

Northern Kentucky Area Development District

Aging Provider Contract

Document Description: FY24 Aging Services Contract HS-A-24-xx

Type of Agreement: Fixed Rate

Issuer Contact:

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Effective From: 2023-07-01 **Effective To:**2024-06-30

| Service Description | Unit Price | Contract Amount Not to Exceed |
|---------------------------|--------------|----------------------------------|
| Federal Homemaker Service | 16.50/17.70* | \$100,000.00 |
| Personal Care Service | 17.10/18.30* | \$90,000.00 |
| Respite Service | 15.60/16.80* | \$20,000.00 |

*Additional dollar on the unit cost is for services provided in Carroll, Gallatin, Grant, Owen & Pendleton Counties.

Extended Description:

A program to provide homecare services to physically or functionally impaired Kentuckians age 60 years or older who are at risk of institutionalization.

100% State Funds

Effective From: 2023-07-01 **Effective To:**2024-06-30

| Service Description | Unit Price | Contract Amount Not to Exceed |
|---|-------------|----------------------------------|
| National Family Caregiver Program In-Home Respite | 31.20/33.60 | \$50,000.00 |

Extended Description:

A program to provide services to family and informal caregivers who provide care to people over 60 year of age; an individual of any age with Alzheimers or a related diagnosis; and relative chilfren up to age 19; or an adult child with a disability age 19-59, which follow under the AOA programs.

85% Federal Funds CFDA # 93.052

15% State and Local Funds

Effective From: 2023-07-01 **Effective To:**2024-06-30

| Service Description | Unit Price | Contract Amount Not to Exceed |
|--|---------------------------|--|
| Title IIIB Transportation Ride Share Project | 25.00 per one way trip | \$15,000.00 |

Extended Description:

A program to provide transportation and escort services to senior adult's case managed by NKADD by authorized request.

85% Federal Funds CFDA # 93.052

15% State and Local Funds

SAMPLE

Title Page

For

FY24 Aging Services Contract

**Memorandum of Agreement
Between the Northern Kentucky Area Development District
and Second Party**

SOLE POINT OF CONTACT

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Memorandum of Agreement Terms and Conditions

Revised August 25, 2021

This Memorandum of Agreement (MOA) is entered into, by and between the Northern Kentucky Area Development District, hereinafter referred to as NKADD and __xx__, hereinafter referred to as the Second Party. The initial MOA is effective from July 1, 2023 through June 30, 2024.

Section 1#ADMINISTRATIVE OVERVIEW

1.00 Purpose and Background

NKADD in accordance with KRS 205.455-470, KRS 13B, and 910 KAR 1:180 has determined there is a necessity to enter into an agreement with local providers to provide services included in the Homecare Program, PCAP Program funded by state general funds and Title III Grant, from the United States Administration for Community Living (ACL). Administration on Aging (AOA), pursuant to the Older American's Act of 1965 (OAA), as amended, KRS 205.204, and 910 KAR Chapter 1.

1.01 Issuing Office

The Northern Kentucky Development District, is issuing this Contract on behalf of the Department for Aging and Independent Living. NKADD is the only office authorized to change, modify, amend, alter, or clarify the specifications, terms and conditions of this Contract.

1.02 Communications

The Contract Specialist named on the Title Page is the point of contact for communications concerning contract issues.

1.03 Terminology

For the purpose of this Contract, the following terms may be used interchangeably:

- Vendor: Contractor, Offeror, Second Party, Proposer
- Contract Specialist: Buyer, Purchaser, Contract Officer
- Commonwealth of Kentucky: Commonwealth, State
- Fiscal Year will be defined as the Commonwealth fiscal year: July 1 through June 30
- Biennium will be defined as the Commonwealth biennium: July 1 of each even numbered year through June 30 of the next even numbered year.

1.04 Organization

This Contract is organized in the following manner:

Section 1-Administrative Overview

Section 2-Scope of Services

Section 3-Pricing/Invoicing

Section 4-CHFS General Terms and Conditions

Section 5-Federal Requirements

Finance Terms and Conditions of the Contract

1.05-Definitions/Acronyms

1. "AAAIL" means the Area Agency on Independent Living which resides within the Area Development District .
2. **"ACL" means Administration for Community Living.**
3. **"Access Services" means services including transportation, health services (including mental and behavioral health services), outreach, information and assistance (which may include information and assistance to consumers on availability of services under part B and how to receive benefits under and participate in publicly supported programs for which the consumer may be eligible), and case management services.**
4. "ADD" means Area Development District
5. Administrative Costs/Expenditures – There are two types of administrative costs. Program admin are funds set aside for programmatic expenditures such as oversight, budgeting, developing information systems and other allowable costs per the agreement. Indirect Admin/Indirect Expenditures are for expenses that benefit all programs but would not be feasible to direct charge to all active programs. Program admin will receive a share of Indirect Admin/Indirect Expenditures through the allocation process. Reference Annual Report KRS.147A.115 (See 2CFR 200).
6. **"Advertising costs" means the cost of advertising media (and corollary administrative costs). Advertising media include magazines, newspapers, radio and television programs, direct mail, exhibits, and the like.**
7. **"Public relations" includes community relations and means those activities dedicated to maintaining the image of the governmental unit or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.**
8. **"Agency" means the ADD, an entity designated by the Commonwealth to administer, at the local level, the programs funded by the Older Americans Act of 1965, as amended, pursuant to KRS 205.20 and 910 KAR 1:170 Section 1 (2).**
9. **"Aging and Disability Resource Center" or "ADRC" means a program which provides access to long-term care options by using a wide range of community resources.**
10. "AoA" means the Federal Administration on Aging.
11. **"Assessment" means the collection and evaluation of information about a person's situation and functioning to determine the applicant or recipient service level and development of a plan of care utilizing a holistic, person centered approach by a qualified independent care coordinator (ICC) in accordance with 910 KAR 1:170 Section 1(3).**

12. **“Assisted Transportation” means a one way trip to accompany an eligible person who requires assistance for safety or protection to or from his or her physician, dentist, or other necessary service pursuant to 910 KAR 1:170 Section 1(4).**

13. “Back-up documentation” includes but is not limited to documents that include evidence of a financial transaction, such as debit/credit memos, invoices, receipts, orders, vouchers, account reports/ledgers, cancelled checks which shall be submitted with all invoices.

14. “Case Management” means a process, coordinated by a case manager, for the linking of a client to appropriate, comprehensive, and timely home or community based services as identified in the plan of care by planning, referring, monitoring, advocating and following the timeline of the assessment agency to obtain service level and development of the plan of care pursuant to 910 KAR 1:170 Section 1(5).

15. **“Case Manager” means the individual employee responsible for case management including coordinating services and supports from all agencies involved in providing services required by the plan of care, ensuring that all service providers have a working knowledge of the plan of care and ensuring that services are delivered as required pursuant to 910 KAR 1:170 Section 1(7).**

16. **“Counseling” means advisory services conducted by a certified or licensed professional or someone who has had approved training but not board certified to advise and enable the older person and their family to resolve problems or to relieve temporary stresses encountered by their family.**

17. “DAIL” means the Department for Aging and Independent Living which shall serve as the state unit as designated by the Administration on Aging Services under the Older Americans Act (OAA).

18. “Direct Cost/Expenditures” – Expenditures that benefit and can be readily assigned to a particular program or cost objective. Costs that are related to direct provision for services or costs that can be readily identified to a specific grant or cost objective. Reference Annual Report KRS.147A.115 (See 2 CFR 200).

19. “Disaster” means floods, tornadoes, earthquakes, droughts, extreme heat/cold, fires, chemical spill, power outages in excess of 10 hours, ice storm, severe thunderstorms, wind, or hail storms, contaminated water, pandemics flu, nuclear war, radioactive waste leaks, snow storm, public health emergency, terrorist attacks, accidents, or explosions which result in a halt or temporary discontinuation of services.

20. “District” means Area Development District pursuant to KRS 205.455(4).

21. “First-tier (Tier I) subcontract” means a subcontract awarded directly by the District ADD for the purpose of acquiring goods, services, supplies, components, or other items for performance of a contract.

22. **“Frail” means functionally impaired in the performance of two (2) activities of daily living, three (3) instrumental activities of daily living, or a combination of one (1) activities of daily living and two (2) instrumental activities of daily living as defined in 910 KAR 1:180 Section 4(1)(c).**

23. “Home Health Aide” means the performance of simple procedures, including but not limited to personal care, ambulation, exercises, household services essential to health care at home, assistance with medications that are ordinarily self-administered, reporting changes in the patient's condition and needs, and completing appropriate records in accordance with KRS 205.455(9).

24. “Homecare Program” means a program that offers in-home support and services to individuals 60 years of age and over who have functional disabilities and are at risk of long term institutional placement. Services include personal care, homemaker, home health aide, home delivered meals, home repair, chore, respite, escort, and assessment (core) as defined in 910 KAR 1:180 Section 1(11)(b).

25. "Indirect Cost/Expenditures" – Expenses incurred for a common or joint purpose that cannot be readily identified with a particular grant or cost objective. Indirect Expenditures include but are not limited to facility costs, agency oversight, board activities, accounting, human resources, procurement and other activities that benefit all programs or cost objectives. These costs are shared amongst multiple grants. An approved cost allocation plan is developed each fiscal year and details the process used to distribute indirect costs based on the concepts of benefits received as defined in 2 CFR Part 200, Appendix V. Reference Annual Report KRS 147A.115.
26. "In-home Services" means (a) Homemaker and home health aides; (b) friendly visiting and telephone reassurance; (c) chore maintenance; (d) in-home respite care for families, including adult day care as a respite service for families; and (e) minor modification of homes (also known as home repair in accordance with KRS 205.455(11)) that is necessary to facilitate the ability of older individuals to remain at home, and that is not available under other programs, except that not more than \$150 per client may be expended under this part for such modification pursuant to 45 CFR 1321.3, 910 KAR 1:170, Section 1, and the DAIL Taxonomy.
27. "Justification" means a written reason, fact, circumstance, or explanation that justifies or defends a change.
28. "NAPIS" means National Aging Program Information System.
29. "Older Americans Act" or "OAA" means the Older Americans Act of 1965 as amended.
30. "Performance Measures" means requirements by the contract to evaluate the outcomes, performance and effectiveness of the program. All deliverables are considered as a performance measure. Reference Annual Report KRS 147A.115
31. "Person centered planning" means an individualized planning process that is led by the participant, is timely, occurs at times and locations of convenience to the individual, and offers informed choice, defined as choosing from options based on accurate and thorough knowledge and understanding, to the individual regarding the services, and supports they receive and from whom.
32. "Personal Care" means providing assistance for persons with the inability to perform one or more activities of daily living.
33. "Respite" means care provided to an older person by a caregiver for a designated time period due to the absence or need for relief of those normally providing care.
34. "RFP" means Request for Proposal.
35. "SAMS" means Social Assistance Management System, a Harmony product, currently used as the state data system.
36. "Second-Tier (Tier II) subcontract" means a subcontract awarded by a first-tier subcontractor for the purpose of acquiring goods, services, supplies, components, or other items for performance of a contract.
37. "SOP" means Standard Operating Procedure.
38. "Third party in-kind contributions" means the value of non-cash contributions (i.e., property or services) that benefit a federally assisted project or program and are contributed by non-Federal third parties, without charge, to a non-Federal entity under a Federal award in accordance with 2 CFR 200.96.
39. "Title III" means programs under Title III of the Older Americans Act of 1965 as amended.
40. "Title III Administration" means administration of the programs for elderly Kentuckians under Title III of the Older Americans Act of 1965 as amended.
41. "Title III-B Supportive Services" means a service to provide community support to people age 60 years and older pursuant to the OAA as amended.
42. "Title III-E Caregiver Program" means the NFCSP which assists families to fulfill their roles as

caregivers, pursuant to the OAA as amended.

43. "Transportation" means transporting an individual from one location to another.

44. "Upon Request" means 1 business day for requests made in writing and within 1 hour for an onsite visit.

45. "Waiting List" means a formal list of persons determined eligible, and not yet receiving services.

SECTION 2. SCOPE OF WORK

2.00 Services Required

The Older Americans Act (OAA) directs each state to develop a comprehensive and coordinated network of providers who can offer services, opportunities, and protections for older Americans to help them maintain health and independence and to be able to continue to function as a part of their community. Title III of the OAA authorizes funding to state units on aging (SUA) which designate and make funds available to area agencies on aging (AAA) in their states. The SUA in Kentucky is the Department for Aging and Independent Living (DAIL). As authorized by section 305 of the OAA, Kentucky has designated the area development districts to be the area agencies on aging. AAAs identify local needs and fund local services to support older persons and caregivers in their service area. OAA funds are to be used to expand the range of community-based programs and services designed to maintain the independence of older persons in a home environment, to support caregivers, to fill gaps in existing services and to contribute to the development of a comprehensive and coordinated system of services.

Kentucky has established funding to support, through state dollars, homecare and nutrition programs for older adults – 910 KAR 1:180 and 910 KAR 1:190

2.01 Deliverables

- 1) Administrative and Financial
 - a) Utilize SAMS to record service data on participants.
 - b) Ensure all invoices with supporting documentation are submitted by the 8th day of each month by 4:30 p.m., Eastern Standard Time or the next business day if the 8th falls on a weekend day or a state holiday.
 - c) Provide the required local match as indicated in the most recent Request for Proposal.
 - d) Distribute client satisfaction surveys to measure outcomes and satisfaction. Client Satisfaction Surveys shall be available for review during monitoring or as requested by NKADD.
 - e) Provide documentation that all appropriate staff and volunteers have received training as indicated above.
 - f) Meet all criteria as outlined in the NKADD Standard Operating Procedures.

2.02 Reporting Requirements

- a) SAMS/Provider Direct
 - 1) Ensure all reported service unit data is accurately reflected and documented in SAMS prior to the invoices being submitted for reimbursement. Backup documentation should include the NKADD Summary Billing report.

2.03 Subcontractors

- 1) Second-tier subcontracts are prohibited.

2.05 Area Agency on Aging and Independent Living Responsibilities

Responsibilities of NKADD are largely defined by, but not limited to, the OAA Section 306:

- a) Provide, through a comprehensive and coordinated system, for supportive services, nutrition services, senior center services, and other services as designated by DAIL. Supportive Services include but are not limited to Adult Day, Advocacy, Assessment, Assisted Transportation, Case Management, Cash and Counseling, Chore, counseling, Education, Employment Services, Friendly Visiting, Health Promotion, Home Health Aid, Home Modification, Homemaker, Information and Assistance, Outreach, personal Care, Public Information, Recreation, Respite, Telephone Reassurance, and Transportation,
- b) Provide an adequate proportion of funds for the following categories of services:
 - 1) Services associated with access to services (transportation, health services (including mental and behavioral health services), outreach, information and assistance (which may include information and assistance to consumers on availability of services under part B and how to receive benefits under and participate in publicly supported programs for which the consumer may be eligible), and case management services);
 - 2) In-home services, including supportive services for families of older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction; and
 - 3) Legal assistance.
- c) Report to the State agency in detail the amount of funds expended for each service.
- d) Set specific objectives, consistent with State policy, for providing services and outreach to
 - 1) Older individuals residing in rural areas;
 - 2) Older individuals with greatest economic need;
 - 3) Older individuals with greatest social need
 - 4) Older individuals with severe disabilities;
 - 5) Older individuals with limited English proficiency;
 - 6) Older individuals with Alzheimer's disease and related disorders and their caretakers;
 - 7) Older individuals at risk for institutional placement; and
 - 8) Low-income minority older individuals.
- e) Coordinate planning, identification, assessment of needs, and provision of services for older individuals with disabilities, with particular attention to individuals with severe disabilities and individuals at risk for institutional placement, with agencies that develop or provide services for individuals with disabilities.
- f) Serve as the advocate for older individuals within the community.

g) The AAAIL shall collaborate with the Kentucky Department for Behavioral Health, Developmental and Intellectual Disabilities State level Mental Health and Aging Coalition and assist the local Mental Health and Aging Coalitions to reach the state level Coalition mission of educating the public, professionals, consumers, caregivers, and other stakeholders, regarding issues related to the aging process and mental health needs of older adults.

h) Cannot require more documentation of the direct service providers than DAAL requires of the District.

i) Limit the amount of paperwork required of the direct service providers, including using technology where applicable.

j) NKADD reserves the right to alter deadlines, deliverables and performance measures stated in this Contract if needed to comply with federal or state requirements, to improve the delivery of services, or to assist with the administration of this Contract.

2.06 General and Administrative Requirements

The Area Development District, through its Area Agency on Aging and Independent Living, shall administer all the programs and provide for all the services in accordance with all laws and/or requirements of federal, state, and local fire, health, safety, and sanitation and other standards prescribed in law or regulations; and the terms set forth in this contract, including, but not limited to:

a) Federal Law

1) This grant is subject to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards under 45 CFR Part 75. These requirements and additional terms and conditions that are applicable to this award can be found on the ACL website (<https://www.acl.gov/grants/managing-grant>) and include, but are not limited to, the following:

A) Federal Awardee Performance and Integrity Information System (FAPIIS)

B) HHS Grants Policy Statement, Part II

C) Trafficking Victims Protection Act

D) Federal Funding Accountability and Transparency Act (FFATA)

E) SAM / DUNS Requirements

F) Consolidated Appropriations Act, 2017, Pub. L. 115-31, signed into law on May 5, 2017

b) State Law

1) 910 KAR 1:140

2) 910 KAR 1:180

3) 910 KAR 1:190

4) KRS Chapter 13B – Hearing Procedures Relating to Area Agency on Aging Contractor Selection Actions.

5) KRS 116.048(1)(d) Voter

Registration 6) KRS 209.030

7) 910 KAR 1:210 (Robin)

8) KRS 216.541 Willful interference with representatives of Office of the Long-Term-Care Ombudsman prohibited - Retaliation against complainant prohibited - Penalty - Liability insurance for representatives of the ombudsman program.

c) Requirements by the Second party

1) Ensure that all services made available under this Contract are provided and maintained on a continuing basis throughout the fiscal year.

2) Ensure service is in place on the first day of the fiscal year.

3) Provide information, upon request of NKADD/DAIL, concerning all activities performed pursuant to this Contract, including but not limited to, periodic data reporting and data system input concerning program activities or any data that is required by applicable state or federal law.

4) Utilize the definitions of services provided by DAIL (also referred to as "taxonomy").

5) Assist NKADD/DAIL in conducting client surveys regarding aging services. This may include but not be limited to phone surveys, in person interviews, questionnaires, or longitudinal surveys. Results of any surveys will be shared with the District.

6) Attend meetings as scheduled by NKADD/DAIL, including in-person, telephonic and web-based meetings. When unable to attend, provide notification to NKADD/DAIL at least one (1) business day in advance to make arrangements with the meeting coordinator to gather information discussed at the meeting.

7) Employ appropriately qualified and trained staff sufficient to carry out the number of programs and types of services provided for participants and provide adequate supervision. **Maintain a written job description for each paid staff and volunteer position involved in direct service delivery.**

8) Establish Internet access and maintain at least one business email address that will be the primary receiving point for all email correspondence from NKADD. Contractor must notify NKADD of any email address changes within five (5) business days from the effective date of the change.

9) Provide at a minimum the equivalent insurance coverage for real property and equipment acquired or improved with funds under this contract. Contractors must provide proof of coverage to NKADD prior to the commencement, and throughout the grant period, upon request from NKADD.

10) Adhere to all deadlines, deliverables, and performance measures stated in this Contract, unless otherwise instructed. Failure to meet deadlines, deliverables, and/or performance measures may result in loss of funds. Willful submission of incomplete or incorrect materials by a deadline in order to meet the deadline and later submit a corrected version will not be acceptable for this Contract and may result in loss of funds.

11) **Treat the client in a respectful and dignified manner and involve the client and caregiver in the delivery of homecare services.**

12) **Permit staff of the cabinet and district to monitor and evaluate homecare services provided.**

13) **Assure that each paid or voluntary staff member meets qualification**

and training standards established for each specific contracted service.

14) Develop and maintain written personnel policies and a wage scale for each job classification

15) Designate a supervisor to assure that staff providing homecare services are provided supervision.

16) Ensure all services provided meet the taxonomy definition and follow the guidelines for billing.

17) Provide staff training and information as needed concerning topic and information supplied by the DAIL.

18) Ensure that CDC guidelines for infectious disease control are being followed and work with NKADD to mitigate the spread of infectious disease.

d) Required General Policies and Procedures

The Second Party shall maintain applicable written policies and procedures on the agency website that include but are not limited to the following:

1) Personnel, including salary, conditions of employment, and job descriptions relative to all personnel involved in the delivery of services under this Contract.

2) Continuity of services

3) Reporting abuse, neglect, and exploitation as indicated by KRS 209.030 within 24 hours of learning of such incidences.

4) Maintain written policies and procedures regarding the implementation and application of services provided, **ensuring there are not language barriers to accessing services by utilizing interpreter services for individuals in their preferred language.**

5) A disaster plan that shall include maintaining communications between the Area Development District staff during the time of a disaster unless telecommunication devices are rendered inoperable.

6) Identifying and serving older persons with the greatest economic or social need, with particular attention to low-income older individuals, including low-income minority older persons and older individuals with limited English proficiency.

7) Coordination and utilization of the services and resources of other appropriate public and private agencies and organizations.

8) Obtaining participants' views on the services they receive. Eligible participants' input must be sought and utilized in the planning of services. The service provider must have procedures for obtaining the views of participants about the services they receive. Client surveys, interviews using a structured method to obtain information, complaint reviews, Boards of Directors or Advisory Council with more than 50% of members over the age of 60 are methods to meet this requirement.

9) Methods to carry out activities to identify older individuals with greatest economic need who may be eligible to receive, but are not receiving, supplemental security income benefits under Title XVI of the Social Security Act, medical assistance under Title XIX of the Social Security Act, and benefits under the Food Stamp Act of 1977 or benefits under any other applicable

program. Contractors shall establish methods to assist older individuals in applying for such assistance and such benefits.

10) Procedures for inventory control in compliance with the uniform standards set forth in 2 CFR 200.310-200.316 governing the management and disposition of property which cost was supported by Grant funds.

11) Methods to assure that older persons are provided with volunteer opportunities.

12) Procedures for collecting, handling, counting and depositing contributions/program income for Title III and Homecare services. Voluntary contributions shall be allowed and may be solicited for all services for which funds are received under this Act if the method of solicitation is non-coercive. Contributions shall be encouraged for individuals whose self-declared income is at or above 185% of the poverty line.

13) Procedures for informing participants about voluntary contributions in accordance with the Older Americans Act Sec 315(b).

14) Procedures for encrypting all electronic communications containing Protected Health Information.

15) Ensure the retention of client-specific clinical records, in a secured location, for five (5) years after the last date of service and ensure their subsequent destruction by shredding or burning.

2.07 Financial Requirements

a) Budget/Unit Cost

1) Create a budget/unit cost that accurately reflects the actual cost to operate the nutrition site and a meal unit cost based on location and type of meal.

A) Ensure at least ninety percent (90%) of all funding provided through NKADD is used for service provision.

B) Changes to the budget/unit cost will be accepted when the following conditions are met:

(i) **the allocation changes by +/-10%**

(ii) **request for a unit cost change must be made prior to the end of the 3rd quarter and can only be one time during a fiscal year**

(iii) **unit cost increases cannot exceed 5% of the current unit cost unless documentation is provided that would warrant an additional increase.**

A) Ensure that Budget Narratives and/or unit cost breakout forms are included for all budgets submitted to NKADD on a form provided by NKADD. These forms shall be submitted to the ADD's Financial Liaison for approval. This includes initial budgets and any budgetary shifts requiring contract modification

B) The cost of operating, supplies, personnel, facilities, travel/training and any additional major cost categories must be included in the budget/unit cost submitted.

2) Adhere to the approved budget/unit cost, following outlined procedures for

amendments.

b) Cost Principles

The Second Party is responsible for efficient and effective administration of federal awards and should administer federal funds consistent with this agreement, program objectives, and the terms and conditions of the federal awards. All costs should be allowable, reasonable, and allocable. NKADD reserves the right to work with the Second Party to redesign a program to make it more cost effective and/or customized to a specific community.

1) Allowability of Costs

A) Funds cannot be used:

- (i) As match for another federal grant
- (ii) To influence political activities
- (iii) For the personal gain of an individual through gifts or cash payments
- (iv) For illegal activities or to purchase illegal products

B) Funds must be used:

- (i) For activities for which the grant is funded
- (ii) Documented properly

2) Reasonable Costs

A) The Second Party cannot pay more for something than any other entity would in the same circumstances.

(i) The Second Party is expected to:

- (I) Shop around
- (II) Buy the best quality at the best price
- (III) Seek guidance if unfamiliar with the quality and pricing of a product or service

3) Allocable Costs

A) Expenses must have a direct connection to the activities of this contract.

B) If an item or activity purchased benefits multiple programs, the costs must be reasonably split.

c) Direct/Indirect Costs

1) Direct costs are those costs that can be identified specifically with a particular award, or that can be directly assigned to funding activities relatively easily with a high degree of accuracy.

2) Indirect costs are those costs that cannot be identified specifically with a particular award.

d) Allowable/Unallowable Costs

1) Refer to CFR 200, 45 CFR Part 75, OMB Circular A-87, OMB Circular A-122 for a complete list and explanation of allowable/unallowable costs. Below represents a selection of the parameters most relevant to this contract:

A) Advertising and Public Relations Costs

- (i) Advertising costs are allowable when they are incurred for the recruitment

of personnel, the procurement of goods and services and any other specific purposes necessary to meet the requirement of the approved grant award.

(ii) Public relations costs are allowable when:

(I) Required by the grant award.

(II) Incurred to communicate with the public and press pertaining to specific activities or accomplishments that result from performance of the grant award.

B) Compensation of Personal Services

(i) If records do not meet the standards in 2 CFR 200.430, then Grantor may notify Contractor of the requirement to submit Personnel activity reports. See 2 CFR 200.430(i)(8). Personnel activity reports shall account on a fact basis for one hundred percent (100%) of the employee's actual time, separately indicating the time spent on the grant, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate official and coincide with a pay period. These time records should be used to record the distribution of salary costs to the appropriate accounts no frequently than quarterly.

(ii) The documentation standards for salary changes to grants as prescribed by 2 CFR 200.430, and in the cost principles applicable to the entity's organization (Paragraphs 7.4 through 7.7).

C) Fund Raising and Investment Management Costs

(i) Costs of organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions are unallowable, regardless of the purpose for which the funds will be used.

D) Food

(i) Meals or refreshments served during general staff meetings; board meetings; conferences; or a networking session are unallowable, unless otherwise stipulated in program administration.

E) Memberships, Subscriptions and Professional Activities

(i) Cost of memberships in business, technical and professional organizations are allowable providing they are relevant to the grant that is charged the expense.

(ii) Failure to meet the requirements for allowable costs will result in the refund of such ineligible costs to NKADD.

e) Match Requirements

1) Meet the match requirements through allowable costs and/or third party in-kind contributions, state funds, or local cash.

2) Provide substantial documentation including, but not limited to, volunteer forms, provider invoices, and floor plan with square footage in order to verify match.

3) Ensure that the application of funds shall be in accordance with requirements for match of the specific funding source, as referenced in 2 CFR 200.29 and 2 CFR 200.306.

4) The federal share of a project cost, as applicable, is earned only when the cost is accrued and the nonfederal share of the cost has been contributed. Receipt of federal funds (through reimbursement) does not constitute earning of these funds. If the Second Party is unable to provide the required local match, there will be a proportionate reduction of the federal allotment.

5) Corroborate match as part of the audit process when a program is subject to an audit under Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements for programs funded by state funds.

f) Third Party In-Kind (Non-Cash) Contributions

1) The valuation of third party in-kind (non-cash) contributions must be supported with adequate documentation to include, but not be limited to, documentation of size and value of space donated; total volunteer time spent and total value of time including hours and duties performed; and documentation of item contributed.

2) Third party in-kind contributions shall be defined as stated in 2 CFR 200.29, 2 CFR 200.96, 2 CFR 200.306 and its application shall be subject to applicable portions of this regulation, Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and contractual provisions.

3) Third party in-kind documentation shall be submitted with monthly invoices.

g) Program Income

1) The Second Party is encouraged to earn income to defray program costs where appropriate, subject to 2 CFR 200.307.

2) Provide all clients an opportunity to voluntarily donate toward the cost of services, as outlined in policies and procedures.

(i) Ensuring that eligible persons are not denied services due to their inability to contribute

(ii) Protecting the privacy of each older person with respect to contributions.

3) Account for, provide source documentation, and expend program income in accordance with 2 CFR 200.80, 2 CFR 200.307, and as further defined by the Administration on Aging (AOA) Policy.

4) Program income collected by a provider may be retained or submitted to the ADD, at the ADD's discretion (Services reimbursed with Federal Funds may not use program income as match.) If retained by the provider, a report of program income, by program, must be submitted to the ADD, with financial reports, for the ADD's approval.

5) All program income must be used for the expansion of services.

6) Program income must be used during the same budget period and in the same program, in which the income is earned.

7) Any interest income earned by the Second Party on any portion of the funds reimbursed under this agreement shall be used to expand services in the programs in which the interest is earned. It is also expressly understood that if interest income, earned from a specific fund dollar, is not expended for the same services in the same fiscal year in which it is earned, the funds shall be returned to the NKADD. Procedures to minimize the time elapsing between the transfer of funds and this disbursement by the ADD shall be maintained.

h) Documentation of Expenditures

- 1) Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and sub award documentation. All supporting documentation should be clearly identified with the award and general ledger accounts which are to be charged or credited.
- 2) Records of expenditures must be maintained for each Award by the cost categories of the approved Budget (including indirect costs that are charged to the Award), and actual expenditures are compared with the Budgeted amounts at least quarterly.
- 3) Ensure indirect depreciation expense on real property, as applicable, is charged correctly.
- 4) Ensure that back-up documentation is provided for any and all expenditures and revenue claimed on all invoices including but not limited to detailed payroll reports, subcontractor invoices, financial system generated reports, and any additional requested documentation. For all cost reimbursement type contracts, if more than 1/12th of the allocation is requested, detailed invoices supporting those expenses must be submitted with the invoice request. All in-kind contributions shall include, but may not be limited to, documentation of size and value of space donated; total volunteers time spent and total value of time; including hours and duties performed. In-kind documentation shall be submitted with monthly invoices.

i) Unexpended Funds

- 1) Make every effort to expend funds in time allotted. The Second Party shall communicate with NKADD frequently about the likelihood of unexpended funds in order for NKADD to identify opportunities for spending within the ADD or for reallocation.
- 2) Upon confirmation of final closure of audit, or final expenditure report, any funds remaining from the allocation shall be refunded to NKADD.

j) Responsibilities

- 1) Acknowledge that NKADD reserves the right to withhold payments under this Contract and provide services directly for the counties within the ADD if NKADD determines that the Second party's performance under this Contract has endangered the health, safety, or welfare of its clients or if NKADD determines the Second party has failed to comply with Federal or State Laws, including service requirements, regulations, or policies.
- 2) Acknowledge that if the Second Party fails to meet any individual component of these requirements, it shall have all reimbursement request(s) held regardless of funding source, program, and amount until such time as the budget report complies with all requirements set forth above.
- 3) Monitor and respond to any fiscal and/or program exceptions established by evaluation, monitoring and/or auditing of this Contract, and resolve promptly any monitoring, fiscal and program audit exceptions by making direct payment or reduction of future reimbursement, or by other methods approved by NKADD/DAIL.

k) Audit Requirements

- 1) The Second Party shall have a financial audit for the period ending June 30th of

the current year conducted in accordance with:

- l) Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements:
 - 1) Section 200.501 (a): non-federal entities that expend \$750,000 or more in a year in Federal awards shall have a single audit; or
 - 2) Section 200.501(d): non-federal entities that expend less than \$750,000 in a year in Federal awards are exempt from a single audit.
- m) Government Audit Standards, 2011 Revision, as issued by the Comptroller General of the United States, and
- n) Auditing standards generally accepted in the United States of America.
 - 1) The audit report shall contain a supplemental Department for Aging and Independent Living Schedule which summarizes Aging funds received by the ADD. The auditor must issue an opinion on this supplemental schedule. The schedule shall:
 - o) Present by program the revenues, expenditures, and excess (deficit) of revenues over expenditures. The totals of these programs are to be presented in a separate column. Matching funds are to be separated out by Local Cash, In-Kind, and Program Income.
 - p) Include an integral disclosure note that shall describe details of deferred revenue.
 - q) Include notes that describe accounting policies used in preparing the schedule.
 - r) Note if the Second Party elected to use the 10% de minimis cost rate as covered in Section 200.414 of Federal Register Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Section C: Subpart F Audit Requirements.
 - s) If the Second Party pays federal or state funds to vendors, contractors, or subcontractors who are not subject to the audit requirements of this contract, then the Second Party shall, at a minimum, provide the final expenditures reports of those entities.
 - t) If the Second Party is required to make revisions to its fourth quarterly report as a result of the audit, the revised quarterly report shall be marked as "Audited".
 - u) The auditor or audit firm shall be a member of the American Institute of Certified Public Accountants (AICPA) and be licensed by and registered with the Kentucky Board of Accountancy, which includes being enrolled in a peer review program. The audit firm's professional members shall maintain their professional proficiency through continuing education and training. Auditors assigned to the engagement shall maintain, at a minimum, the Continuing Professional Education (CPE) requirements of the current edition and official interpretations of Government Auditing Standards (a/k/a Yellow Book).
 - v) The Second Party shall ensure that the auditor, if in agreement with recommendations of the reviewer, makes timely revisions to the audit report or performs additional follow-up audit work in order to correct quality deficiencies, or if not in agreement, responds in writing why the review recommendation is not valid or not warranted.
 - w) The Second Party shall not pass-on to NKADD/DAIL or any program funded by

NKADD/DAIL the costs incurred by the independent auditor for time spent correcting deficiencies in audit reports.

- x) Any communications with those charged with governance from the independent auditor to the Second Party, immediately upon receipt, and in particular if there are issues or findings of:
 - i. Abuse, fraud, illegal acts, or noncompliance with provisions of laws, regulations, contracts, or grant agreements, which could have a direct and material effect on determination of financial statement amounts.
 - ii. Significant deficiencies or material weaknesses in internal control over financial reporting or major programs, or material questioned costs.
- y) Any correspondence from a federal agency with audit oversight to the Second Party that concerns financial or compliance issues of an audit, immediately upon receipt.
- z) For questions concerning audit requirements or requests for audit deadline extensions, please contact the NKADD contract specialist.
- aa) If the Second Party fails to meet any individual component of these requirements, all reimbursement requests shall be held for payment by NKADD/DAIL regardless of funding source, program, and amount until the audit report complies with all requirements set forth above.

2.08 Program Requirements

a) Service Population and Eligibility

1) Serve any person age 60 years or older in need of service in the project area regardless of other eligibility criteria normally in use by the Second Party. The Second Party may not impose a requirement as to duration of residency or citizenship as a condition of service. Service must be accessible and available to people with disabilities and limited English speaking older persons. Priority must be given to providing services that will assist and benefit older persons with the greatest social need, economic need, limited English Proficient.

2) Provide services to the following older adult demographic groups, at minimum, in proportion to their representation in the overall age 60+ population in their service area:

- A) Older individuals (60+) with greatest economic need;
- B) Older individuals (60+) with greatest social need;
- C) Low-income minority older (60+) individuals; and
- D) Older individuals (60+) with limited English proficiency.

3) Provide services throughout the entire service area for which funding is being awarded.

4) Agree that participant eligibility has been determined according to program regulations, prior to the provision of services and that required participant information including eligibility, units provided are entered into **the state data base currently known as SAMS but via Provider Direct**.

5) Ensure that participants meeting program eligibility requirements shall only be removed or denied services if said participant meets the requirements of 910 KAR

1:220 (7)(4)(b).

6) Ensure that services and information shall be offered to those participants that express a desire to pursue private pay designation.

7) Make the best use of existing resources, including but not limited to the following:

A) Incorporating the “informal” network into the services design;

B) Using volunteers and other available local resources as appropriate;

C) Leveraging local support from local municipalities, foundations, school districts, civic groups, fundraising, etc. to increase funds available and create stronger local ownership of the programs; and

D) Coordinating and complementing the existing formal service network – public, non-profit and for-profit.

b) Changes to Services

1) Notify NKADD in advance of any planned closure of the Second Party on a day that would normally be a working day (i.e. staff retreats, unofficial holidays). An agency calendar provided to DAIL is sufficient.

2) Notify NKADD as soon as a decision is made for an unplanned closure that will disrupt the provision of services.

3) Provide educational materials to each participant regarding substantial changes to the service delivery of programs within five (5) business days, when indicated to do so by NKADD.

c) Record Maintenance & Documentation

1) Ensure participant records are transferred appropriately, when necessary. Upon termination of this Contract, copies of all appropriate records of all active clients and/or participant data shall be provided to the new service provider in accordance with policy.

2) Ensure the retention of participant -specific records, in a secured physical or electronic location, for five (5) years after the last date of service.

3) Ensure that confidential data is destroyed in accordance with Federal, State, or local privacy laws and regulations.

4) Ensure that back-up documentation is provided for any and all expenditures and revenue claimed on all invoices including but not limited to detailed payroll reports, subcontractor invoices, financial system generated reports, and any additional requested documentation.

5) Ensure all participant documentation is available for review in the SAMS/Provider Direct system.

6) Ensure documentation is available at monitoring and upon request by NKADD/DAIL.

7) Submit required documentation electronically to aginghelp@nkadd.org unless otherwise instructed.

d) Training

1) Staff providing services under this contract, including staff of subcontractors, should be adequately trained to fulfill their duties.

2) Ongoing training should be provided by the Second Party and/or subcontractor to staff providing services under this contract. Topics should be relevant to the job

duties and population served. The number of hours of training should reflect the type of position (i.e. more training hours for a social worker or case manager).

3) Documentation of applicable training shall be available upon request and should indicate the training date, number of hours, training topic, the trainer, and validation by signature or electronic means (i.e. an email certificate or webinar screenshot).

4) All appropriate staff and volunteers shall be trained annually on preventing, identifying, and reporting abuse, neglect, and exploitation of older adults. Training should be provided by individuals or organizations with expertise in working with older adults and educated in elder justice.

5) Participate in web-based and virtual trainings as directed by NKADD/DAIL.

6) **Ensure homemakers providing in-home services are adequately trained.**

A) **Each new homemaker shall be provided a training course with a minimum of eight (8) hours of coursework. In addition, new employees shall shadow an experienced homemaker for at least eight (8) hours.**

- **Training topics shall include by not be limited to:**

- **Working with Older Adults**
- **Working with Individuals with Disabilities**
- **Client Confidentiality**
- **Maintaining a Clean and Safe Environment**
- **Recognizing and Reporting Abuse, Neglect and Exploitation**
- **Skills-related training to perform job duties**
- **Cultural humility**
- **Person-centered services**

- **Trainings for new employees shall be provided at a frequency that allows direct service providers to adequately hire and on-board staff in order to meet the needs of clients.**

7) **Homemakers shall be provided a minimum of eight (8) hours of training annually.**

8) **Persons employed as homemakers in programs funded through the Department for Aging and Independent Living on or before July 1, 2008 and working continuously since that date, may be deemed to have met training requirements.**

Each homemaker who produces proof of successful completion of Medicaid-approved aide training in a hospital, long-term care facility or home health agency shall be required to complete all units required by this policy, which were not included in the facility or home health curriculum.

Training may be provided by:

- A) **A recognized institution of learning such as a vocational school, a community college;**
- B) **An agency charged with the education of the public in health-related matters such as the American Red Cross;**
- C) **Or may be provided by the employing agency utilizing a designated coordinator and appropriate professional specialists as instructors;**

- D) **Instructors shall include a nurse; a social worker; a home economist; nutritionist or dietitian; professional or homemaker employees.**
- E) **The 8 hours of initial course work shall include the following components:**

An Overview of the Aging Population and Needs: Example topics may include but are not limited to the following:

- **Working with Older Adults**
- **Role of the Family**
- **Working with Individuals with Disabilities**
- **Death and Dying**
- **Cultural Humility**
- **Working with individuals with Dementia**

9) **A record of trainings and attendance must be kept and provided during monitoring or upon request.**

- A) **Records should adequately depict the subject, number of hours, and other pertinent information to assure these standards have been met.**
- B) **Provide documentation that all staff and volunteers have received training on Preventing, identifying and reporting abuse, neglect and exploitation of older adults.**

e) **Staffing**

- A) **Provide sufficient supervisory staff to ensure effective administration and coordination of the Homecare program.**

f) **Volunteers**

- 1) **Ensure volunteers that are providing direct service are trained on their role and the Federal, State, local, and contractual requirements of their duties.**
- 2) **Ensure volunteers performing the work of a paid staff position meet all qualifications of the position.**
- 3) **Maintain volunteer records including but not limited to training, total number of volunteers, training hours provided, job description, and work completed.**
- 4) **Provide or arrange for appropriate insurance coverage to protect volunteers from personal liabilities.**

g) **Acknowledgements**

- 1) **Ensure public awareness materials supported with federal funds and allocated to the Second Party through this Contract contain the following statement: "This information is made possible by state and/or federal funding provided by the Kentucky Department for Aging and Independent Living."**

2.09 Requirements Specific to In-Home Services

a) **Intake**

A) Acknowledges that the ADRC screening has been used to determine eligibility for federal/state programs and to provide community resources to potential participants.

b) Match Requirements

A) 15% of federal reimbursement which is calculated as Total Expenses * 15% or Federal request divided by 85% minus the Federal request. **Homecare (State) funds require a 7% match which is State request divided by 93% minus the State request.**

2.10 Monitoring Requirements

The ADD shall monitor and evaluate the performance of activities under Title III and Homecare in accordance with this Contract, 910 KAR 1:180; 910 KAR 1:220, 910 KAR 1:210, and all other federal and state laws, regulations, and licensure requirements.

- a) Notify Second Party within three (3) working days whenever such compliance is not met.
- b) **Ensure that client eligibility has been determined, according to each program regulation, prior to the provision of services and entered into SAMS prior to service implementation.**
- c) Provide training and technical assistance regarding corrective action plans as needed.
- d) Maintain all monitoring documentation and findings for review by DAIL.
- e) Provide training and technical assistance on all areas needed to be in compliance with this contract.
- f) **If the Second Party is monitored by the FDA an annual monitoring is not required.**

2.11 Related Documents and Materials Incorporated by Reference

KRS Chapter 13B Administrative Hearings KRS 45A Kentucky Model Procurement Code KRS 116.048 Voter registration agencies

KRS 147A.115 Annual reports of receipt and expenditure of state and federal funding

KRS 205.211 Secretary to correct any underpayment or overpayment of public assistance benefits KRS 209.030 Reports of adult abuse, neglect, or exploitation

KRS 216.541 Willful interference with representatives of Office of the Long-Term-Care Ombudsman prohibited - Retaliation against complainant prohibited - Penalty - Liability insurance for representatives of the ombudsman program

KRS 216.710 Personal services agencies

200 KAR 2:006 Employees' reimbursement for travel 910 KAR 1:140 Appeal Procedures

910 KAR 1:190 Nutrition program for older persons

910 KAR 1:210 Kentucky Long-term Care Ombudsman Program

910 KAR 1:220 General administration, programs for older individuals and persons with disabilities

SECTION 3-PRICING/INVOICING

a) Payments by NKADD to the Second Party shall be conditioned upon:

- 1) receipt of appropriate, accurate, and actual invoices along with backup documentation including source documentation,
 - 2) receipt of invoices by the stated deadline,
 - 3) continued satisfactory performance, as determined by NKADD, and
 - 4) the availability and allocation of local agency or governmental funds, or state or federal funds necessary to finance the performance of the services described in this Contract.
- 5) Payment by NKADD to the Second Party shall be made only after a review by NKADD program and financial staff.
- 6) Reimbursement of actual allowable expenditures shall be made in accordance with the approved budget.

b) Pursuant to KRS 205.211, the CHFS Cabinet Secretary has the authority to correct any underpayment or overpayment of public assistance benefits.

c) Requirements for Invoices

NKADD/DAIL shall recoup any funds it determines are unallowable, excessive, and unreasonable including administrative and program dollars. All costs must follow the guidelines set forth below:

1.--Must be necessary, reasonable and allocable to the program:

a.--Administrative funds may be utilized for an annual salary increment as allowable for eligible employees as part of a total compensation package, provided such payments are reasonable and are made according to a formal policy of the employee that is consistently applied regardless of the source of funds. The employee's base salary or wages shall thereby be increased by the amount of such increment.

b.--The Kentucky Constitution Section 3 prohibits bonuses. NKADD shall not reimburse for bonuses regardless of board approval. This prohibition extends to funds utilized as match for DAIL programs, regardless of fund source.

Invoices may be submitted between the 1st (1st) and eighth (8th) day of each month following the month of service to NKADD by the Second Party.

Invoice must be submitted on an NKADD approved invoice and include all backup documents that support the request being submitted.

If invoices are not received by the 8th, no approval or payment will take place until the following month's submission of invoices. In this event, individual monthly invoices are required and will not be accepted in a combined amount on a single invoice.

If notification of incorrect invoices is received, the Second Party will have two (2) business days to respond.

If invoices are not correct within fifteen (15) business days, payments will not be made until the following month with the submission of that month's invoice.

All services must be documented as required in Provider Direct/ SeniorStat and/or other program-specific systems.

Invoices for payment shall be submitted electronically and will be paid no later than thirty (30) calendar days after completion of the service period.

Payment shall be conditioned upon receipt of appropriate, accurate, and acceptable invoices submitted in a timely manner.

SECTION 4-CHFS GENERAL TERMS AND CONDITIONS

4.00-Memorandum of Agreement Standard Terms and Conditions

4.00.01-Contract Components and Order of Precedence

The Commonwealth's acceptance of the Contractor's offer indicated by the issuance of a Contract Award by the Department named on page 1 of this Contract and approved by the Division of Procurement and Grant Oversight the Finance and Administration Cabinet and filed with the Government Contract Review Committee shall create a valid Contract between the Parties consisting of the following:

1. This written agreement, all attachments thereto, and any subsequent written amendments to this Agreement; and
2. The Contractor's final written budget or proposal.

In the event of any conflict between or among the provisions contained in the Contract, the order of precedence shall be as enumerated above.

4.00.02-Changes and Modifications to the Contract

Pursuant to 200 KAR 5:311, no modification or change of any provision in the Contract shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the Contractor and the Commonwealth, and incorporated as a written amendment by the Department prior to the effective date of such modification or change. Modification shall be subject to prior approval from the Secretary of the Finance and Administration Cabinet, or this authorized designee, and the LRC Government Contract Review Committee. Memoranda of Understanding, written clarification, and/or correspondence shall not be construed as amendments to the Contract.

If the Contractor finds at any time that existing conditions make modification of the Contract necessary, it shall promptly report such matters to the Contract Specialist identified on page 1 for consideration and decision.

4.00.03-Notice

Unless otherwise instructed, all notices, consents, and other communications required and/or permitted by the Contract shall be in writing.

After the Award of Contract, all communications of a contractual or legal nature are to be in writing and sent to the Agency Contact Person, to be listed in the Extended Description of Commodity Line 1 of the resulting contract, with a copy to the Contract Specialist identified on page 1.

Notices made by the Department to The Contractor shall be sent to The Contractor Representative listed in the Extended Description of Commodity Line 1.

4.00.04-LRC Policies

Pursuant to KRS 45A.725, LRC has established policies which govern rates payable for certain professional services. These are located on the LRC webpage and would impact any contract established under KRS 45A.690 - 45A.725, where applicable.

A link to the LRC webpage is as follows:

See: <https://apps.legislature.ky.gov/moreinfo/Contracts/homepage.html>

4.00.05-Choice of Law and Forum

This section does not apply to governmental or quasi-governmental entities.

This contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought against the Commonwealth on the contract, including but not limited to actions either for breach of contract or for enforcement of the contract, shall be brought in Franklin Circuit Court, Franklin County, Kentucky in accordance with KRS 45A.245.

4.00.06-Authorized to do Business in Kentucky

The Contractor affirms that it is properly authorized under the laws of the Commonwealth of Kentucky to conduct business in this state and will remain in good standing to do business in the Commonwealth of Kentucky for the duration of any contract awarded.

If a foreign entity, The Contractor shall maintain certification of authority to conduct business in the Commonwealth of Kentucky during the term of this Contract. Such registration is obtained from the Secretary of State, who will also provide the certification thereof.

4.00.07-Registration with the Secretary of State by a Foreign Entity

Pursuant to KRS 45A.480(1)(b), an agency, department, office, or political subdivision of the Commonwealth of Kentucky shall not award a state contract to a person that is a foreign entity required by KRS 14A.9-010 to obtain a certificate of authority to transact business in the Commonwealth ("certificate") from the Secretary of State under KRS 14A.9-030. If the foreign entity is not required to obtain a certificate as provided in KRS 14A.9-010, the foreign entity should identify the applicable exception. Foreign entity is defined within KRS 14A.1-070.

4.00.08-Payment

The Contractor shall maintain supporting documents to substantiate invoices and shall furnish same if required by state government.

4.00.09-Expenses

Travel expenses, if authorized:

The Contractor shall be paid for no travel expenses unless and except as specifically authorized by the specifications of this Contract or authorized in advance and in writing by the Commonwealth. Either original or certified copies of receipts must be submitted for airline tickets, hotel bills, restaurant charges, rental car charges, and any other miscellaneous expenses.

Other expenses, if authorized herein:

The Contractor shall be reimbursed for no other expenses of any kind, unless and except as specifically authorized within the specifications of this Contract or authorized in advance and in writing by the Commonwealth.

If the reimbursement of such expenses is authorized, the reimbursement shall be only on an out-of-pocket basis. Request for payment of same shall be processed upon receipt from The Contractor of valid, itemized statements submitted periodically for payment at the time any fees are due. The Contractor shall maintain supporting documents that substantiate every claim for expenses and shall furnish same if requested by the Commonwealth.

4.00.10-Purchasing and Specifications

This section does not apply to governmental or quasi-governmental entities.

The Contractor certifies that he/she will not attempt in any manner to influence any specifications to be restrictive in any way or respect nor will he/she attempt in any way to influence any purchasing of services, commodities or equipment by the Commonwealth of Kentucky. For the purpose of this paragraph and the following paragraph that pertains to conflict-of interest laws and principles, "he/she" is construed to mean "they" if more than one person is involved and if a firm, partnership, corporation, or other organization is involved, then "he/she" is construed to mean any person with an interest therein.

4.00.11-Conflict-of-Interest Laws and Principles

The Contractor certifies that it is legally entitled to enter into this Contract with the Commonwealth of Kentucky, and by holding and performing this Contract, The Contractor will not be violating either any conflict of interest statute (KRS 45A.330-45A.340, 45A.990, 164.390), nor KRS 11A.040 of the executive branch code of ethics, relating to the employment of former public servants.

4.00.12-Campaign Finance

The Contractor certifies that neither The Contractor nor any member of The Contractor's immediate family having an interest of ten percent (10%) or more in any business entity involved in the performance of this Contract, has contributed more than the amount specified in KRS 121.056(2), to the campaign of the gubernatorial candidate elected at the election last preceding the date of this Contract. The Contractor further swears under the penalty of perjury, as provided by KRS 523.020, (i) that The Contractor represent, has knowingly violated any provisions of the campaign finance laws of the Commonwealth, and (ii) that the award of a contract to him/her or the company The Contractor represent will not violate any provisions of the campaign finance laws of the Commonwealth.

4.01-General

Provisions 4.01.01-

Headings

The section headings in this Contract are for reference and convenience only and shall not have any effect on the construction or legal effect of this Contract.

4.01.02-Assignment

This Contract shall be binding upon and inure to the benefit of the respective legal successors of the Parties. However, neither this Contract nor any rights or obligations hereunder may be assigned, in whole or in part, without the prior written consent of CHFS, Division of Procurement and Grant Oversight, and the Division of Accounting Services.

4.01.03-No Required Use of Contract

This Contract does not guarantee any minimum use of services. The Cabinet reserves the right to leave all, or any portion, of the contract unused and/or to establish other contracts for additional and/or related services.

The Commonwealth of Kentucky may undertake or award other contracts for additional or related work, services, supplies, or commodities, and The Contractor shall fully cooperate with such other contractors and Commonwealth employees. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Commonwealth employees.

4.01.04-Severability

It is understood and agreed by the Parties that if any part, term, or provision of this Contract is held by the courts to be illegal or in conflict with any law of the Commonwealth of Kentucky or of the United States of America, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the particular part, term, or provision held to be invalid, if the remainder of the Contract is capable of performance.

4.01.05-Indemnification

The Contractor shall indemnify and hold harmless CHFS and its agents, representatives, officers, directors, employees, insurers, successors, and assigns from and against any and all expenses, costs (including attorneys' fees), causes of action, liability, loss and/or damages suffered or incurred by it or any of them, that results from or arises out of (a) this Contract; (b) any and all acts of the Contractor and or its Subcontractor(s); (c) the policies and procedures of the Contractor, specifically including all Contractor employment practices employed by Contractor during the term of this or any prior Contract with CHFS; (d) any dishonest, fraudulent, criminal, or negligent or unauthorized acts or errors or omissions which are committed by Contractor or any of Contractor's employees or agents or Subcontractors; (e) the publication translation, reproduction, delivery, performance, use or disposition of any data produced by CHFS in an unauthorized manner, provided that such action was not taken by Contractor or as a result of the express written request of CHFS; or (f) Contractor's failure to comply with any

applicable state or federal laws or regulations. Provided, however, in the event the Contractor is an agency of the Commonwealth of Kentucky, the state agency's liability shall be governed instead by KRS 49.010 through KRS 49.180 and limited to any award from the Kentucky Claims Commission up to the jurisdictional amount.

4.01.06-Sovereign Immunity

The Parties expressly agree that no provision of this Contract constitutes a waiver by CHFS or the Commonwealth of Kentucky of any immunities from suit or from liability that CHFS or the Commonwealth of Kentucky may have by operation of law.

4.01.07-Force Majeure

Neither Party shall be liable for public utility performance (e.g., Postal Service, Telephone, or Water Company) or for the consequence of public utility non-performance. Events or conditions beyond the reasonable control of the Parties, such as natural disasters, fires, floods, elements, transportation crashes, a pandemic requiring the issuance of a State of Emergency Declaration by the Governor of the Commonwealth of Kentucky, or utility failures shall not be construed as non-performance, nor shall reductions be applied as a result of such events, provided that CHFS shall have the right to obtain the necessary services elsewhere in the event of such non-performance by the Contractor and the Parties shall negotiate in good faith any appropriate offset to the compensation payable under this Contract. The Contractor shall cooperate and shall require that any Subcontractor cooperate with CHFS in such event. The existence of such causes of delay or failure will extend the period of performance in the exercise of reasonable diligence until after the causes of delay or failure have been removed. Each Party must inform the other, orally or in writing, as soon as possible of the existence of a force majeure event. In order to preserve this right as a defense each Party must inform the other in writing, with confirmation of receipt, within twenty (20) business days of the existence of a force majeure event or otherwise waive this right as a defense.

4.01.08-Maintenance of Insurance

During the term of this Contract, The Contractor shall maintain and shall require any Subcontractor to maintain their directors and officers liability insurance, Workers' Compensation insurance, employer liability insurance, and such other liability insurance as reasonably necessary in The Contractor's business judgment to provide adequate coverage against losses and liabilities attributable to the respective acts or omissions of The Contractor and the Subcontractor(s) in the performance of this Contract. The Contractor shall provide or cause to be provided and shall require any Subcontractor to provide or cause to be provided evidence of such coverage upon request.

To the extent that The Contractor and any Subcontractor are not self-insured, each shall, in any event, name CHFS as an additional insured on any policy of coverage, with the exception of the Workers' Compensation and any reinsurance. The Contractor and any Subcontractor shall notify CHFS of the evidence of insurance coverage within five (5) business days of coverage. Notice shall be sent in writing to the Department. CHFS shall not be responsible for any premiums or assessments on the policy or policies held by The Contractor or any Subcontractor under this Contract. CHFS may, at its sole option, pay one or more premiums, if it decides that to do so would be in the best interest of the Cabinet. Should CHFS exercise this

option, it shall be fully reimbursed by The Contractor, either by The Contractor directly or by an offset against future payments.

The Certificate of Insurance for any policy other than self-insurance or any reinsurance must require that the insurer shall not cancel the coverage without thirty (30) days prior written notice to CHFS.

The Contractor shall notify CHFS within five (5) business days of any cancellation or interruption of The Contractor or Subcontractor's insurance coverage. CHFS shall require in any subcontracts that the Subcontractor provide such notice within five (5) business days to The Contractor and CHFS. The Contractor shall assure and require that any Subcontractor assure that insurance is in effect at all times during the life of this Contract. If their respective insurance coverage expires at any time during the term of this Contract, The Contractor and any Subcontractor shall provide at least thirty (30) calendar days prior to the expiration date, to the extent possible, a new Certificate of Insurance evidencing coverage as provided herein for not less than the remainder of the term of this Contract.

4.01.09-Licensure, Certification, and Registration

The Contractor shall:

1. Ensure that all appropriate licenses, registrations, and/or certifications necessary are maintained at all times to the extent such are required for performance under this Contract;
2. Ensure that it has readily accessible copies of licenses, registration, and/or certifications necessary; and
3. Produce copies of any required license, registration, and/or certification at the request of CHFS or the Cabinet's designee.

4.01.10-Permits, Licenses, Taxes, and Laws

The Contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations, and ordinances of all federal, state, and local governments in which work under this Contract is performed.

To the extent required by law, The Contractor shall pay any sales, use, personal property and income taxes arising out of this Contract and the transaction contemplated hereby. Any other taxes levied upon this Contract, the transaction, or the equipment or services delivered pursuant hereto shall be borne by The Contractor.

4.01.11-Legal Proceedings

Except as specifically disclosed in writing to CHFS by The Contractor, prior to the date of this Contract, The Contractor certifies there are no suits, investigations, or other proceedings pending or threatened against The Contractor or any Subcontractor that would have a material effect on The Contractor's ability to perform under this Contract, or on Subcontractors ability to perform under their respective subcontracts, if applicable. Further, The Contractor shall use its best efforts to notify CHFS within one (1) business day, and in writing within three (3) business days, of all suits, investigations, or other proceedings involving The Contractor related to this Contract. The Contractor shall send written notice to the Department.

4.01.12-No Grant of Employment or Agency

Nothing in this Contract shall be construed, in any way, as granting to any individual providing services under the Contract any of the claims, privileges, or rightsestablished or recognized under KRS Chapter 18A or KAR Title 101.

At no point shall any individual providing services under this Contract be considered a full-time or part-time employee of CHFS, for any purpose, including but not limited to unemployment, taxes, withholding, health insurance, liability, retirement, Workers' Compensation, vacation, sick or other leave, the Family Medical Leave Act, accrued benefits, evaluations, or any other purpose. At all times, any such individual shall be considered and deemed to be an employee, volunteer, or independent contractor of the Contractor.

In no event shall any employee, volunteer, or independent contractor of the Contractor be deemed to be a third-party beneficiary of this Contract or an agent or an employee of the Commonwealth.

4.01.13-CHFS Discrimination Prohibited in Service Provision (Because of Race, Religion, Color, National Origin, Sex, Disability, Age, Political Beliefs or Reprisal or Retaliation for prior Civil Rights Activity or other Federal, State, or Local Protected Class)

Discrimination (because of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability) is prohibited. During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against anyone applying for or receiving assistance or services based on race, religion, color, national origin, sex, disability, age, political beliefs or reprisal or retaliation for prior civil rights activity or any other protected class identified in federal, state or local laws. the Contractor agrees to comply with the provisions of the Kentucky Civil Rights Act, the Americans with Disabilities Act of 1990 as Amended (ADA), Section 1557 of the Patient Protection and Affordable Care Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, as applicable, and all other applicable federal, state and local regulations relating to prohibiting discrimination.

2. The Contractor will take action to ensure that service applicants and recipients are given services in the same manner, based on eligibility, and are not based on membership in a protected class: denied aid, care, services, or other benefits provided under this Contract; subjected to segregation or different treatment in any matter related to receipt of assistance; restricted in any way in the enjoyment of any advantages or privileges enjoyed by others receiving similar services; given different treatment in determining eligibility; or meeting other requirements or conditions that must be met to receive benefits.

3. The Contractor agrees to post in conspicuous places, available to program or service applicants or recipients, notices setting forth the provisions of this non-discrimination clause.

4. In all program or service solicitations or advertisements placed by or on

behalf the Contractor will state that they will not discriminate against anyone applying for or receiving assistance or services based on race, religion, color, national origin, sex, disability, age, political beliefs, or reprisal or retaliation for prior civil rights activity, or any other protected class identified in federal, state, or local laws.

5. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be cancelled, terminated or suspended in whole or in part, and such other sanctions that may be imposed and remedies invoked as provided in or as otherwise provided by law.

6. In compliance with the prohibition against Disability discrimination and in compliance with the implementing guidance for the Americans with Disabilities Act issued by the Department of Justice, the Contractor agrees to provide, free of charge, appropriate accommodations for applicants or recipients with disabilities, including auxiliary aids and services for persons with disabilities who require alternative means of communication.

7. In compliance with the prohibition against National Origin discrimination and, by extension discrimination based on Limited English Proficiency (LEP), the Contractor agrees to provide meaningful language assistance measures free of charge to program or service applicants or recipients with Limited English Proficiency. The language services shall:

A. Be consistent with the general guidance document issued by the Department of Justice, which sets forth the compliance standards recipients of federal financial assistance must follow to ensure that LEP persons have meaningful access to the program's services and activities;

B. Have a method of identifying LEP individuals; and

C. Provide language assistance measures (e.g., oral interpretation and written translation services; training of staff; note to LEP persons of availability of language access assistance; monitoring compliance, etc.).

4.01.14-Staffing

Any individual providing services under this Contract must not be included on any formal registry or listing that is required by law and which relates to abuse, neglect, sexual offenses, or other inappropriate practices or which, in any way, prohibits their employment for or performance of the services required herein, including but not limited to the nurse aid abuse registry and the Child Abuse Prevention and Treatment Act registry. In the event of any such listing or registration, the Contractor shall immediately notify CHFS.

Any individual providing services under this Contract must not be prohibited or debarred from providing services or participating in any state or federal governmental program, including but not limited to the Medicare and Medicaid programs. In the event of any such prohibition or debarment, the Contractor shall immediately notify CHFS.

4.02-Contract Performance

4.02.01-Service Delivery Requirements

All services provided by the Contractor under the terms and conditions of this Contract shall be delivered in accordance with:

1. All applicable federal and state statutes and regulations as they are currently in effect;
2. All commitments and assurances as set forth in all CHFS grant awards with respect to goals, strategies, funding, and outcomes made by the Commonwealth as required by and contained in grant applications to federal agencies, foundations, and other agencies providing grant funding and in the resulting award notices from those agencies; and
3. All final federally-funded grant award terms and conditions, including federal reporting and expenditure requirements, for any federally-funded proposed project developed jointly by the Contractor and CHFS and submitted to a federal agency.

4.02.02-Total Amount of Funds and Budget Revisions

CHFS shall have the right to recoup the amount of any overpayment, regardless of the reason for the overpayment. Any reconciliation or settlement of fund balances contained in the Summary Line Item Section of this Contract shall be negotiated between CHFS and the Contractor and determined as soon as feasible before the end of the scope of work as set forth under the Contract.

The Contractor shall not request a budget revision within the last sixty (60) days of the contract period.

4.02.03-Subcontractors

Sub-contractors are allowable to ensure all services can be completed. Before engaging a Subcontractor not identified in the Contractor's response or replacing a Subcontractor identified in the Contractor's response, the Contractor will notify the agency and provide the agency with information regarding the proposed Subcontractor, including but not limited to, the proposed Subcontractor's relevant qualifications, experience, and key personnel. The agency reserves the right to approve or disapprove any Subcontractor proposed by the prime Contractor; such approval shall not be unreasonably withheld.

All references to the Contractor shall be construed to encompass both the Contractor and any Subcontractors of the Contractor.

4.02.03.01-Responsibility for Subcontractor Contract Requirements

The Contractor shall have a Contract with any Subcontractor that the Contractor contracts with to meet the statement of work, method of payment, and deliverables of this Contract that specifies the responsibilities of the parties and the cost. In addition, the Contractor's Contract with the Subcontractor shall specify that all requirements of this Contract are applicable and binding on the Subcontractor. Any plan to subcontract any of the provisions of this Contract must be set forth in the

Contractor's proposal for the delivery of products or services and included in the body of the contract in the Subcontractor's section. The Subcontractor must make available to the Contractor and to CHFS, if requested, copies of personnel records and documentation of employees' compliance with the terms and conditions of this Contract.

No obligation or right of the Contractor under this Contract shall be subcontracted to another, without prior written approval, of CHFS after CHFS has had the opportunity to review all contract documents setting forth the terms and conditions for the subcontract. the Contractor, upon the Cabinet's request, shall submit the subcontract for approval to the Contract Specialist identified on page 1.

4.02.03.02-Subcontractor Monitoring Requirements

The Contractor shall monitor Subcontractors for programmatic and fiscal compliance with the terms and conditions of this Contract and those specific provisions set out under the Contractor's contract with the Subcontractor. The Contractor agrees to utilize restraints or requirements imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and State laws regulations, and terms and conditions of the federal grant award in contracting with Subcontractors.

The Contractor further understands and agrees, and shall ensure that any Subcontractor understands and agrees, that CHFS and any of its duly authorized agents or representatives shall have access to any books, documents, papers, records, or any other materials that are pertinent to this Contract or Subcontract, for the purposes of making monitoring, auditing, examination, excerpts, and transcriptions.

4.02.04-Indirect Cost

Except as otherwise authorized by this Contract, no indirect costs shall be reimbursed.

4.02.05-Financial Record Retention

The Contractor agrees to maintain all records pertaining to this Contract for a period of not less than three (3) years after all matters pertaining to this Contract (e.g., audit, settlement of audit exceptions, disputes, etc.) are resolved in accordance with applicable federal and/or state laws, regulations, and policies (except as may otherwise be specified in this Contract).

4.02.06-Confidential Information (This section is mutually agreed upon.)

The Contractor shall comply with the state and federal rules and regulations governing access to and use of information and data provided by CHFS or collected by the Contractor, and will use such information or data only for those purposes expressly delineated, defined, and authorized in this Contract. The Contractor shall comply with the applicable provisions of the Privacy Act of 1974, 5 U.S.C. § 552a. The Contractor shall instruct its employees to use the same degree of care as it uses with its own data to keep confidential information concerning client data, the business of the Commonwealth, its financial affairs, its relations with its citizens and its employees, as well as any other information that may be specifically classified as confidential by the Commonwealth in writing to the Contractor. The Contractor agrees to ensure that all confidential information and data shall remain confidential. The Contractor shall have an appropriate agreement with its employees to that effect.

Any dissemination of information about projects funded and the scope of work described in the terms and conditions of this Contract, must be fully documented and reviewed by the Cabinet's project manager before any representation, electronic or otherwise, of projects, their funding sources, use of data, or data analyses may be posted to a web page or otherwise published.

The Contractor shall permit unrestricted access on demand to personnel of the Cabinet, the Office of the Attorney General, the Office of the Auditor of Public Accounts, and any representative of a government funding agency authorized to review records for audit or investigation purposes to its current policies and procedures for ensuring compliance with these confidentiality requirements, the confidentiality agreements with its personnel, and Subcontractor confidentiality assurances.

The foregoing will not apply to:

1. Information that the Commonwealth has released in writing from being maintained in confidence;
2. Information that at the time of disclosure is in the public domain by having been printed and published and available to the public in libraries or other public places where such data is usually collected; or
3. Information that, after disclosure, becomes part of the public domain as defined above, through no act of the Contractor; or
4. Information required to be disclosed by law.

The Contractor shall have an appropriate agreement with its Subcontractors extending these confidentiality requirements to all Subcontractors' employees.

4.02.07-HIPAA Confidentiality Compliance

The Contractor agrees to abide by the "HIPAA Privacy Rule," 45 CFR Parts 160 and 164 established under the Health Insurance Portability and Accountability Act, Public Law 104-191 (42 USC 1320d).

4.02.08-Response/Compliance with Audit Findings

The Contractor shall take action to ensure its or a Subcontractor's compliance with or correction of any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle relating to the services and deliverables or any other deficiency contained in any audit, review, or inspection conducted under this section. This action will include Contractor's delivery to CHFS, for CHFS' approval, a Corrective Action Plan that addresses deficiencies identified in any audit(s), review(s), or inspection(s) within thirty (30) calendar days of the close of the audit(s), review(s), or inspection(s).

The Contractor shall bear the expense of compliance with any finding of noncompliance under this section that is:

1. Required by a Kentucky or Federal law, regulation, rule, or other audit requirement relating to The Contractor's business;
2. Performed by The Contractor as part of this Contract; or
3. Necessary due to The Contractor's noncompliance with any law, regulation, rule, or audit requirement imposed on The Contractor; or
4. Deficiencies may also result in the assessment of penalties as described in Section 4.02.10-Performance-Based Penalties.

4.02.09-Research Project Approval and Institutional Review Board Requirements

Any proposed research project undertaken under the terms and conditions of this Contract shall follow the procedures and protocols established under 920 KAR

1:060that provide for a Cabinet review of research projects supported or funded in whole or in part through CHFS. If the proposed research project involves human subjects, it shall comply with federal regulations 45 CFR 46 and the requirements of the Cabinet's Institutional Review Board for the Protection of Human Subjects, which CHFS is required to establish and maintain to protect the rights and welfare of human subjects of research conducted or sponsored by CHFS. The project manager assigned by CHFS will provide all documentation and protocols for review and approval by the CHFS Institutional Board. No research may begin until such time as the Board reviews and approves the project.

4.02.10-This section left blank

4.02.11-Performance and Evaluation

CHFS may complete a Performance Evaluation (PE) once a year to document contract performance. PE documents will be entered into the Commonwealth's electronic financial system (eMARS). Performance documented by PE may be considered when making future awards. To obtain a copy of the PE documents completed for this Contract, contact the Contract Specialist identified on page 1.

4.02.12-Business Continuity, Disaster Recovery, and Information Security Requirements

The Contractor shall maintain and implement a Business Continuity Plan, Disaster Recovery Plan, and Information Security Plan, which shall detail the steps The Contractor will take in the event of an outage or failure of either The Contractor's or CHFS' data or communication or technical support system. Such plans shall enable The Contractor to continue to meet all requirements of CHFS. The Contractor shall provide a copy of its plans upon request. All costs associated with activating and sustaining execution all plans shall be borne solely by The Contractor.

4.02.13-Protection of Personal Information Security and Breach Investigation Procedures and Practices Act

When applicable, contractors that receive Personal Information as defined by and in accordance with Kentucky's Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, KRS 61.932, KRS 61.933, and KRS 61.934, (the "Act"), shall secure and protect the Personal Information by, without limitation, complying with all requirements applicable to non-affiliated third parties set forth in the Act.

The Contractor hereby agrees to cooperate with the Commonwealth in complying with the response, mitigation, correction, investigation, and notification requirements of the Act.

The Contractor shall notify as soon as possible, but not to exceed seventy-two (72) hours, the contracting agency, the Commissioner of the Kentucky State Police, the Auditor of Public Accounts, and the Commonwealth Office of Technology of a determination of or knowledge of a breach, unless the exception set forth in KRS 61.932(2)(b)2 applies and the Contractor abides by the requirements set forth in that exception. If the agency is a unit of government listed in KRS 61.931(1)(b), the Contractor shall notify the Commissioner of the Department of Local Government in the same manner as above. If the agency is a public school district listed in KRS 61.931(1)(d), the Contractor shall notify the Commissioner of the Department of Education in the same manner as above. If the agency is an educational entity listed under KRS 61.931(1)(e), the Contractor shall notify the Council on

Postsecondary Education in the same manner as above. Notification shall be in writing on a form developed by the Commonwealth Office of Technology.

The Contractor hereby agrees that the Commonwealth may withhold payment(s) owed to the Contractor for any violation of the Identity Theft Prevention Reporting Requirements.

The Contractor hereby agrees to undertake a prompt and reasonable investigation of any breach as required by KRS 61.933.

Upon conclusion of an investigation of a security breach of Personal Information as required by KRS 61.933, the Contractor hereby agrees to an apportionment of the costs of the notification, investigation, and mitigation of the security breach.

In accordance with KRS 61.932(2)(a) the Contractor shall implement, maintain, and update security and breach investigation procedures that are appropriate to the nature of the information disclosed, that are at least as stringent as the security and breach investigation procedures and practices established by the Commonwealth Office of Technology:

See:

<http://technology.ky.gov/ciso/Pages/InformationSecurityPolicies,StandardsandProcedures.aspx>
[x](#)

4.03-Breach and Contract Termination

4.03.01-Remedies for Breach

It is agreed by the Parties that in the event of breach of contract by the Contractor, CHFS may pursue any remedy available to it pursuant to this Contract, or to the provisions of KRS Chapter 45A, or any remedy that is available to it by law. The remedies available to CHFS may be invoked without regard to the existence of any other available remedy, and may include the enforcement of any holdback provision or payment of any specified liquidated damages by the Contractor to CHFS for noncompliance as provided for in this Contract.

4.03.02-Transition/Turnover

In the event CHFS requires a transition after a non-renewal or termination by either party, CHFS shall notify The Contractor at the same time CHFS serves notice of the non-renewal or termination, as the case may be.

Upon receipt of notice of termination of the Contract from CHFS, The Contractor shall provide any turnover assistance reasonably necessary to enable CHFS or its designee to effectively close out the Contract and move the work to another Contractor or to perform the work by itself.

The Contractor shall:

1. Provide detailed transition documents at no additional cost to CHFS.
2. Be responsible for the orderly transition of work and the accuracy of data in coordination with the new Contractor. CHFS shall ensure the cooperation of the new Contractor to facilitate a smooth transition.
3. Within ten (10) calendar days after written notification by CHFS of the initiation of transition, provide a detailed Transition Document. Upon receipt of

the detailed Transition Document by CHFS, CHFS shall review the document and within fourteen (14) calendar days provide written instructions to The Contractor as to the packaging, documentation, delivery location, and delivery date of all records, as needed to provide orderly transition. If CHFS determines upon review that the Transition Document is missing necessary information, CHFS shall provide The Contractor written instructions as to the information that is still needed, and The Contractor shall amend the Transition Document to include the necessary information.

4. Deliver a full and complete accounting and report as of the date of termination about the status of services. This report shall be provided to CHFS within twenty-one (21) days of the effective date of termination.

5. Transfer all documents and records of every kind, including electronic, microfilm, paper, or otherwise, in their possession that pertain to this Contract, including but not limited to, all those listed in the contract, within twenty-one (21) days of the effective date of termination. All documents shall be in a CHFS-approved format.

6. Provide reasonable and appropriate assistance to CHFS and its designee(s) regarding the contents of such documents and records, and shall provide reasonable and appropriate reference materials, including data models and file documentation. This assistance shall be provided to the CHFS within twenty (20) days of the effective date of termination.

7. Pay any and all additional costs incurred by CHFS that are the result of The Contractor's failure to provide the requested records, documents, data or materials within the time frames agreed to in the Transition Document.

4.04-Miscellaneous Provisions

4.04.01-Advertising Award Prohibition

The Contractor shall not refer to the Award of Contract in commercial advertising in such a manner as to state or imply that the firm or its services are endorsed or preferred by the Commonwealth of Kentucky.

4.04.02-Bankruptcy

In the event the Contractor becomes the subject debtor in a case pending under the Federal Bankruptcy Code, the Commonwealth's right to terminate this Contract may be subject to the rights of a trustee in bankruptcy to assume or assign this Contract. The trustee shall not have the right to assume or assign this Contract unless the trustee:

1. Promptly cures all defaults under this Contract;
2. Promptly compensates the Commonwealth for the monetary damages incurred as a result of such default; and
3. Provides adequate assurance of future performance, as determined by the Commonwealth.

4.04.03-Code of Ethics

The Contractor and all professional personnel who may provide services under this Contract or any subcontract with the Contractor shall be familiar with and abide by any and all code of ethics or conduct as designated by CHFS that have been established by a national or regional association and are generally recognized as being applicable. Failure of the Contractor to abide by the applicable code of ethics shall result in the immediate termination of the contract.

4.04.04-Notices and Pamphlets

All notices, employment, advertisements, information pamphlets, research reports, and similar public notices prepared and released by the Contractor, pursuant to this Contract, shall include a statement identifying the appropriate source of funds, for the project or service, including but not limited to, identifying whether the funding is in whole or in part from federal, CHFS, or other state funds.

4.04.05-Scientific Misconduct

The Contractor shall set out a procedure for the inquiry, investigation, appeal, and disposition of complaints alleging misconduct in activities involving any and all research projects funded, in whole or in part, with federal funds included in this Contract, and as authorized under the Public Health Services research grants. Such policies and procedures shall be in accordance with the provisions of 42 CFR Part 50 and 900 KAR 1:080, as amended, and shall be made available, upon request, to CHFS. The Contractor shall immediately report to CHFS any activity reported to The Contractor under these terms and conditions. Notice shall be sent in writing to the Department.

4.04.06-Intellectual Property

The Contractor agrees that any formulae, methodology, or other reports and compilations of data provided by the Department to The Contractor for the purposes of meeting the terms and conditions of this Contract shall be the exclusive property of CHFS, unless the specific ownership of any proposed or developed formulae, methodology, or other reports and compilations of data is otherwise identified in any Attachment(s). The Contractor further agrees that any formulae, methodology, other reports and compilations of data prepared or produced by The Contractor during the course of work pursuant to this Contract shall be made available to CHFS for the Cabinet's use upon request and without charge. Any use of these materials other than for the purposes of meeting the terms and conditions of this Contract must be reviewed and approved in advance by CHFS.

If any of these materials are included in any publication, training materials, or presentations, or for any other type of release of this material other than for the purposes of meeting the terms and conditions of this Contract, appropriate credit for the funding source must be given. This provision shall be included in any subcontract, including contracting for staff, issued by The Contractor under this Contract.

Any proposed project under the scope of work for any of the Projects set forth under the Summary Line Item Section in this Contract shall include specific documentation and justification for titles of ownership as:

1. Patents;
2. Trademarks as proposed or registered with the U.S. Patent and Trademark Office; or

3. Copyrights proposed or certified with the Library of Congress, U.S. Copyright Office.

4.04.07-Certification Regarding Drug-Free Workplace

The Contractor hereby certifies that it will, or will continue to, provide a drug-free workplace in accordance with 2 CFR Part 182. The Contractor shall at a minimum:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited

from The Contractor's workplace and specifying actions that will be taken against employees for violation of such prohibition;

2. Establish an ongoing drug-free awareness program to inform employees about:

A. The dangers of drug abuse in the workplace;

B. The Contractor's policy of maintaining a drug-free workplace;

C. Available drug counseling, rehabilitation, and employee assistance programs; and

D. The penalties that may be imposed upon employees for drug abuse violation.

4.04.08-Data Use Agreement

Not Required

4.04.09-Business Associate Agreement

A Business Associate Agreement has been determined to be unnecessary for this Agreement.

4.04.09-Record Checks

A current and satisfactory criminal record check that is satisfactory with no convictions or outstanding charges which would constitute a disqualifying offense under 900 KAR 1:009. A criminal record check shall be completed through the Kentucky State Police Information Center or the Administrative Office of the Courts. If an individual providing services under the contract has resided or worked in a state other than Kentucky a satisfactory records check shall be required of those states as well.

SECTION 5-FEDERAL REQUIREMENTS

If federal funds are utilized, the Contractor is responsible for complying with all provisions of 2 CFR Part 200, Appendix II, regarding Contract provisions for non-federal entity Contracts under federal award.

The following terms shall apply:

5.00-Certain Provisions Contained Within 2 CFR, Part 200, Appendix II

5.00.01-Clean Air Act and Federal Water Pollution Control Act

The Contractor and Subcontractors shall agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq., and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq. Violations shall be reported to the HHS and the appropriate Regional Office of the Environmental Protection Agency.

5.00.02-Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, Lower Tier Covered Transactions

In accordance with Federal Acquisition Regulation 52.209-5 and 2 CFR 180, the Contractor shall certify, by signing the Contract, that to the best of its knowledge and belief, the Contractor and/or its Principals is (are) not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency.

For the purposes of this certification, "Principals," means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of subsidiary, division, or business segment, and similar positions).

The Contractor shall be compliant with 2 CFR 180 at the time of award and throughout the contract period.

5.00.03-Certification of Lobbying Activities

The Contractor shall disclose any lobbying activities in accordance with Section 1352, Title 31, U.S. Code. The Contractor certifies, to the best of his or her knowledge and belief, that:

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

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

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation

of fact upon which reliance was placed when this transaction was made or entered into.

Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

5.00.04-Equipment

For reimbursement type contracts, the Contractor shall not purchase equipment or property with contract funds, unless and except as specifically authorized under the scope of work and specifications of this Contract.

Equipment and property reimbursed by CHFS for the purposes of fulfilling the requirements of this Contract, and that may include, but not be limited to, furniture, computer software, computer hardware, office equipment, and supplies with any single item purchase of \$5,000.00 or greater (capital expenditures), requires prior approval by the Cabinet and the federal agency before the federal government will allow the costs in accordance with [2 CFR, Part 200](#).

5.01-Subrecipient Provisions

This Contract has been identified as a sub-recipient agreement. The Contractor (subrecipient) and all lower tier sub-recipients shall comply with the provisions of 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit

Requirements for Federal Awards (Uniform Guidance), and the federal funding agency implementing regulations, in their entirety.

Federal agency implementing regulations for the Uniform Guidance are located as follows:

[2 CFR Part 300](#), Department of Health and Human

Services [2 CFR Part 400](#), Department of Agriculture

[2 CFR Part 800](#), Department of Veterans

Affairs [2 CFR Part 900](#), Department of Energy

[2 CFR Part 1500](#), Environmental Protection Agency

[2 CFR Part 2200](#), Corporation for National and Community

Service [2 CFR Part 2400](#), Department of Housing and Urban

Development [2 CFR Part 2800](#), Department of Justice

[2 CFR Part 2900](#), Department of Labor

Unless otherwise indicated by this Agreement, this sub-award does not include Research and Development.

The Contractor (sub-recipient) and all lower tier sub-recipients shall adhere to all the requirements of the federally approved grant application, Notice(s) of Grant Award

and Terms and Conditions. The Contractor shall be fully liable for federal refund of any deficiencies identified in audit, state or federal review.

5.01.01-Federal Funding Accountability and Transparency Act Compliance

The Contractor shall comply with the Federal Funding Accountability and Transparency Act (FFATA or Transparency Act - P.L. 109-282, as amended by Section 6202(a) of

P.L. 110-252), in accordance with 2 CFR, Part 170, including registration of a unique entity identifier number if the amount of Federal funding awarded to the Contractor is

\$25,000.00 or more.

The Contractor must disclose to CHFS the names of the top five executives and total compensation to each, if:

1. More than 80% of the Contractor's annual gross revenues originate from federal funds (received directly or indirectly), and those revenues are greater than \$25,000,000.00 annually; and
2. Compensation information is not already available to the public (such as, through reporting under the Securities Exchange Act of 1934. See 2 CFR, Part 170 for additional details regarding executive compensation requirements).

5.01.02-Audit Requirements

The Contractor (sub-recipient) shall have an audit conducted in accordance with Generally Accepted Government Auditing Standards and 2 CFR, Part 200, Uniform Guidance, Subpart F – Audit Requirements. The audit report's accompanying financial statements shall be issued in accordance with Generally Accepted Accounting Principles (GAAP) and reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited.

The audit shall cover each fiscal year period of the contract duration, and a copy of the Contractor's audit report(s), federal schedule of expenditures, supplemental information by cost center and/or program and audit findings with corrective action plan shall be submitted to the Contract Specialist within nine (9) months after the fiscal year end.

Should the audit report refer to a separate management letter of findings, the Contractor shall include a copy of the management letter with the audit report and comments and/or a corrective action plan. All material findings shall be reported in the audit section of audit findings and shall include the management's response and/or corrective action as required by 2 CFR, Part 200, Subpart F.

The audit report shall include a schedule of expenditures of federal awards and all federal award identification information as stipulated by 2 CFR, Part 200, Subpart F requirements.

The audit report shall include supplemental information of all federal grant and/or award expenditures by cost centers and/or programs identifying all administrative and indirect cost for each state fiscal year. The Contractor shall include in the supplemental information a list of their sub-recipients of federal monies received through this Agreement and provide their sub-recipient name, and unique entity identifier, Catalog of Federal Domestic Assistance (CFDA) number and description, sub-recipient's expenditures and related contract number in addition to all other information as required in 2 CFR, Part 200.

Upon request, a copy of the engagement letter shall be submitted to the agency contact identified in the Contract Commodity Line 1 Extended Description no later than three

(3) months prior to The Contractor's fiscal year end, unless CHFS grants an extension in writing. If the Auditor of Public Accounts (APA) is to perform the audit, the name of the APA auditor and the anticipated start date shall be submitted to the agency contact identified in the Contract Commodity Line 1 Extended Description no later than

three (3) months prior to fiscal year end, unless that office or its designee grants an extension in writing.

5.01.03-Response/Compliance with Audit Findings

The Contractor shall take action to ensure its or a sub-recipient's or Subcontractor's compliance with or correction of any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle relating to the services and deliverables or any other deficiency contained in any audit, review or inspection conducted under this Agreement. This action will include the Contractor's delivery to CHFS, for CHFS approval, a Corrective Action Plan that addresses deficiencies identified in any audit(s), review(s), or inspections(s) within thirty (30) calendar days of the close of the audit(s), review(s) or inspection(s).

The Contractor shall bear the expense of compliance with any finding of noncompliance that is:

1. Required by a Kentucky or federal law, regulation, rule or other audit requirement relating to the Contractor's business;
2. Performed by the Contractor as part of this Agreement; or
3. Necessary due to the Contractor's noncompliance with any law, regulation, rule or audit requirement imposed on the Contractor.

5.01.04-Reporting Requirements

1. Single Audit Report: When applicable, the Contractor shall ensure audit reports are made available through the Federal Audit Clearinghouse, in accordance with 2 CFR 200.512(b), and shall provide notice of audit completion and availability within ten (10) calendar days of submission to the Federal Audit Clearinghouse, to the individual identified on page 1 of the Contract. If not required to submit audit reports through the Federal Audit Clearinghouse, the Contractor shall submit three (3) written copies of the audit report or an electronic copy to the individual identified on page 1 of the Contract no later than six (6) months following the end of the fiscal year audited, unless an extension is approved in writing by CHFS.

2. All reports and documentation: Electronic submission of required documents may be acceptable at the discretion of the Agency Contact identified on page 1 of the Contract.

5.01.05-Indirect Cost

The Contractor (sub-recipient) shall be reimbursed for indirect costs only where the Contractor incurs indirect costs in addition to costs that are reimbursed as direct program costs. Indirect cost rates shall be recognized in the following order:

1. The Contractor's federally approved negotiated rate, if one exists, shall be recognized for the purposes of charging indirect cost to the federal programs administered through this sub-recipient agreement, except where limited by federal statute. The Contractor shall submit the federally approved indirect cost rate document to the Contract Specialist identified on page 1 of the Contract. A federally approved negotiated rate may exist in cases where the Contractor conducts business directly with the federal government other than as related to this Agreement. CHFS may issue

an acceptance letter in addition to this Agreement to acknowledge the appropriate federally approved rate.

2. If no federally approved negotiated rate exists, the Contractor may request to utilize an indirect cost rate or cost allocation plan developed in accordance with 2 CFR, Part 200, Subpart E, by submitting a request and detailed indirect cost plan description to the Contract Specialist identified on page 1 of the Contract. Plan or rate approval must be evidenced by formal written acknowledgement by the Contractor as acceptable for purposes of billing, to be applied to federal programs except where limited by federal statute. If this option is approved, CHFS will issue a separate letter of acceptance which shall be valid for the term of this Agreement.

If options 1 or 2 above are not utilized, the Contractor may elect to utilize the de minimis rate (10% of Modified Total Direct Costs) as outlined in 2 CFR, §200.414(f), for purposes of requesting reimbursement for indirect costs as a sub-recipient, to be applied to federal programs except where limited by federal statute.

5.01.06-Cost Share or Matching

If indicated elsewhere in this Agreement, the Contractor (Sub-recipient) shall provide the required match as outlined in the federally approved grant application. The Contractor shall be fully liable for federal refund of any match deficiencies identified in audit. The cost sharing or matching contributions shall meet all of the following criteria:

- Are verifiable from the Contractor's records;
- Are not included as match contributions for any other federal award;
- Are necessary and reasonable for accomplishment of project or program objectives;
- Are allowable under 2 CFR Part 200, Subpart E – Cost Principles;
- Are not paid by the federal government under another federal award, except where the federal statute authorizing a program specifically provides that federal funds made available for such program can be applied to matching or cost sharing requirements of other federal programs and written authorization has been received from the other federal program; and
- Conform to other provisions of 2 CFR, Part 200, and the federal funding agency implementing regulation for 2 CFR, Part 200, as applicable.

5.01.07-Additional Information Required Under 2 CFR §200.331(a)(1)

Upon request, the Department will make available any additional information required under 2 CFR §200.331(a)(1), Federal Award Identification.

(Rev. 08/24/21)

Endnotes

Memorandum of Agreement Standard Terms and Conditions
Revised December 2019

1.00 Effective Date:

All Memorandum of Agreements are not effective until the Secretary of the Finance and Administration Cabinet or his authorized designee has approved the agreement and until the agreement has been submitted to the government contract review committee. However, in accordance with KRS 45A.700, memoranda of agreement in aggregate amounts of \$50,000 or less are exempt from review by the committee and need only be filed with the committee within 30 days of their effective date for informational purposes.

KRS 45A.695(7) provides that payments on personal service contracts and memoranda of agreement shall not be authorized for services rendered after government contract review committee disapproval, unless the decision of the committee is overridden by the Secretary of the Finance and Administration Cabinet or agency head, if the agency has been granted delegation authority by the Secretary.

2.00 EEO Requirements

The Equal Employment Opportunity Act of 1978 applies to All State government projects with an estimated value exceeding \$500,000. The contractor shall comply with all terms and conditions of the Act.

3.00 Cancellation clause:

Both parties shall have the right to terminate and cancel this contract at any time not to exceed thirty (30) days' written notice served on the Contractor by registered or certified mail.

4.00 Funding Out Provision:

The state agency may terminate this agreement if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the agreement. The state agency shall provide the Contractor thirty (30) calendar day's written notice of termination of the agreement due to lack of available funding.

5.00 Reduction in Contract Worker Hours:

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional service contracts. If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the agreement will be reduced by the amount specified in that document. If the contract funding is reduced, then the scope of work related to the contract may also be reduced commensurate with the reduction in funding. This reduction of the scope shall be agreeable to both parties and shall not be considered a breach of contract.

6.00 Access to Records:

The state agency certifies that it is in compliance with the provisions of KRS 45A.695, "Access to contractor's books, documents, papers, records, or other evidence directly

pertinent to the contract." The Contractor, as defined in KRS 45A.030, agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

7.00 Violation of tax and employment laws:

KRS 45A.485 requires the Contractor and all subcontractors performing work under the agreement to reveal to the Commonwealth, prior to the award of a contract, any final determination of a violation by the Contractor within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to corporate and utility tax, sales and use tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively.

To comply with the provisions of KRS 45A.485, the Contractor and all subcontractors performing work under the agreement shall report any such final determination(s) of violation(s) to the Commonwealth by providing the following information regarding the final determination(s): the KRS violated, the date of the final determination, and the state agency which issued the final determination.

KRS 45A.485 also provides that, for the duration of any contract, the Contractor and all subcontractors performing work under the agreement shall be in continuous compliance with the provisions of those statutes, which apply to their operations, and that their failure to reveal a final determination as described above, or failure to comply with the above statutes for the duration of the agreement shall be grounds for the Commonwealth's cancellation of the agreement and their disqualification from eligibility for future state contracts for a period of two (2) years.

[Check box section below need only be included for Contractors that are quasi-governmental entities or 501(c)3 non-profit entities.]

Contractor must check one:

The Contractor has not violated any of the provisions of the above statutes within the previous five (5) year period.

The Contractor has violated the provisions of one or more of the above statutes within the previous five (5) year period and has revealed such final determination(s) of violation(s). Attached is a list of such determination(s) , which includes the KRS violated, the date of the final determination, and the state agency which issued the final determination.

8.00 Discrimination:

This section applies only to agreements disbursing federal funds, in whole or part, when the terms for receiving those funds mandate its inclusion. Discrimination (because of race, religion, color, national origin, sex, sexual orientation, gender identity, age, or disability) is prohibited. During the performance of this agreement, the Contractor agrees as follows:

The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, sexual orientation, gender identity or age. The Contractor further agrees to comply with the provisions of the Americans with Disabilities Act (ADA), Public Law 101-336, and applicable federal regulations relating thereto prohibiting discrimination against otherwise qualified disabled individuals under any program or activity. The Contractor agrees to provide, upon request, needed reasonable accommodations. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability. 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 compensations; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

In all solicitations or advertisements for employees placed by or on behalf of the Contractor, the Contractor will, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, sex, sexual orientation, gender identity, age or disability.

The Contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance.

The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965 as amended, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Contractor's noncompliance with the nondiscrimination clauses of this agreement or with any of the said rules, regulations or orders, this agreement may be

cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, as amended, and such other sanctions may be imposed and remedies invoked as provided in or as otherwise provided by law.

The Contractor will include the provisions of paragraphs (1) through (7) of section 202 of Executive Order 11246 in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor, issued pursuant to section 204 of Executive Order No. 11246 of September 24, 1965, as amended, 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 administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

SAMPLE

Exhibit A: Contract Approvals

This Contract is subject to the terms and conditions as stated. By affixing their signatures below, the parties agree that electronic approvals may serve as electronic signatures as listed in electronic signatures.

In addition, the parties verify that they are authorized to bind this agreement between parties and that they accept the terms of this agreement.

1st Party:

Tara Johnson-Noem-Acting Executive Director
NKADD

Date Signed

2nd Party:

Second Party Authorized Signature

Date Signed

SAMPLE

Exhibit B: Electronic Signature

By affixing their signatures below, the parties agree that electronic approvals may serve as electronic signatures.

All electronic signatures must be approved by NKADD prior to payment.

If an invoice is submitted in which the signatures is not listed below payment will not be made until an approved signature is submitted.

1st Typed Name Title

Second Party Authorized Electronic Signature Date Signed

2nd Typed Name Title

Second Party Authorized Electronic Signature Date Signed

SAMPLE