating Expenses		\$ 33,967
Equipment		\$ 0
Travel		\$ 4,837
Subcontracts**		\$ 92,908
<u>Subcontractor Name</u>	<u>Estimated Cost</u>	
El Concilio	\$25,000	
Ravenswood Family Health Clinic	\$67,908	
Other Costs		\$ 28,856
Indirect Costs (20% of Total Salaries)		\$ 17,092
	Total	\$ <u>263,122</u>

* Fringe Benefits @ 31%-32% of Personnel only

**See Exhibit B Attachment III, Schedule 1, for subcontractor's budget breakdown.

**Exhibit B Attachment III – Schedule 1
Subcontractor Budgets
(Year 3)
(10/01/2011 through 09/30/2012)**

Subcontractor #1: Concilio	
<u>Line Item</u>	<u>Total</u>
Personnel	\$18,000
Fringe Benefits (11.11% of Personnel)	\$2,000
Operating Expenses	\$900
Equipment	\$0
Travel	\$600
Subcontracts	\$0
Other Costs	\$800
Indirect Costs (15% of Total Salaries)	\$2,700
Total Costs	\$25,000

Subcontractor #2: Ravenswood Family Health Clinic	
<u>Line Item</u>	<u>Total</u>
Personnel	\$39,500
Fringe Benefits (25% of Personnel)	\$9,875
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$6,189
Indirect Costs (approximately 22.2158% of Total Direct Costs)	\$12,344
Total Costs	\$67,908

Subcontractor #3: Subcontract ABC	
<u>Line Item</u>	<u>Total</u>
Personnel	\$0
Fringe Benefits (xx% of Personnel)	\$0
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$0
Indirect Costs (xx% of _____)	\$0
Total Costs	\$xxxxxx

Subcontractor #4: Subcontract XYZ	
<u>Line Item</u>	<u>Total</u>
Personnel	\$0
Fringe Benefits (xx% of Personnel)	\$0
Operating Expenses	\$0
Equipment	\$0
Travel	\$0
Subcontracts	\$0
Other Costs	\$0
Indirect Costs (xx% of _____)	\$0
Total Costs	\$xxxxxx

Each subcontractor's budget breakdown is displayed for informational purposes only. Changes to a subcontractor's identification or budget will not result in a formal contract amendment. Copies of the budget breakdown and any changes are on file with the State and the Contractor.

CERTIFICATION

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

<i>Contractor/Bidder Firm Name (Printed)</i> County of San Mateo		<i>Federal ID Number</i> 94-600-0532
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i> Mark Church, President, Board of Supervisors		
<i>Date Executed</i>	<i>Executed in the County of</i> San Mateo	

CONTRACTOR CERTIFICATION CLAUSES

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

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

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs; and,
 - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free workplace policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

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

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

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

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

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

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

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

6. SWEATFREE CODE OF CONDUCT:

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

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

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

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

DOING BUSINESS WITH THE STATE OF CALIFORNIA

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

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

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

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

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

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

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

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

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

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

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

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

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

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

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

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

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

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

Special Terms and Conditions

(For federally funded service contracts or agreements and grant agreements)

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, "agreement", "grant", "grant agreement", "Grantee" and "Subgrantee" respectively.

The terms "California Department of Public Health" and "CDPH" shall have the same meaning and refer to the California State agency that is a party to this Agreement.

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

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1. Federal Equal Opportunity Requirements

(Applicable to all federally funded agreements entered into by the California Department of Public Health (CDPH) formerly known as California Department of Health Services (CDHS).)

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

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

2. Travel and Per Diem Reimbursement

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

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

3. Procurement Rules

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

a. Equipment definitions

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

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

- b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through h of Provision 3. Paragraph c of Provision 3 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 CDPH Program Contract Manager, to have all remaining

equipment purchased through CDPH's Purchasing Unit. The cost of equipment purchased by or through CDPH shall be deducted from the funds available in this Agreement. Contractor shall submit to the CDPH Program Contract Manager a list of equipment specifications for those items that the State must procure. The State may pay the vendor directly for such arranged equipment purchases and title to the equipment will remain with CDPH. The equipment will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the CDPH Program Contract Manager, in writing, of an alternate delivery address.

- (2) All equipment purchases are subject to Paragraphs d through h of Provision 3. Paragraph b of Provision 3 shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.
- (3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:
 - (a) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.
 - (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
 - (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.
- d. Unless waived or otherwise stipulated in writing by CDPH, prior written authorization from the appropriate CDPH Program Contract Manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by CDPH, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by CDPH (e.g., when CDPH has a need to monitor certain purchases, etc.), CDPH may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. CDPH reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that CDPH determines to be unnecessary in carrying out performance under this Agreement.
- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. CDPH 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 property is furnished by CDPH and/or when said items are purchased or reimbursed with state or federal funds.)

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

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

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

Upon receipt of equipment and/or property, the Contractor shall report the receipt to the CDPH Program Contract Manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by CDPH's Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with CDPH Funds) does not accompany this Agreement, Contractor shall request a copy from the CDPH 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 property to the CDPH Program Contract Manager using a form or format designated by CDPH's Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of CDPH-Funded Equipment) does not accompany this Agreement, Contractor shall request a copy from the CDPH Program Contract Manager. Contractor shall:

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

- (b) Submit the inventory report to CDPH according to the instructions appearing on the inventory form or issued by the CDPH Program Contract Manager.

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

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

- c. Unless otherwise stipulated, CDPH 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 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 property.

- (1) In administering this provision, CDPH may require the Contractor and/or Subcontractor to repair or replace, to CDPH's satisfaction, any damaged, lost or stolen state equipment and/or property. Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the CDPH Program Contract Manager.

- e. Unless otherwise stipulated by the program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement, shall only be used for performance of this Agreement or another CDPH agreement.

- f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Contractor shall provide a final inventory report of equipment and/or property to the CDPH Program Contract Manager and shall, at that time, query CDPH as to the requirements, including the manner and method, of returning state equipment and/or property to CDPH. Final disposition of equipment and/or property shall be at CDPH expense and according to CDPH instructions. Equipment and/or property disposition instructions shall be issued by CDPH immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, CDPH may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different CDPH agreement.

g. **Motor Vehicles**

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

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

Automobile Liability Insurance

- (a) The Contractor, by signing this Agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the CDPH Program Contract Manager. The certificate of insurance shall identify the CDPH contract or agreement number for which the insurance applies.
- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this Agreement or until such time as the motor vehicle is returned to CDPH.
- (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 Public Health (CDPH)).
- [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 CDPH, 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 each agreement number for which the insurance was obtained.

(f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by CDPH, 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, CDPH may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

5. Subcontract Requirements

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

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

- (1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
- (2) The State may identify the information needed to fulfill this requirement.

(3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:

- (a) A local governmental entity or the federal government,
- (b) A State college or university from any State,
- (c) A Joint Powers Authority,
- (d) An auxiliary organization of a California State University or a California community college,
- (e) A foundation organized to support the Board of Governors of the California Community Colleges,
- (f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
- (g) Entities of any type that will provide subvention aid or direct services to the public,
- (h) Entities and/or service types identified as exempt from advertising in State Contracting Manual 5.80. View this publication at the following Internet address:

<http://www.ols.dgs.ca.gov/Contract+Manual/Chapters4through6.htm>.

b. CDPH reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.

- (1) Upon receipt of a written notice from CDPH requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by CDPH.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of CDPH. CDPH may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by CDPH.
 - d. Contractor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by CDPH, make copies available for approval, inspection, or audit.
 - e. CDPH assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
 - f. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
 - g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement.
 - h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from CDPH to the Contractor, to permit CDPH or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
 - i. Unless otherwise stipulated in writing by CDPH, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this Agreement.
 - j. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 17, 19, 20, 24, and 31 or other numbered provisions herein that deemed applicable.

6. Income Restrictions

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement shall be paid by the Contractor to CDPH, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by CDPH 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 CDPH, 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.
- g. The Contractor shall, if applicable, comply with the Single Audit Act and the audit reporting requirements set forth in OMB Circular A-133.

8. Site Inspection

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

9. Federal Contract Funds

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

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- b. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.

- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- d. CDPH has the option to invalidate or cancel the Agreement with 30-days advance written notice or to amend the Agreement to reflect any reduction in funds.

10. Intellectual Property Rights

a. Ownership

- (1) Except where CDPH has agreed in a signed writing to accept a license, CDPH shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement.
- (2) For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this Agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, Contractor may access and utilize certain of CDPH's Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, Contractor shall not use any of CDPH's Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of CDPH. **Except as otherwise set forth herein, neither the Contractor nor CDPH 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 CDPH, Contractor agrees to abide by all license and confidentiality restrictions applicable to CDPH in the third-party's license agreement.
- (4) Contractor agrees to cooperate with CDPH in establishing or maintaining CDPH's exclusive rights in the Intellectual Property, and in assuring CDPH's sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this Agreement, Contractor 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 CDPH all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or CDPH and which result directly or indirectly from this Agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with CDPH 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 CDPH's 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 CDPH 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 CDPH, 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 CDPH 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 Paragraph a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this Agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to CDPH to any work product made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement, shall include CDPH's notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2007, etc.], Department of Public Health. This material may not be reproduced or disseminated without prior written permission from the Department of Public Health." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

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

e. Third-Party Intellectual Property

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

Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to CDPH.

f. Warranties

- (1) Contractor represents and warrants that:
 - (a) It is free to enter into and fully perform this Agreement.
 - (b) It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
 - (c) Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
 - (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
 - (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
 - (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to CDPH 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) CDPH 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 CDPH 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 CDPH's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual

Property made, conceived, derived from, or reduced to practice by Contractor or CDPH 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. CDPH reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against CDPH.

- (2) Should any Intellectual Property licensed by the Contractor to CDPH under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve CDPH's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to CDPH. CDPH 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 CDPH 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, CDPH 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 CDPH for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges CDPH would suffer irreparable harm in the event of such breach and agrees CDPH shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

h. Federal Funding

In any agreement funded in whole or in part by the federal government, CDPH may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the Agreement; except as provided in 37 Code of Federal Regulations part 401.14; however, the federal government shall have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

i. Survival

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

11. Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

12. Prior Approval of Training Seminars, Workshops or Conferences

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

13. Confidentiality of Information

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

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 contractual 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 or agreements and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

15. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from CDPH's action in the administration of an agreement. If there is a dispute or grievance between the Contractor and CDPH, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the CDPH Program Contract Manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which

the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.

- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5, commencing with Section 251, California Code of Regulations.)
- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the Agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by CDPH, all dispute, grievance and/or appeal correspondence shall be directed to the CDPH Program Contract Manager.
- e. There are organizational differences within CDPH's funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the CDPH Program Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

16. Financial and Compliance Audit Requirements

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

this provision apply if:

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

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

17. Human Subjects Use Requirements

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

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

18. Novation Requirements

If the Contractor proposes any novation agreement, CDPH shall act upon the proposal within 60 days after receipt of the written proposal. CDPH 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, CDPH will initiate an amendment to this Agreement to formally implement the approved proposal.

19. Debarment and Suspension Certification

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

- a. By signing this Agreement, the Contractor/Grantee agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.
- b. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the CDPH Program Contract Manager.
- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the CDPH may terminate this Agreement for cause or default.

20. Smoke-Free Workplace Certification

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

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

21. Covenant Against Contingent Fees

(Applicable only to federally funded agreements.)

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, CDPH 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 Agreement, CDPH 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 CDPH 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.)

CDPH 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 CDPH. Negative performance evaluations may be considered by CDPH prior to making future contract awards.

24. Officials Not to Benefit

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

25. Four-Digit Date Compliance

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

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

26. Prohibited Use of State Funds for Software

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

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

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

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

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

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

28. Alien Ineligibility Certification

(Applicable to sole proprietors entering federally funded agreements.)

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

29. Union Organizing

(Applicable only to grant agreements.)

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

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

30. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

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

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

f. Earned/Accrued Compensation

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

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

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

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

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

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

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

31. Lobbying Restrictions and Disclosure Certification

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

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:

- (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, 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 CDPH Program Contract Manager.

b. Prohibition

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

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

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

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

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Exhibit E
Additional Provisions

1. Additional Incorporated Exhibits

- A. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. These documents may be updated periodically by CDPH, as required by program directives. CDPH shall provide the Contractor with copies of said documents and any periodic updates thereto, under separate cover. CDPH will maintain on file, all documents referenced herein and any subsequent updates.
- 1) State Share Budget(s) (signed and approved as final by the Contractor)
 - 2) Local Incentive Award Program Guidelines Manual
 - 3) *Network for a Healthy California* Program Letters and any revisions thereto.
 - 4) United States Department of Agriculture State Supplemental Nutrition Assistance Program Education (SNAP-Ed) Plan Guidance

2. Cancellation / Termination

- A. This agreement may be cancelled by CDPH or Contractor **without cause** upon 30 calendar days advance written notice to the other party.
- B. CDPH reserves the right to cancel or terminate this agreement immediately for cause. The Contractor may submit a written request to terminate this agreement only if CDPH substantially fails to perform its responsibilities as provided herein.
- C. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
- D. Agreement termination or cancellation shall be effective as of the date indicated in CDPH's notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
- F. In the event of early termination or cancellation, the Contractor shall be entitled to compensation for services performed satisfactorily under this agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this agreement.

3. Avoidance of Conflicts of Interest by Contractor

- A. CDPH intends to avoid any real or apparent conflict of interest on the part of the Contractor, subcontractors, or employees, officers and directors of the Contractor or subcontractors. Thus, CDPH reserves the right to determine, at its sole discretion, whether any information, assertion, or claim received from any source indicates the existence of a real or apparent conflict of interest; and, if a conflict is found to exist, to require the Contractor to submit additional information or a plan for resolving the conflict, subject to prior CDPH review and approval.

Exhibit E
Additional Provisions

B. Conflicts of interest include, but are not limited to:

- 1) An instance where the Contractor or any of its subcontractors, or any employee, officer, or director of the Contractor or any subcontractor has an interest, financial or otherwise, whereby the use or disclosure of information obtained while performing services under the agreement would allow for private or personal benefit or for any purpose that is contrary to the goals and objectives of the agreement.
- 2) An instance where the Contractor's or any subcontractor's employees, officers, or directors use their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as those with whom they have family, business or other ties.

C. If CDPH is or becomes aware of a known or suspected conflict of interest, the Contractor will be given an opportunity to submit additional information or to resolve the conflict. A Contractor with a suspected conflict of interest under this agreement will have five (5) working days from the date of notification of the conflict by CDPH to provide complete information regarding the suspected conflict. If a conflict of interest is determined to exist by CDPH and cannot be resolved to the satisfaction of CDPH, the conflict will be grounds for terminating the agreement. CDPH may, at its discretion upon receipt of a written request from the Contractor, authorize an extension of the timeline indicated herein.

4. Freeze Exemptions

(Applicable only to local government agencies.)

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

Contractor's Release

Instructions to Contractor:

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

Submission of Final Invoice

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

Release of all Obligations

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

Repayments Due to Audit Exceptions / Record Retention

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

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

Recycled Product Use Certification

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

Reminder to Return State Equipment/Property (If Applicable)

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

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

Patents / Other Issues

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

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

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

Signature of Contractor or Official Designee: _____ Date: _____

Printed Name/Title of Person Signing: _____

Distribution: Accounting (Original) Program

Travel Reimbursement Information
(Mileage Decrease Effective 1/1/09)

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

(1) Lodging (with receipts*):

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

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

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

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

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

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

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

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

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/her or a company car for transportation, the rate of reimbursement will be **55 cents** maximum per mile. If a contractor uses his/her or a company car "in lieu of" airfare, the air coach fare will be the maximum paid by the State. The contractor must provide a cost comparison upon request by the State. Gasoline and routine automobile repair expenses are not reimbursable.
5. The contractor is required to furnish details surrounding each period of travel. Travel expense reimbursement detail may include, but not be limited to: purpose of travel, departure and return times, destination points, miles driven, mode of transportation, etc. Reimbursement for travel expenses may be withheld pending receipt of adequate travel documentation.
6. Contractors are to consult with the program with which the contract is held to obtain specific invoicing procedures.

Per Diem Reimbursement Guide

Length of travel period	This condition exists...	Allowable Meal(s)
Less than 24 hours	Trip begins at or before 6 a.m. and ends at or after 9 a.m.	Breakfast may be claimed.
Less than 24 hours	Trip begins at or before 4 p.m. and ends at or after 7 p.m.	Dinner may be claimed.
<i>Contractor may not claim lunch or incidentals on one-day trips. When trips are less than 24 hours and there's no overnight stay, meals claimed are taxable.</i>		
24 hours	Trip begins at or before 6 a.m.	Breakfast may be claimed.
24 hours	Trip begins at or before 11 a.m.	Lunch may be claimed.
24 hours	Trip begins at or before 5 p.m.	Dinner may be claimed.
More than 24 hours	Trip ends at or after 8 a.m.	Breakfast may be claimed.
More than 24 hours	Trip ends at or after 2 p.m.	Lunch may be claimed.
More than 24 hours	Trip ends at or after 7 p.m.	Dinner may be claimed.
Contractor may not claim meals provided by the State, meals included in hotel expenses or conference fees, meals included in transportation costs such as airline tickets, or meals that are otherwise provided. Snacks and continental breakfasts such as rolls, juice, and coffee are not considered to be meals.		

Exhibit H
Information Confidentiality and Security Requirements

1. **Definitions.** For purposes of this Exhibit, the following definitions shall apply:
 - A. **Public Information:** Information that is not exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250-6265) or other applicable state or federal laws.
 - B. **Confidential Information:** Information that is exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250-6265) or other applicable state or federal laws.
 - C. **Sensitive Information:** Information that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive Information may be either Public Information or Confidential Information. It is information that requires a higher than normal assurance of accuracy and completeness. Thus, the key factor for Sensitive Information is that of integrity. Typically, Sensitive Information includes records of agency financial transactions and regulatory actions.
 - D. **Personal Information:** Information that identifies or describes an individual, including, but not limited to, their name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history. **It is CDPH's policy to consider all information about individuals private unless such information is determined to be a public record.**
2. **Nondisclosure.** The Contractor and its employees, agents, or subcontractors shall protect from unauthorized disclosure any Personal Information, Sensitive Information, or Confidential Information (hereinafter identified as PSCI), except for statistical information not identifying any such person.
3. The Contractor and its employees, agents, or subcontractors shall not use any PSCI for any purpose other than carrying out the Contractor's obligations under this Agreement.
4. The Contractor and its employees, agents, or subcontractors shall promptly transmit to the CDPH Program Contract Manager all requests for disclosure of any PSCI not emanating from the person who is the subject of PSCI.
5. The Contractor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the person who is the subject of PSCI, any PSCI to anyone other than CDPH without prior written authorization from the CDPH Program Contract Manager, except if disclosure is required by State or Federal law.
6. The Contractor shall observe the following requirements:
 - A. **Safeguards.** The Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PSCI, including electronic PSCI that it creates, receives, maintains, uses, or transmits on behalf of CDPH. Contractor shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of the Contractor's operations and the nature and scope of its activities, including at a minimum, the safeguards set forth in Exhibit I, the SR1 CDPH-ISO Project Requirements.

Exhibit H
Information Confidentiality and Security Requirements

- B. **Security Officer.** The Contractor shall designate a Security Officer to oversee its data security program who will be responsible for carrying out its privacy and security programs and for communicating on security matters with CDPH.
- C. **Training.** The Contractor shall provide training on its data privacy and security policies at its own expense, to all its employees who assist in the performance of functions or activities on behalf of CDPH under this Agreement and use or disclose PSCI.
- 1) The Contractor shall require each employee who receives data privacy and security training to sign a certification, indicating the employee's name and the date on which the training was completed.
 - 2) The Contractor shall retain each employee's written certifications for CDPH inspection for a period of three years following contract termination.
- D. **Discovery and Notification of Breach.** The Contractor shall notify CDPH **immediately by telephone call plus email or fax** upon the discovery of breach of security of PSCI in computerized form if the PSCI was, or is reasonably believed to have been, acquired by an unauthorized person, **or within twenty-four (24) hours by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized use or disclosure of PSCI in violation of this Agreement, this provision, the law, or potential loss of confidential data affecting this Agreement. Notification shall be provided to CDPH Program Contract Manager, the CDPH Privacy Officer and the CDPH Chief Information Security Officer. If the incident occurs after business hours or on a weekend or holiday and involves electronic PSCI, notification shall be provided by calling the CDPH I.T. Service Desk. Contractor shall take:
- 1) Prompt corrective action to mitigate any risks or damages involved with the breach and to protect the operating environment and
 - 2) Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- E. **Investigation of Breach.** The Contractor shall immediately investigate such security incident, breach, or unauthorized use or disclosure of PSCI and within seventy-two (72) hours of the discovery, shall notify the CDPH Program Contract Manager, the CDPH Privacy Officer, and the CDPH Chief Information Security Officer of:
- 1) What data elements were involved and the extent of the data involved in the breach,
 - 2) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PSCI,
 - 3) A description of where the PSCI is believed to have been improperly transmitted, sent, or utilized,
 - 4) A description of the probable causes of the improper use or disclosure; and
 - 5) Whether Civil Code sections 1798.29 or 1798.82 or any other federal or state laws requiring individual notifications of breaches are triggered.
- F. **Written Report.** The Contractor shall provide a written report of the investigation to the CDPH Program Contract Manager, the CDPH Privacy Officer, and the CDPH Chief Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure. The report shall include, but not be limited to, the information specified above, as well as a full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the improper use or disclosure.

Exhibit H
Information Confidentiality and Security Requirements

- G. **Notification of Individuals.** The Contractor shall notify individuals of the breach or unauthorized use or disclosure when notification is required under state or federal law and shall pay any costs of such notifications, as well as any costs associated with the breach. The CDPH Program Contract Manager, the CDPH Privacy Officer, and the CDPH Chief Information Security Officer shall approve the time, manner and content of any such notifications.
- H. **Affect on lower tier transactions.** The terms of this Exhibit shall apply to all contracts, subcontracts, and subawards, regardless of whether they are for the acquisition of services, goods, or commodities. The Contractor shall incorporate the contents of this Exhibit into each subcontract or subaward to its agents, subcontractors, or independent consultants.
7. **Contact Information.** To direct communications to the above referenced CDPH staff, the Contractor shall initiate contact as indicated herein. CDPH reserves the right to make changes to the contact information below by giving written notice to the Contractor. Said changes shall not require an amendment to this Exhibit or the Agreement to which it is incorporated.

CDPH Program Contract Manager	CDPH Privacy Officer	CDPH Chief Information Security Officer
See the Scope of Work exhibit for Program Contract Manager	Privacy Officer Privacy Office, c/o Office of Legal Services California Department of Public Health P.O. Box 997377, MS 0506 Sacramento, CA 95899-7377 Email: privacy@cdph.ca.gov Telephone: (877) 421-9634	Chief Information Security Officer Information Security Office California Department of Public Health P.O. Box 997413, MS 6302 Sacramento, CA 95899-7413 Email: cdphiso@cdph.ca.gov Telephone: IT Service Desk (916) 440-7000 or (800) 579-0874



INFORMATION SECURITY OFFICE

Information Systems Security Requirements for Projects (ISO/SR1)

Version 3.9

October 2008

Revision History

Doc No. / Rev No.	Revision Date	Revised By	Description of Revision / Change
S19 / R1.5	1/10/2007	A. Lancashire CDHS	Reformatting changes
SR1 / R1.0	9/12/2007	M. Serapio DHCS, B. Kelsey CDPH	Updated to address new best practices (previous version had dependencies to best practices from pre-SOA), fill existing regulatory gaps, remove vendor dependencies, reword language to make applicable to COTS/MOTS applications, and re-designated document number and name.
SR1/v1.5	9/14/2007	I. Sanford DHCS	Various grammatical and definition changes. Clarification of terms and responsibilities.
SR1/v2.0	9/21/2007	I. Sanford DHCS	Post team review updates
SR1/v2.1	10/17/2007	J. Cleveland CDPH	2 nd team review comments/changes
SR1/V2.2	10/21/2007	J. Cleveland CDPH	Added Admin User ID and password section from Ian Sanford and Data Query section from Brett Kelsey.
SR1/V2.3	10/22/2007	J. Cleveland CDPH	Modifications to Admin User ID and password section and Data Query section.
SR1/V3.0	10/25/2007	J. Cleveland CDPH	Minor grammatical changes, removal of dynamic web links, and added COTS language in C.8.
SR1/V3.5	10/26/2007	J. Cleveland CDPH	Addition of Sections A.13, A.14, B.12, B.13, B.14, B.15, and B.16 for the purpose of covering Privacy, when used in conjunction with BAAs.
SR1/V3.6	12/24/2007	J. Cleveland CDPH	Edits based on feedback from project management personnel.
SR1/V3.7	1/03/2008	J. Cleveland CDPH	Edits based on final review of ISO office.
SR1/V3.8	06/01/2008	E. Lemke CDPH	Minor grammatical changes and minor format changes.
SR1/V3.9	10/31/2008	A. Begliomini CDPH	Added Privileged Account Management and Service Account Management sections. Address Project Security Approvals, Applications Security Approvals, and System Roles and Relationships sections from Scott Wright. Added minimum password age in password policy. Minor format changes. Added table of contents.

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<i>Title:</i> Information Systems Security Requirements for Projects	

IMPORTANT NOTE: If an exemption from any SR1 requirement is required, the SR1 Exemption Form in Appendix A must be filled out by the Project Manager or Contract Manager.

I. Purpose

This document provides the minimum security requirements, mandated by the Information Security Office (ISO) from projects governed and/or subject to the policies and standards of the California Department of Public Health (CDPH). Projects that intend to deploy systems/applications into the Department's system infrastructure or will utilize Department information system services are also subject to these minimum security requirements.

This document is intended to assist the Department and its service customers in understanding the criteria the Department will use when evaluating and certifying the system design and security features and protocols used by project solutions utilizing Department services. The security requirements herewith will also be used in conjunction with the Department ISO's compliance review program of its information system services consumers.

This document will serve as a universal set of requirements which must be met regardless of physical hosting location or entities providing operations and maintenance responsibility. These requirements do not serve any specific project nor do they prescribe any specific implementation technology.

II. Scope of Requirements

The information security requirements herein are organized in five categories (sections) and address at a minimum:

- Administrative/Management Safeguards
- Technical and Operational Safeguards
- Solution Architecture
- Documentation of Solution
- ISO Notifications and Approvals

III. Contact

Chief Information Security Officer
California Department of Public Health
Information Security Office
1615 Capitol Avenue
Sacramento, Ca 95814

IV. Information Systems Security Requirements

A. Administrative / Management Safeguards

1. Workforce Confidentiality Statement

All persons working with Department information must sign a Security and Confidentiality statement. The statement must include at a minimum; General Use, Security and Privacy safeguards, Unacceptable Use, Audit, and Enforcement policies. (Contact the ISO for the current version of the Security & Confidentiality form in use.)

The statement must be signed by the Project member prior to being granted access to the Department's information. The statement must be renewed annually.

2. Access Authorization

Project/Program must implement and document clear rules and processes for vetting and granting authorizations; and procedures for the supervision of workforce members who work with Department information or in locations where it might be accessed.

3. Access Authorization Maintenance

On at least a semi-annual basis, Project/Program will review and remove all authorizations for individuals who have left the department, transferred to another unit, or assumed new job duties within the Department.

4. Information System Activity Review

Project/Program must implement and document procedures to regularly review records of information system activity, such as audit logs, access reports, and security incident tracking reports.

5. Periodic System Security Review

All systems shall allow for periodic system security reviews that provide assurance that management, operations, personnel, and technical controls are functioning effectively and providing adequate levels of protection.

The reviews may include technical tools and security procedures such as virus scanners, vulnerability assessment products (which look for known security problems, configuration errors, and the installation of the latest hardware/software "patches"), and penetration testing.

6. Periodic System Log Review

All systems processing and/or storing Department information shall have a method or procedure in place to create and review system logs for unauthorized access. Logs may

be stored within the system or on a centralized logging server or service, and shall be maintained for a minimum of three years.

7. Business Impact Analysis

Project/Program will conduct annually a Business Impact Analysis of the application to determine the Maximum Acceptable Outage (MAO), cost of lost functionality, system component dependencies, business function dependencies, and business partner dependencies.

8. Change Control

All systems processing and/or storing Department information must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity, and availability of information.

For those systems running within the Department's environment and/or are consuming Department services, those systems shall comply with Department of Technology Services (DTS) and Department standards for change control process and procedures.

9. Incident Response

Project/Program will establish procedures for responding to an emergency or other occurrence (e.g., fire, vandalism, system failure, and natural disaster) that damages systems that contain electronic protected health information.

The emergency response procedures shall be added to the existing Operational Recovery Plan (ORP). The ORP shall address what to do if a computer system and/or the information files are violated, lost, damaged, or inaccessible.

10. Disaster Recovery

Project/Program will establish procedures that allow facility access in support of restoration of lost information under the ORP and emergency mode operations plan in the event of an emergency.

The restoration/recovery support procedures shall be added to the existing Operational Recovery Plan (ORP) to restore any loss of information and assure continuity of computing operations for support of the application and information.

Recovery procedures shall be developed using the appropriate template from the Department's ORP.

11. Emergency Mode Operation Plan

Project/Program will establish an Emergency Mode Operation Plan (EMO) to enable continuation of critical business processes for protection of the security of electronic

protected health information while operating in emergency mode. This plan shall be added to the existing ORP.

12. Periodic System Recovery Testing

All systems, as part of a new or existing project, shall allow for periodic system recovery testing. The period between tests should be defined as part of the project and be consistent with relevant department disaster recovery standards. Such testing should provide assurances that plans (Incident Response, Disaster Recovery, Emergency Mode Operation, and Data Backup) and controls (management, operations, personnel, and technical) are functioning effectively and providing adequate levels of protection during an incident, disaster, or breach.

13. Supervision of Data

Protected Health Information (PHI) in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk, or office. Unattended means that information is not being observed by an employee authorized to access the information. Department PHI in paper form shall not be left unattended at any time in vehicles or planes and shall not be contained in checked-in baggage on commercial airplanes.

14. Escorting Visitors

Visitors to areas where Department PHI is contained shall be escorted and Department PHI shall be kept out of sight while visitors are in the area.

B. Technical and Operational Safeguards**1. System Security Compliance**

All Project systems shall comply with applicable Department security policies and requirements, as specified in the State Administrative Manual (SAM), Health Administrative Manual (HAM), HIPAA, Privacy Act, and any other applicable state or federal regulation. All security safeguards and precautions shall be subject to the approval of the Department ISO.

2. Virus Protection

All systems shall install and actively use comprehensive third-party virus protection software, and routinely update such software when updates are released. All security safeguards and precautions shall be subject to the approval of the Department ISO.

3. Patch Management

All systems shall install and actively use comprehensive third-party patch management program and routinely update system and application software when updates are released. All security safeguards and precautions shall be subject to the approval of the Department ISO.

4. Encrypted Electronic Transmissions

All information transmissions that contain confidential information must be encrypted end-to-end using an industry-recognized encryption standard. The electronic transport must utilize Secure Socket Layer (SSL) and Department information and confidential information shall be encrypted at the minimum of 128 bit AES (Advanced Encryption Standard) or 3DES (Triple Data Encryption Standard) if AES is unavailable. Equivalent or stronger algorithms may be used upon approval of the Department ISO.

5. Encrypted Data Storage

All confidential information must be encrypted when stored using a Department approved encryption standard. Confidential information shall be encrypted at the minimum of 128 bit AES (Advanced Encryption Standard) or 3DES (Triple Data Encryption Standard) if AES is unavailable. Equivalent or stronger algorithms may be used upon approval of the Department ISO.

6. Workstation / Laptop Encryption

All workstations and laptops that process and/or store Department information must be encrypted with a Department approved solution or a solution using a vendor product specified on the Department of General Services (DGS) California Strategic Sourced Initiative (CSSI) website.

7. Removable Media Encryption

All electronic files that contain Department information must be encrypted when stored on any removable media type device (i.e. USB thumb drives, floppies, CD/DVD, tape backup, etc.) with a Department approved solution or a solution using a vendor product specified on the Department of General Services (DGS) California Strategic Sourced Initiative (CSSI) website.

8. Secure Connectivity

All transmission and data-links between the information and application/system and DBMS and the DTS Wide Area Network (WAN) shall be secure between transmission systems as required by regulation, policy or standard and as prescribed for the given application/system.

9. Intrusion Detection and Prevention

All systems that are accessible via the Internet, are critical, or contain ePHI (electronic Protected Health Information) shall install and actively use a Department approved comprehensive third-party real-time host based intrusion detection and prevention program that reports security events directly to the Department ISO. All security safeguards and precautions shall be subject to the approval of Department ISO.

10. Minimum Data Downloads

In accordance with the principle of need-to-know, only the minimum amount of information required to perform necessary business functions should be copied or downloaded.

11. Data Destruction

All Department information must be wiped from systems when the information is no longer necessary. The wipe method must conform to Department of Defense (DoD) and Department standards for information destruction. Once information has been destroyed, the Department contract manager must be notified. If an agency or other entity is unable to destroy media in accordance with Department standards and provide notification, the media must be returned to the Department after usage for destruction in an approved manner.

12. Confidential Destruction

Department PHI in paper form must be disposed of through confidential means, such as cross cut shredding and pulverizing.

13. Removal of Data

Department PHI in either electronic or paper form shall not be removed from Department premises or from the premises of an authorized vendor or contractor without the written permission of the Department ISO.

14. Faxing of Confidential Information

Facsimile transmissions containing PHI shall not be left unattended and fax machines shall be in secure areas. Faxes shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them. Fax numbers must be verified before sending.

15. Mailing of Confidential Information

Department PHI shall only be mailed using secure methods. Large volume mailings of Department PHI must be by a secure, bonded courier with signature required on receipt. Disks and other transportable media sent through the mail must be encrypted with a Department approved solution or a solution using a vendor product specified on the Department of General Services (DGS) California Strategic Sourced Initiative (CSSI) website.

C. Solution Architecture

1. System Security Compliance

The system shall comply with all applicable Department security policies and requirements, as well as those specified in the State Administrative Manual (SAM), Health Administrative Manual (HAM), HIPAA, Privacy Act, and any other applicable state or federal regulation. All security safeguards and precautions shall be subject to the approval of the Department ISO.

2. Warning Banner

All systems containing Department information shall display a login warning banner stating that information is confidential, activity is logged, and system use is for business purposes only. User shall be directed to log off the system if they do not agree with these requirements.

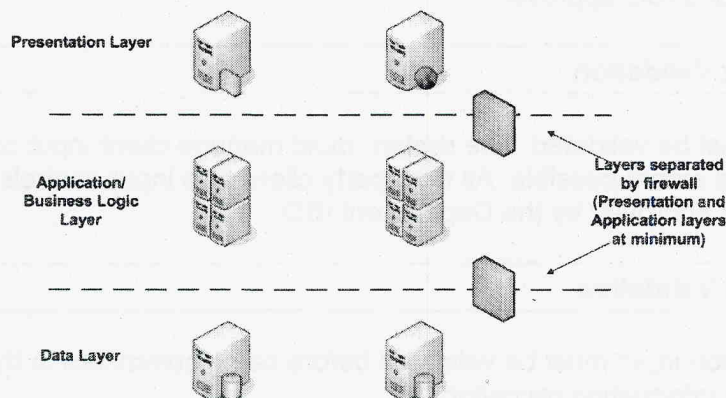
The following warning banner shall be used for all access points (e.g., desktops, laptops, web applications, mainframe applications, servers and network devices):

WARNING: This is a State of California computer system that is for official use by authorized users and is subject to being monitored and/or restricted at any time. Unauthorized or improper use of this system may result in administrative disciplinary action and/or civil and criminal penalties. By continuing to use this system you indicate your awareness of and consent to these terms and conditions of use.

LOG OFF IMMEDIATELY, if you do not agree to the conditions stated in this warning.

3. Layered Application Design

Application must be able to be segmented into a layered application design separating at a minimum the Presentation, Application/Business Logic, and Data Access Logic, and Data Persistence/Database layers.



4. Separation of Layers

The Presentation, Application/Business Logic, and Data Access Logic layer must be separated physically by a firewall regardless of physical implementation.

Vendor-provided commercial off-the-shelf (COTS) packages or components where physical separation of layers is not possible requires ISO approval.

5. Business Logic Layer Communication

Any system request made to the Business logic layer must be authenticated.

6. Data Access Logic Layer Design

The Data Access Logic Layer may take the form of stored procedures, database API (Application Programming Interface), Data Access Objects/Components, Data Access Middleware, Shared Data Services, or Secure Web Service.

7. Data Access Logic Layer Communication

Any system request made to the Data Access logic layer must be authenticated and authorized.

8. Data Persistence/Database Layer Isolation

No direct access to the Data Persistence/Database layer will be permitted, except through the Data Access logic layer.

All calls to the Data Persistence/Database layer will be made through the Data Access logic layer as a trusted sub-system that utilizes a single database access account to all transactions.

Vendor-provided commercial off-the-shelf (COTS) packages or components where physical separation of Data Access Logic layer from Data Persistence/Database layer is not possible require ISO approval.

9. User Input Validation

All user input must be validated. The system must manage client input controls from server side to the extent possible. All third-party client side input controls must be documented and approved by the Department ISO.

10. Data Input Validation

All user information input must be validated before being committed to the database or other application information repository.

11. Data Queries

All Data queries (including In-line SQL calls) will not be allowed from the Presentation or the Business Logic layers unless validated for appropriate use of query language and validated for appropriate quantity/quality of data input. All data queries solution must be approved by the Department ISO.

Database table names and column names must not be exposed. Applications must use an alias for every table and column.

Dynamic SQL will not be permitted from the Presentation Layer without prior approval from the Department ISO.

12. Username/Password Based Authentication

When usernames and passwords are going to be used as the method for system authentication the following for each must be met:

- Username requirements:
 - Usernames are unique and are traceable to an individual worker.
 - Usernames are NOT to be shared and never hard-coded into system logic.
- Password requirements:
 - Are not to be shared.
 - Must be 8 characters or more in length.
 - Must NOT be a word found in the dictionary, regardless of language.
 - Passwords must be encrypted using irreversible industry-accepted strong encryption.
 - Must be changed at least every 60 days.
 - Must NOT be the same as any of the previous 10 passwords.
 - Must be changed immediately if revealed or compromised.
 - Must be composed of characters from at least three of the following four groups from the standard keyboard:
 - Upper case letters (A-Z);
 - Lower case letters (a-z);
 - Arabic numerals (0 through 9); and
 - Non-alphanumeric characters (punctuation symbols).
 - Accounts must be locked after 3 failed logon attempts.
 - Account lock-out reset timers must be set for a minimum of 15 minutes.

13. Privileged Accounts Management

- Privileged Account Authorization

A privileged account is an account that allows an individual to perform maintenance on an operating system or application (e.g. create/remove users, install applications, create/modify databases). Privileged accounts require the approval of the individual's manager, the ISO, and must include a business justification stating why privileged access is required and what it will be used for.

Individuals granted privileged accounts must have already signed the Security and Confidentiality Acknowledgement Statement. Privileged accounts must be unique and associated with the individual for whom the account is authorized. The use of shared privileged accounts (e.g. Administrator) is strictly prohibited.

- Username requirements
 - Must be unique and are traceable to an individual person.
 - Must NOT be shared.
 - Must never be hard-coded into system logic.
 - Must NOT be the same across different zones (e.g. Web Zone, Internal network, and Test Labs / Environments).
 - The default built-in Administrator account must be renamed and disabled.
 - The naming convention for privileged accounts must not make it obvious that usernames belong to privileged accounts.
 - If a generic privileged account is created:
 - It must only be used in an Emergency.
 - It is NOT to be used for routine maintenance.
 - The password storage and management process for generic privileged accounts must be approved by the Department ISO.
- Password requirements
 - Must not be the same as any of the previous 10 passwords.
 - Must not to be shared.
 - Must NOT be the same across different zones (e.g. Web Zone, Internal network, and Test Labs / Environments).
 - Must be 12 characters or more in length.
 - Must NOT be a word found in the dictionary, regardless of language.
 - Password must NOT be stored in clear text.
 - Must be changed at least every 60 days.
 - Must be changed immediately if revealed, or compromised.
 - Must be changed immediately upon the termination or transfer of an employee with knowledge of the password.
 - Passwords must be encrypted using industry accepted, irreversible strong encryption.
 - Accounts must be locked after 3 failed logon attempts.
 - Account lock-out timers must be set for at least 60 minutes.
 - Must be comprised of characters from at least three of the following four groups from the standard keyboard:
 - Upper case letters (A-Z);
 - Lower case letters (a-z);
 - Arabic numerals (0 through 9);
 - Non-alphanumeric characters (punctuation symbols).
- Restrictions for Privileged Accounts
 - Holders of privileged accounts must restrict the use of their account privileges to activities that are part of their job and that require privileged access.
 - Holders of privileged accounts must never share their access and password with other individuals.

14. Service Accounts Management

- **Service Account Authorization**
In situations where it is necessary to use a service account, which is an account used to run a service and whose password is known by multiple individuals, the account request will be approved by the manager of the Project/Program requesting the account and by the ISO. Requirements, stating the need for a service account, will be documented in the request. A service account password is shared among the individuals authorized to access the account, and is subject to controls as stated in the password requirements in this document.
- **Restrictions for Service Accounts**
 - Sharing passwords via email is prohibited, unless the body of the email itself is encrypted using strong encryption.
 - When users are no longer authorized to access an existing service account, the service account password must be changed.

15. Role - Based Access

Any system deployed during, or as a result of a project, shall provide secure role-based access for authorization utilizing the principle of least privilege at all layers/tiers.

16. User / Entity Authentication Logging

The system must log success and failures of user authentication at all layers as well as log all user transactions at the database layer as required by regulation, policy or standard and as prescribed for the given application/system. This logging shall be included for all user privilege levels including but not limited to systems administrators. This requirement applies to systems that process, store, and/or interface with PII (Personal Identifiable Information) and/or confidential information.

17. Automatic System Session Expiration

The system must provide an automatic timeout of user sessions after 20 minutes of inactivity.

18. Automatic System Lock-out and Reporting

The system must provide an automatic lock-out of users and a means to audit a minimum of 3 failed log-in attempts. The means of providing audit information must be approved by the Department ISO.

19. Role-based Access to Audit Functions and Data

All systems/applications will implement role-based access to auditing functions and audit trail information utilizing the principle of least privilege.

20. Secure Online Access to Audit Functions

All systems / applications will implement a secure online interface to Audit Capabilities and Reporting by way of application programming interface (API) or network service (or Web Service); to allow Department ISO to view logs, auditing procedures, and audit reporting.

21. Audit Trails

This requirement delineates the (minimum) log information that audit trails should record for any system that contains or is involved in the transmission of confidential information. The information listed below should be available on every system running a production environment. Not only will this information assist with problem resolution efforts and system restore operations, it will also be invaluable to system penetration attack investigations, fraud investigations, etc.

The system must record (at minimum) the following events and any other events deemed appropriate by the Department ISO:

Transaction Types

- Any and all administrative changes to the system (i.e. administrative password changes (forgotten password resets), system variables, network configuration changes, disk subsystem modifications, etc).
- Logon failures.
- Logons during non-business hours.
- Program or file access denial.
- Addition, deletion, or modification of users or program access privileges.
- Changes in file access restrictions.
- Database addition, deletion, or modification.
- Copy of files before and after read and write changes.
- Transaction issued.

Individual audit trail records shall contain the information needed to associate each query transaction to its initiator and relevant business purpose. Individual audit trail records should capture at a minimum the following:

Minimum Audit Trail Record Content

- Date and Time Stamp.
- Unique Username of Transaction Initiator.
- Transaction Recorded.
- Success or Failure of Transaction Recorded.
- Relevant business process or application component involved.
- Data captured (if any).

Audit Trail logs shall be maintained at minimum for three years after the occurrence or a set period of time determined by the Department ISO that would not hinder a detailed forensic investigation of the occurrence. The Department ISO has final approval authority.

22. Application Security Controls

For any application which accesses confidential data, the following technical controls shall be present, unless an exception is granted by ISO:

- Shall use *least privileged accounts* to execute code and to access databases.
- User access rights shall be authenticated and authorized on entry to each application tier.
- All user input shall be validated as well as all validating parameters passed to all public web service methods.
- Do not expose information that is not required, as such information can potentially open doors that might lead to new vulnerabilities.
- If a web application fails, it shall not leave sensitive data unprotected or expose any details in error messages presented to the user. Any exceptions shall be logged or emailed to the appropriate team member.
- Any sensitive data stored in session, cookies, disk files etc., shall be encrypted. Any sensitive data passed between tiers shall be encrypted.
- Applications shall be protected from the Internet by a front-end web application, firewall, gateway, and proxy of a type approved by the ISO, which shall be included in the documented system design.
- Post back Universal Resource Locators (URLs) shall not contain unencrypted record identifiers or database keys.
- Post back URLs shall not include query strings.

D. Documentation of Solution**1. System Configuration**

As part of each project, assigned staff will document and maintain a full inventory of the major hardware, software, and communications platforms in use; system configurations; all applications/components with descriptions encompassing the solution; and a description of the solution's security design features and user access control mechanisms. Project/Program will ensure a custodian(s) is assigned to each application/component.

2. Data In Use Classifications

Project/Program will document and maintain information classification matrix of all information elements accessed and/or processed by solution.

The matrix should identify at a minimum:

- Information element.
- Information classification/sensitivity.
- Relevant function/process or where is it used.
- System and database or where is it stored.

3. System Roles and Relationships

Project shall document the following roles and ensure everyone understands their role, and complies with all applicable regulations including the SAM.

- The designated owner of the system
- The designated custodian(s) of the system
- The users of the system
- The security administrator for the system
- Outside entities sending or receiving data to system

Project shall document the organizational structure and relationships between these roles.

4. Audit Method Documentation

Project/Program will document the solution's auditing features and provide samples of audit reporting.

5. Retention of Documentation

The system/application administrators will retain documentation, including audit and activity logs, for a minimum of three years (up to seven years) from the date of its creation or the date it was last in effect, whichever is later.

E. ISO Notifications and Approvals

1. Security Compliance Notification

As part of each project, assigned staff will document how proposed solution meets or addresses the requirements specified in this document and must be submitted to the Department ISO prior to taking custody of Department owned information.

2. Notification of Changes to Solution

Once a project is approved as final by the Department ISO, no changes will be made to the project scope, documentation, systems or components without a change approval by the Department ISO.

3. Notification of Breach or Compromise

The system/application administrators shall immediately and in writing report to the Department ISO any and all breaches or compromises of system and/or information security, and shall take such remedial steps as may be necessary to restore security and repair damage, if any.

In the event of a breach or compromise of system and/or information security, the Department ISO may require a system/application security audit. The Department ISO shall review the recommendations from the security audit, and make final decisions on the steps necessary to restore security and repair damage.

The system/application administrators shall properly implement any and all recommendations of the security audit, as approved by the Department ISO.

4. Project Security Approvals

Projects shall ensure checkpoints throughout the SDLC which verify security requirements are being met. This shall be incorporated in the project plan along with identification of necessary resources, timelines, and costs to address these requirements. An ISO representative should be involved throughout the SDLC to ensure this occurs.

For reportable FSR's, Office of Information Security and Privacy Protection (OISPP) requires submission of the *Questionnaire for Information Security and Privacy Components in Feasibility Study Reports and Project-Related Documents*. See http://www.oispp.ca.gov/government/documents/docs/Info_Sec_and_Priv_Components_FSR-Questionnaire.doc. The response to this document shall be approved by the ISO prior to submission.

Projects shall ensure all applicable security requirements and deliverables are included in the project plan, and that ISO approvals are obtained, where required. This includes those listed in the following section, and any covered by other sections of this document. ISO shall be given reasonable time to review and comment on these deliverables.

5. Application Security Approvals

At a minimum, for any application which accesses confidential data, the following documented ISO approvals shall be obtained at the appropriate project phases, and before the application is moved to production.

- ISO approval of a dated, detailed design document. This design shall include network layout including specific firewall port requirements, server hosting locations, operating systems, databases, data exchange interfaces, and points of authentication/authorization. The project shall not move beyond the design phase until there is an ISO approved design.
- ISO approval of any non-standard development tools, e.g. programming languages or toolkits.
- ISO approval of a plan for an independent security code review which addresses at minimum the current Open Web Application Security Project (OWASP) top ten application vulnerabilities, where applicable. ISO shall approve any findings of that code review not being corrected. ISO recommends the security code review be carried out during the development process rather than only at the end.
- ISO approval of a plan for security code reviews of future maintenance code changes, which addresses at minimum the current OWASP top ten application vulnerabilities, where applicable.
- ISO approval of a plan for an independent automated security vulnerability assessment of the application, and approval of the findings of that assessment. The assessment shall assess the OWASP top ten risks at minimum, as applicable.

Independent as indicated above is defined as organizationally separate from those developing or configuration the application. The independence and skill level of the entities being utilized shall be approved by ISO.

Application code and infrastructure is subject to ISO audit, and shall match the approved detailed design.

F. Appendix A – SR1 Exemption Form

REF	Security Requirement	Exemption (Yes, No, or N/A)	Business Justification
A	Administrative / Management Safeguards		
1	Workforce Confidentiality Statement		
2	Access Authorization		
3	Access Authorization Maintenance		
4	Information System Activity Review		
4	Periodic System Security Review		
6	Periodic System Log Review		
7	Business Impact Analysis		
8	Change Control		
9	Incident Response		
10	Disaster Recovery		
11	Emergency Mode Operation Plan		
12	Periodic System Recovery Testing		
13	Supervision of Data		
14	Escorting Visitors		
B	Technical and Operational Safeguards		
1	System Security Compliance		
2	Virus Protection		
3	Patch Management		
4	Encrypted Electronic Transmissions		
5	Encrypted Data Storage		
6	Workstation / Laptop Encryption		
7	Removable Media Encryption		
8	Secure Connectivity		
9	Intrusion Detection and Prevention		
10	Minimum Data Downloads		
11	Data Destruction		
12	Confidential Destruction		
13	Removal of Data		
14	Faxing of Confidential Information		
15	Mailing of Confidential Information		
C	Solution Architecture		
1	System Security Compliance		
2	Access Point Warning Banner		
3	Layered Application Design		
4	Separation of Layers		

Exhibit I

REF	Security Requirement	Exemption (Yes, No, or N/A)	Business Justification
5	Business Logic Layer Communication		
6	Data Access Logic Layer Design		
7	Data Access Logic Layer Communication		
8	Data Persistence/Database Layer Isolation		
9	User Input Validation		
10	Data Input Validation		
11	Data Queries		
12	Username/Password Based Authentication		
13	Privileged Accounts Management		
14	Service Accounts Management		
15	Role - Based Access		
16	User / Entity Authentication Logging		
17	Automatic System Session Expiration		
18	Automatic System Lock-out and Reporting		
19	Role-based Access to Audit Functions and Data		
20	Secure Online Access to Audit Functions		
21	Audit Trails		
22	Application Security Controls		
D	Documentation of Solution		
1	System Configuration		
2	Data In Use Classifications		
3	System Roles and Relationships		
4	Audit Method Documentation		
5	Retention of Documentation		
E	ISO Notifications		
1	Security Compliance Notification		
2	Notification of Changes to Solution		
3	Notification of Breach or Compromise		
4	Project Security Approvals		
5	Application Security Approvals		

CONTRACTOR EQUIPMENT PURCHASED WITH CDPH FUNDS

Exhibit J

Date Current Contract Expires:

CDPH Program Name:

CDPH Program Contract Manager:

CDPH Program Address:

CDPH Program Contract Manager's Telephone Number:

Date of this Report:

Date of this Report:

(THIS IS NOT A BUDGET FORM)

[illegible]

INSTRUCTIONS FOR CDPH 1203

(Please read carefully.)

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

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

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

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

A. Major Equipment:

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

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

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

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

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

5. If all items being reported do not fit on one form, make copies and write the number of pages being sent in the upper right-hand corner (e.g., "Page 1 of 3.") The CDPH Program Contract Manager should retain one copy and send the original to: California Department of Public Health, Asset Management, MS 1801, P.O. Box 997377, 1501 Capitol Avenue, Sacramento, CA 95899-7377.

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

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

Exhibit K

INVENTORY/DISPOSITION OF CDPH-FUNDED EQUIPMENT

Current Contract Number: _____

Previous Contract Number (if applicable): _____

Contractor's Name: _____

Contractor's Complete Address: _____

Contractor's Contact Person: _____

Contract's Telephone Number: _____

Date Current Contract Expires: _____

CDPH Program Name: _____

CDPH Program Contract Manager: _____

CDPH Program Address: _____

CDPH Program Contract Manager's Telephone Number: _____

Date of this Report: _____

(THIS IS NOT A BUDGET FORM)

[illegible]

INSTRUCTIONS FOR CDPH 1204 (Please read carefully.)

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

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

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

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

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

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

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

B. Minor Equipment/Property:

Specific tangible items with a life expectancy of one (1) year or more that have a base unit cost less than \$5,000. The minor equipment and/or property items were issued green unnumbered "BLANK" state/ CDPH property tags with the exception of the following, which are issued numbered tags: Personal Digital Assistant (PDA), PDA/cell phone combination (Blackberries), laptops, desktop personal computers, LAN servers, routers and switches.

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

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

4. The CDPH Program Contract Manager should retain one copy and send the original to: California Department of Public Health, Asset Management, MS1801, P.O. Box 997377, 1501 Capitol Avenue, Sacramento, CA 95899-7377.

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

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