

STANDARD AGREEMENT

STD 213 (Rev. 10/2018)

AGREEMENT NUMBER

19XS0007

PURCHASING AUTHORITY NUMBER (if applicable)

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

CONTRACTING AGENCY NAME

California Department of Veterans Affairs

CONTRACTOR NAME

County of Solano

2. The term of this Agreement is:

START DATE

07/01/2019

THROUGH END DATE

06/30/2020

3. The maximum amount of this Agreement is:

\$49,000.00 Forty nine thousand dollars and zero cents

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

EXHIBITS	TITLE	PAGES
Exhibit A	Scope of Work	2
Exhibit A-1	Program Narrative	4
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit B-1	Budget Form/Narrative	2
Exhibit C*	General Terms and Conditions- CCC-04/2017	*
Exhibit D	Special Terms and Conditions	6

Items shown with an asterisk (), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at www.dgs.ca.gov/ols/resources/standardcontractlanguage.aspx*

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

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

County of Solano

CONTRACTOR BUSINESS ADDRESS

675 Texas Street, Suite 4700

CITY

Fairfield

STATE

CA

ZIP

94533

PRINTED NAME OF PERSON SIGNING

Birgitta E. Corsello

TITLE

County Administrator

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

California Department of Veterans Affairs

CONTRACTING AGENCY ADDRESS

1227 O Street

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

David Gerard

TITLE

Chief, Facilities and Business Services Division

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

AGREEMENT NUMBER 19XS0007	PURCHASING AUTHORITY NUMBER (if applicable)
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CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION, IF APPLICABLE
SCM 1, 4.04A.2

VETERAN MENTAL HEALTH OUTREACH

1. INTRODUCTION/SERVICES

- A. This is an Agreement in which the County of Solano, hereafter referred to as the Contractor shall provide mental health outreach services, as specified within Exhibit A-1, in accordance with the Mental Health Services Act (Proposition 63), for the California Department of Veterans Affairs, (CalVet).
- B. Contractor must be able to perform the tasks associated with providing services under the scope of their license. Contractor will provide services in accordance with federal and state laws and regulations and CalVet policies.
- C. Contractor is not authorized to disperse or promise any services as described in the Agreement until written approval has been obtained from CalVet Contract Manager and Contractor has received an executed Agreement from CalVet. Any delivery or performance of service commenced prior to Contractor obtaining all written approvals shall be considered voluntary on the part of Contractor.

2. CONTRACTOR'S RESPONSIBILITIES

Contractor shall provide the following services.

- A. Expand and/or enhance mental health services to include treatment, and other related recovery programs to veterans currently residing in or returning to the community from their military service as they transition back to civilian life.
- B. Provide the following performance measures on a periodic and annual basis:
 - 1. Provide four (4) periodic progress reports to include the following:
 - a) Performance table that includes the goal for each performance measure and the source of collecting the performance measure (See Exhibit B – Budget Detail and Payment Provisions for periodic progress report/metric due dates).
 - b) Any narrative related to Performance Assessment and Data.
 - 2. Provide an annual progress report at the end of the funding period. The report must summarize information from the periodic reports, describe the accomplishments of the project, and describe the next steps for implementing any plans for additional work identified during the funding period.

3. INDEPENDENT CONTRACTOR STATUS

- A. Contractor shall be considered "Independent Contractors" in relation to CalVet and the State. Therefore, Contractor shall not be considered employee(s) of CalVet and shall not be entitled to any employee benefits from CalVet or the State including, but not limited to, the following:
 - 1. Premium Pay, Overtime Pay, or Holiday Pay
 - 2. Medical Insurance
 - 3. Vacation or Sick Leave
 - 4. Worker's Compensation
 - 5. Other employee benefits

4. CONTACT INFORMATION

A. The Contract representatives during the term of this Agreement will be:

1. CalVet Home Representative:

Veterans Services- Headquarters
Phillip Leggett, Mental Health Coordinator
1227 O Street
Sacramento, Ca. 95814
Phone: (916) 503-8327
Email: phillip.leggett@calvet.ca.gov

2. Contractor Representative:

County of Solano
Ted Puntillo, VSO
675 Texas Street, Suite 4700
Fairfield, CA 94533
Phone: (707) 784-6590
Email Address: tepuntillo@solanocounty.com

B. Contract Representatives, addresses, and phone/fax numbers may be changed by issuing a 20-day prior written notification and shall not require a formal amendment to this Agreement. The notifying party shall provide complete contact information for the replacement Contract Representative including, name, title, mailing address, phone/fax numbers, and email address.

All other changes require a formal written amendment to this Agreement.

Appendix A – Program Narrative

Solano

Section A: Statement of Need

Transitional Assistance Program (TAP) Outreach at Travis AFB

The geographic area of Solano County has approximately 35,000 veterans and has the largest military installation in Northern California at Travis AFB. Travis discharges approximately 40 personnel per week through their TAP process. Our program serves discharging service members just prior to and at the time of discharge. The **need** for CVSO counseling and referral **is great**. The Military does not provide these services and relies on the counties and service organizations to fill the gap. No other credible reliable veteran's representatives are available to consistently do this screening, and interviewing and one-on-one counseling. Approximately **30% of the discharging service members have documented mental health issues on their service medical records**. This office serves over 2,000 discharging veterans a year. The Department of Defense is actually referring veterans from as far away as Monterey to come to Travis to discharge and see us to get their benefits. We also get many discharging service members from Beale and local Guard and Reserve units. They would not get this type of support if the Solano County CVSO did not provide it. We serve all veterans including the veterans with bad paper. They are particularly vulnerable to mental health and Substance Use Disorders (SUD). A huge gap would exist if the one-on-one counseling and follow-up through our office did not exist. We counsel all veterans and must do this to identify the veterans with mental health disorders in their records. We identify approximately 600 veterans a year with mental health issues in our interviewing process, and file claims for them. It is essential for this funding to continue in order to combat suicidal ideation and PTSD. This office now has a full-time person at Travis 5 days a week to meet the demand of our discharging service members, their families and the civilian veteran workforce and reservists that work there. This is a perfect target for this Prop 63 funding. TAP at Travis is the one best place to intercept these discharging veterans and get them to resources available to them. Solano County is the only CVSO that I know of that funds a full time Vet Rep at a military base and that participates in the TAP briefing. We are unique and the need to keep this one of a kind operation going for veterans. We work closely with DOD, DOL and the VA to maintain this service for future veterans.

Veterans Court Jail and Prison Inmate Outreach

Solano County has three county jails and two state prison facilities with many thousands of inmates. Approximately 10% of this inmate population are identified as veterans. This is done by the Sheriff when the inmates are booked. Every one of the veteran inmates we interview weekly has the aforementioned mental health and substance use issues. Crystal meth and alcohol are the most common substance use problems and depression is the number one mental health issue. In October 2014 this office and the Solano County Courts embarked in the Veterans Treatment Court process in this county. This operation has grown to present 24 veterans enrolled in the program and 20 veterans participating in our diversion program. Our first graduation happened on April 29, 2016 when 4 veterans graduated and had their records expunged and their SUD and mental health problems under control. Since then, our Vet Court has had four more graduations and we have graduated a total of 18 veterans so far. The most recent in November 2018. Our vet court team receives 3 to 4 referrals a week from private lawyers and other judges for new potential vet court participants. This office started regular jail visits in August 2011 and has jail and prison outreach every other week in Solano County. The program has been so successful; we now are working with a veteran almost daily with whom we have made contact while he/she was incarcerated. We work with the DA's Office, the Public Defender, the Courts and the Sheriff. All are very supportive of our outreach and the positive results. We work with the non-profits from the Sacramento and Vallejo Veterans Resource Center, Swords to Plowshares, The Bridge to Life, Mission Solano, Community Action North Bay, Caminar, and Berkeley Food and Housing to provide housing, food and mental health care for our Vet court and incarcerated veterans. Veterans are released from custody to our office staff and we transport them to the facility that will provide them with the best care and treatment. Our recidivism rate is below 10% for our Vet Court graduates. The normal rate for non-Vet court veterans is close to 75%.

Stand Down Activity

This office provides support in the planning and execution of the North Bay Stand Down. This four-day event is held in October at the Dixon May Fair. This office supplies one person for the planning committee that meets monthly for three months and then every week for next three months prior to the event. The veteran service office then spends 10 hours a day for 4 days during the Stand Down including set up and take down. Our VSR Pat Sheehan is a full-time board member for the North bay Stand Down also. This event caters to the down and out and homeless veterans who almost all have mental health and substance use problems. This office uses one hundred and thirty hours to help the stand down happen. The stand down services approximately 250 veterans and their families each year. We also do all of the verification of the DD-214's and registration. **The need for this stand down is great in that we support Yolo, Sonoma & Napa Counties who do not have a regular stand down**

Section B: Proposed Service/Project

The Solano County Veterans Office will provide staffing and an outreach program that will pre-screen, counsel and advocate for veterans, reservists and guard members that have disclosed mental illness or substance use issues. This outreach program will focus on the following access points:

Transitional Assistance Program (TAP)

The Solano County Veterans Office goes to the Travis AFB TAP process for five full days a week to counsel and file claims for the discharging veterans. Thanks to the increased subvention and the Prop 63 funding, we have expanded the hours we spend at Travis AFB TAP center from 3 days a week to a full 5 days a week. The vet rep gives a briefing to all TAP participants on Tuesday and meets with the discharging vets and questions all the veterans on the nature of their disabilities and experiences in the service that could result in VA benefit claims for compensation. Approximately 40 service members attend these classes every week. Prior to the Prop 63 funding there was no CVSO presence at the TAP classes and veterans had to rely on the spotty Veterans Service Organization briefing. There was no nexus to the CVSO office in Solano County. Since the Prop 63 funding, this office is able to send a person to these all-day briefings and records check. A good 30% of the veterans we see at these briefings have mental health issues. We refer them to the proper resources and file claims for them. This office files well over 400 claims a year from the discharging veterans from Travis AFB alone. Many veterans have depression, Military Sexual Trauma and anxiety along with PTSD. While in the service most troops are hesitant to admit that they have mental health disorders as it would negatively affect their promotion and longevity plans. Upon discharge we ask them the hard questions that they are now in a position to answer. We do not want people to leave the service with undiagnosed mental health conditions. This could lead to jail, homelessness and other social failures. Discharging veterans are the perfect target for this Prop 63 money to catch them before they fall through the cracks. Solano County is one of very few CVSO's with vet reps embedded in the TAP process and with a full-time office at a major military base. This is a unique opportunity for the State, CVSO and the veterans in California and **compliments the new CALTAP initiative coming from the state. We give joint presentations with CALTAP several times a year and we appreciate the support.**

Veteran Court and Jail Outreach

This office started on a program in August of 2011 to have jail and prison outreach every other week in Solano County. The program has been so successful; we now are working a veteran almost daily with whom we have made contact while he/she was incarcerated. We work with the DA's Office, the Public Defender, the Courts and the Sheriff. Our vet court that started in September of 2014 now has 24 active participants and 20 in the diversion program all with SUD or mental health issues and is growing. Our first graduation was April 29, 2016 and we recently had our fifth graduation on November 30, 2018. We have had three more graduations since, the most recent in December 2017. We work with the non-profits from Sac Veterans Resource Center, Swords to Plowshares, The Bridge to Life, Mission Solano and the Community Action Committee of North Bay, the Concord Vet Center and the VA. They provide the very necessary residential treatment benefit that these incarcerated veterans need. This office spends at least 30 hours a week working on incarcerated veteran's issues. Every week incarcerated veterans are released to our custody and we transport them to a treatment facility. Our recidivism rate is very positive in that people given a chance, tend to not return to jail and do become productive citizens. Our rate is close to 10% compared to a 75% rate for nonveterans. The vet court team comprises of our vet court judge, DA, 2 Public Defenders, a Probation Officer, our Vet Court Case manager, a VJO from the VA and the CVSO. Our county has been a leader in showing other counties how to run a successful vet court and

recently had visits from Lake County, Madera, Fresno and Contra Costa Counties to see our Vet Court. The VA uses us as a model to show others how to do it.

Stand Down Activity

This office provides support in the planning and execution of the North Bay Stand Down. This four-day event is held in October at the Dixon May Fair. This office supplies one person for the planning committee that meets monthly for three months and then every week for next three months prior to the event. The veteran service office then spends 10 hours a day for 4 days during the Stand Down including set up and take down. Our VSR is a full time board member for the North Bay Stand Down. This event caters to the down and out and homeless veterans who almost all have mental health and substance use problems. This office uses one hundred and thirty hours to help the stand down happen. The stand down services approximately 250 veterans and their families each year. We also do all of the verification of the DD-214's and registration. This Stand Down covers Sonoma, Napa & Yolo Counties. Those counties do not have regular stand downs.

Section C: Proposed Implementation Approach

TAP Outreach and Counseling

The Solano County CVSO already has the TAP process going and has an ongoing relationship with Travis to provide the necessary work hours on site to counsel and refer the discharging veterans. This was established with Prop 63 funding that we had received in 2012. It is our hope that we can continue to provide this service to our veterans. The number of veterans being discharged is increasing due to the cutbacks and current downsizing in the military. The screening is done for five full days every week. The vet rep gives a one-hour presentation and then the troops are counseled individually by the vet rep in a private room and the service treatment records are examined thoroughly and a claim information sheet is developed and given to the service members along with referral information for mental health and substance abuse resources, if appropriate. The service member is then advised to report all physical and mental health issues to the medical personnel while they are still in the service so that they can establish a service connection. We file a BDD Claim or a Quick Start for the veteran on the spot or a FDC when they finally leave the service. Failure to obtain this very important funding would require this office to lay off one vet rep and eliminate our ability to visit Travis weekly and help these future veterans just as they transition to civilian status.

Jail Outreach and Vet Court Initiative

Jail outreach is being done on a weekly basis and on an as-needed basis. This office has been responsible for migrating over 250 veterans to treatment facilities in the last year. We regularly negotiate with the DA, Public Defender and Courts to get veterans released to a residential treatment facility. The Sheriff identifies veterans when they are booked and we are alerted when they want to see us. We work closely with the Veterans Justice Outreach personnel from the VA and the housing coordinator for the VA along with all the non-profits in Northern California including Swords to Plowshares, Bridge to Life, Mission Solano, Sac Veterans Resource Center, Community Action Committee of North Bay and others. This office spends well over \$18,000 a year in work hours and resources to facilitate the contact and release of these veterans to treatment facilities. We also get them connected to VA medical, HUD VASH housing, pension and compensation benefits. We regularly work with and help veterans with bad paper and find them resources that will help them. The new Vet Court that started in September 2014 now has 24 ongoing participants and will increase participation depending on the resources we can muster. We feel our maximum would be 30 with existing resources. Our Vet Court differs from most Vet Courts in that we take veterans who are violent offenders and offer a diversion program to those who do not qualify for or do not need a full blown Vet Court experience. We have started a diversion process where we help veterans with SUD and mental health problems get out of jail and into treatment even if they do not have nexus to qualify them for PC1170.9 treatment under the authority of the Penal Code and Vet Court. We are indeed unique in the state. We have also started a new Vet Court in Vallejo that meets once a month to take the load off the Fairfield Vet Court. As stated, this process is already implemented and needs increased funding to use more resources as the population of the court grows. The CVSO uses 8 to 10 hours a week on vet court activities.

Stand Down

Stand Down support is also dependent on the continuation of the Prop 63 funding and is an already implemented process. We have had this process implemented for the last three years and it is working well. This office has supported this stand down with approximately 130 work hours plus materials. We participate on the planning

committee and do the scheduling, advertisement, registration and verification of the veterans who attend. We handle all registrations. Our VSR, Pat Sheehan is a full time North Bay Stand Down Board Member. We coordinate with the courts to get the court records of the veterans to the stand down when the veteran requests vet court help. Without this funding we would have to pull back from Stand Down support.

Section D: Proposed Implementation Approach

TAP Outreach

Performance data for the TAP initiative consists of data collected from counseling over 2,000 discharging service members a year. Out of the 2,000 service members approximately 620 have mental health or substance use problems. We file claims for these veterans and refer them to resources to help their problems. We use Vet Pro to track the claims we file for these veterans and a log is kept of the veterans who attend our presentations, records screening and counseling. We have used the metric table below to account for the number of veterans we see, counsel, screen and file claims for due to mental health and other issues.

Jail Visits

This office sees approximately 150 inmates a year, counsels them and helps them get into treatment along with pension, compensation, housing and medical care. We track the people we see weekly and track where they go into treatment and the claims we file for them. We see approximately 250 inmates and 100% of them have mental health or substance use issues, usually both as most have co-occurring conditions. The recidivism rate is very low with the veterans we have helped. It is 25% compared to a 75% rate for non-vets who do not participate in our program.

Stand Down

The Stand Down census will be over 250 veterans again this year and the interest is growing, especially for the Vet Court portion where the judges clean up their outstanding fines and warrants so they can get a job.

1. STANDARD BUDGET DETAIL AND PAYMENT PROVISIONS

A. Invoicing and Payment

1. For services satisfactorily rendered, and upon receipt and approval of the invoices, the CalVet agrees to compensate Contractor for services rendered in accordance with the rate specified in Exhibit B-1- Budget Form/Narrative.
 - a) Total cost of the contract is \$49,000.00.
 - b) The first quarterly payment shall be made upon approval of the contract in the amount of \$12,250.00, the remaining three payments shall be made upon receipt of quarterly invoices by the CalVet Contract Manager.
 - c) Quarterly invoices shall be submitted no later than the following dates:

July 1, 2019	Contract Begins	Term: July 1, 2019 – June 30, 2020
October 31, 2019	1 st Quarter Invoice/Metrics Due	1 st Quarter (07/01/2019 – 9/30/2019)
January 30, 2020	2 nd Quarter Invoice/Metrics Due	2 nd Quarter (10/01/2019 – 12/31/19)
April 28, 2020	3 rd Quarter Invoice/Metrics Due	3 rd Quarter (01/01/2020 – 03/31/2020)
July 31, 2020	Annual Progress Reports	Counties must summarize information from the periodic reports, describe the accomplishments of the project and describe next steps for implementing any plans for additional work identified during the funding period. (Annual Progress Reports are due with 4 th Quarter invoices and metrics.) 4 th Quarter (04/01/20 – 06/30/20)

2. Quarterly payments shall only be approved upon periodic invoices that shall include the Agreement Number, County name, address and telephone number. Quarterly invoices shall also be accompanied by the quarterly reports identified in Exhibit A – Scope of Work, and shall be submitted in duplicate not more frequently than listed above to:
3. Invoices shall include the Agreement Number and shall be submitted in not more frequently than monthly in arrears to:

Original Invoice	Approval Copy
Department of Veterans Affairs CalVet Accounting Office 1227 O Street, Room 402 Sacramento, CA 95814	Department of Veterans Affairs Attn: Phillip Leggett 1227 O Street Sacramento, CA 95814

B. Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further form and effect. In this event, the State shall have no liability to pay any funds

whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

C. Prompt Payment Clause

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

2. SPECIAL BUDGET DETAIL AND PAYMENT PROVISIONS

A. Submissions of Invoices/Claims

1. All invoices/claims must be completed thoroughly and legibly, with all applicable fields completed. Invoices/claims that are submitted to the appropriate location but have been altered, or are inaccurate, or do not provide all necessary information will not be accepted and will be returned to the Contractor for correction.
2. Any changes to this provision relating to the invoice/claim submittal process, including but not limited to an address, form, or process change, shall be an administrative change managed through the appropriate designated CalVet office and shall not require a contract amendment.
3. Invoices/claims submitted shall include the following information in order to be considered complete and acceptable for processing, or the invoice/claim will be returned:
 - a) Contractor's Company name
 - b) Contractor's Company address, phone number and e-mail
 - c) Date of invoice/claim
 - d) Invoice/claim number
 - e) CalVet location where services were performed
 - f) Agreement Number
 - g) Date(s) of Service
 - h) Total dollar amount being billed
 - i) First and Last name of Contractor or Provider performing services, if applicable
 - j) Contractor's or Provider's Classification, whichever is applicable
 - k) When applicable, contractors shall include the following information on the invoice/claim submitted for hourly reimbursement:
 1. Hourly Rate
 2. Time in and time out
 3. Total hours worked

4. Any other information or documentation reasonably required to verify and substantiate the provision of services and the charges for such services.

BUDGET FORM/NARRATIVE

The Budget Form/Narrative may not represent the actual dollar amount allotted for this Agreement. The Budget Form is the Contractor's response to Program's Request for Application and shall be attached as a reference for Contractor's proposal of how expenses will be addressed as part of this agreement.

Appendix B – Budget Form

Solano CVSO				
Prop 63				
Budget Form				
A. Personnel				
Position	Hourly Wage	Hrs/Mo Spent on Program	Mo/Yr Spent on Program	Cost
CVSO Ted Puntillo	48.00	200	Year	\$9600.00
VSR Pat Sheehan, Bill Alcares, William Davis	28.00	1520	year	\$42560.00
			Total	\$51160.00
B. Fringe Benefits				
Component	Rate	Annual Wage	Cost	
CVSO Fringe Benefits	30%	Computed on 200 hours	\$2880.00	
VSR Fringe Benefits	30%	Computed on 1520 hours	\$12768.00	
		Total	\$15648.00	
C. Travel				
Location	Purpose	Rate (Mileage Only)	Cost	
County will absorb				
		Total	\$0	
D. Supplies				
Items	Rate (Cost x Months)			Cost
County will absorb				
	Total			\$0
E. Contracting				
Name	Service	Rate (Cost/Individual x Individual x Days)	Cost	
County will absorb				
		Total	\$0	
F. Other				
Item	Rate	Cost		
	Total	\$66808.00		
Totals				
Section A: Personnel	\$51160.00	Section D: Supplies	\$0	
Section B: Fringe Benefits	\$10635.00	Section E: Contracting	\$0	
Section C: Travel	\$0	Section F: Other	\$0	

		Total Requesting	\$49999.00
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App

endix C – Budget Narrative

Solano CVSO Prop 63 Budget Narrative
Section A: Personnel
This office will use 850 hours funded by Prop 63 support to keep a full time vet rep at Travis AFB to service the 40 service members discharging every week. This funding will also support the approximately 501 hours used annually to do jail visits and staff the biweekly Vet Court. The \$49,999.00 cannot support the entire expenditure, but helps offset the \$66,808.00.00 this office spends on mental health outreach considering 200 hours of CVSO time in jail visitations and Vet Court Staffing a year at approximately \$62.00 an hour including salary and fringe benefits and the 169 hours used to support the Dixon Stand Down activities. As you can see, we spend much more than \$49,999 on mental health outreach and counseling.
Section B: Fringe Benefits
This office is asking for support for fringe benefits on 1720 hours of Work Hours for \$15648.00. This includes fringe benefits for the CVSO who spends 200 hours specifically on mental health care for incarcerated veterans, all of whom have mental health and substance use illnesses.
Section C: Travel
County will absorb
Section D: Supplies
County will absorb
Section E: Contracting
County will absorb
Section F: Other
County will absorb

1. EXCISE TAX

The State of California is exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on employees' wages. The State will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Contract. California may pay any applicable sales or use tax imposed by another state.

2. STATUTORY AND REGULATORY PROVISIONS

A. This Contract shall be governed and construed in accordance with all applicable statutory and regulatory provisions including, but not limited to:

- 1) Title XVIII of the Federal Social Security Act
- 2) Title XIX of the Federal Social Security Act
- 3) Chapters 7 and 8 (commencing with Section 14000), Part 3, Division 9, Welfare and Institutions Code
- 4) Division 3, Title 22, California Code of Regulations (CCR)
- 5) Health and Safety Code Section 1340 et seq.
- 6) All applicable Federal provisions which regulate the administration of health care programs and budget revisions, as contained in the Code of Federal Regulations (CFR), Title 42, and Title 45, Part 74, Title 42 United States Code, Sections 1395 et seq. and 1396 et seq.
- 7) Sub-chapter 13 (commencing with Section 6800), Chapter 4, Part 1, Title 17, CCR; and
- 8) All other applicable laws and regulations.

B. Any provision of this Contract in conflict with the applicable laws and regulations is hereby amended to conform to the provisions of those laws and regulations. Such amendment of the Contract shall be effective on the effective date of the statutes or regulations necessitating it, and shall be binding on the parties even though the amendment may not have been reduced to writing and formally agreed upon and executed by the parties. If, due to amendment in laws or regulations, Contractor is unable or unwilling to comply with the provisions of the amendment(s), State or Contractor may terminate this Contract in accordance with the Termination provision of this Contract.

3. EXAMINATION AND AUDIT

A. Contractor shall allow the State and its related entities, the Comptroller General of the United States, Department of Justice (DOJ), and the Bureau of Medi-Cal Fraud, or their duly authorized representatives, to inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under this Contract, and to inspect, evaluate, and audit any and all books, records, and facilities maintained by the Contractor and Subcontractors pertaining to services under this Contract at any time during normal business hours.

B. Contractor shall be subject to the examination and audit of the State Auditor for a period of three (3) years after final payment under this Contract in accordance with *Government Code, Section 85467.7*. The examination and audit shall be confined to those matters directly connected with the performance of the contract, including, but not limited to, the costs of administering the Contract.

C. Books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance under this Contract, including working papers, reports, financial records, and books of account, Medical Records, prescriptions files, Subcontracts, and any other documentation pertaining to

medical and non-medical services for residents of the Home. Upon request, at any time during the term of this Contract, the Contractor shall furnish any record or copy.

4. RESOLUTION OF DISPUTES

- A. The Contractor may dispute and appeal a decision or action by the State arising out of the Interpretation or administration of this Contract. A written dispute notice shall be submitted to the Contract Manager within thirty (30) calendar days from the date the Contractor receives notice of the decision or action in dispute.

The Contractor's dispute notice shall state the following, based on the most accurate information available to the Contractor:

- 1) That it is a dispute pursuant to this Section.
 - 2) The date, nature, and circumstances of the conduct, which is the subject of dispute.
 - 3) The names, telephone numbers, function, and activity of each contractor, subcontractor, State official, or employee involved in or knowledgeable about the conduct.
 - 4) The identification of any documents and the substance of any oral communications involved in the conduct. Copies of all identified documents shall be attached.
 - 5) The reason why the Contractor is disputing the conduct.
 - 6) The cost impact to the Contractor directly attributable to the alleged conduct, if any.
 - 7) The Contractor's desired remedy.
- B. The State and the Contractor agree to try to resolve all contractual issues by negotiation and mutual agreement at the Contract Manager level. The parties recognize that the implementation of this policy depends on open-mindedness, and the need for both sides to present adequate supporting information on matters in question. The Contract Manager, in a written decision stating the factual basis for the decision, will decide any disputes concerning performance of this Contract. Before issuance of the Contract Manager's decision, informal discussions between the parties by the individuals who have not participated substantially in the matter in dispute will be considered by the parties in efforts to reach mutual agreement.
- C. The Contract Manager will render a decision or request additional substantiating documentation from the Contractor within thirty (30) days of receipt of the Contractor's appeal. A copy of the decision will be provided to the Contractor. The decision shall be final and conclusive unless, within thirty (30) days from the date of the decision, the Contractor files a written appeal addressed to the Undersecretary, California Department of Veterans Affairs.
- D. The Undersecretary's decision shall be final and conclusive unless the decision is arbitrary, capricious, grossly erroneous or if any determination of fact is unsupported by substantiating evidence. The Undersecretary's decision will be in writing and may encompass facts, interpretations of the Contract, and determination or application of law. The Contractor may, prior to the Undersecretary's decision, present oral or documentary evidence, and arguments in support of the Contractor's appeal. The decision will either:
- 1) Find in favor of the Contractor, in which case the Undersecretary may:
 - a) Countermand the earlier conduct which caused the Contractor to file a dispute; or
 - b) Reaffirm the conduct and, if there is a cost impact sufficient to constitute a change in obligations pursuant to the payment provisions, direct the State to comply with that Section.

- 2) Deny the Contractor's dispute and, where necessary, direct the manner of future performance; or
- 3) Request additional substantiating documentation in the event the information in the Contractor's dispute or appeal is inadequate to permit a decision to be made under paragraphs (1) or (2) above, advise the Contractor as to what additional information is required, and establish how that information will be furnished. The Contractor shall have thirty (30) days to respond to the Undersecretary's request for further information. Upon receipt of this additional requested information, the Undersecretary will have thirty (30) days to respond with a decision. Failure to supply additional information required by the Undersecretary within the time period specified above shall constitute waiver by the Contractor of all claims.

E. Attorney's fees and costs for any dispute or subsequent trial shall be borne by the respective parties. Both parties waive trial by jury, and any trial in superior or municipal court shall be by a judge alone. Any litigation arising out of this Contract shall be conducted in a California Court pursuant to California law.

F. Contractor shall continue with the responsibilities under this Contract during any dispute.

5. AGENCY LIABILITY (Applies only to Federally Funded Contracts)

The Contractor warrants by execution of this Contract, that no person or selling agency has been employed or retained to solicit or secure this Contract upon Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the State shall, in addition to other remedies provided by law, have the right to annul this Contract without liability, paying only for the value of the work actually performed, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

6. POTENTIAL SUBCONTRACTORS

For all Agreements, with the exception of Interagency Agreements and other governmental entities/auxiliaries exempt from bidding, nothing contained in this Contract or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of Contractor's responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them, as it is for the acts and omissions of persons directly employed by the Contractor.

The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or enforce the payment of any moneys to any subcontractor.

7. INSURANCE REQUIREMENTS

- A. Upon contract award, contractor must furnish to the State an original certificate(s) of insurance stating that the contractor has the following types of coverage, if applicable:
 - 1) Commercial General Liability: Combined Single Limit (CSL) for no less than \$1,000,000 per occurrence for bodily injury and property damage. The policy must include coverage for liabilities arising out of premises, operations, independent contractors, products/completed operations, personal & advertising injury, and liability assumed under an insured contract. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to the contractor's limit of liability.

- 2) Professional Liability: (Applies to any contract in which the work is of a professional nature such as, but not limited to, physicians, architects, engineers, accountants, or consultants) Covering any damages caused by an error, omission, or any negligent acts. Limits of not less than \$1,000,000 per occurrence and \$3,000,000 aggregate.
- 3) Automobile Liability (Applies to any contract in which the contractor will likely use a vehicle to complete the project or drive a vehicle onto State property): Limits of not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of an automobile including owned, hired, and non-owned autos.
 - a) MCS90 endorsement on the Automobile policy **(required whenever contractor will be transporting Hazardous materials i.e. Pest Control and Waste contracts.)**
- 4) Pollution Liability/Environmental Impairment Liability (Applies only to Pollution Contracts – i.e. Pest Control and Waste Contracts): In addition, the certificate evidencing general liability must include evidence of one of the following if applicable to the service:
 - a) Pesticide/Herbicide Endorsement, OR
 - b) An endorsement deleting the general liability pollution exclusion, OR
 - c) A separate environmental/pollution liability policy with limits not less than \$1,000,000 covering bodily injury and property damage from pollution and related clean-up costs incurred arising out of the work or services to be performed under this contract.
- 5) Workers' Compensation (Mandatory for all Contractors who have at least one employee): Contractor shall maintain workers' compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract, including special coverage extensions where applicable. Contractor shall furnish a certificate for Workers' Compensation issued by an insurance carrier licensed to write Workers' Compensation insurance in the State of California, including the name of the carrier and the date of expiration of insurance, or a Certificate of Consent to Self-Insure issued by the Department of Industrial Relations.
- 6) Fidelity Bond/Crime Insurance: (Applies only to contracts handling State money or securities – i.e. Armored Car Service Contracts) Contractor shall maintain Employee Dishonesty and, when applicable, Inside/Outside Money & Securities coverages for state-owned property in the care, custody and control of the Contractor. Coverage limits shall not be less than the amount scheduled in the contract. The policy shall include as Contractor. Coverage limits shall not be less than the amount scheduled in the contract. The policy shall include as loss payee the California Department of Veterans Affairs
- 7) The certificate(s) of insurance shall be on an ACORD form, or equivalent, and must show "occurrence" coverage. The certificates of insurance must also contain all of the following provisions:
 - a) Name and address of the insurance company, policy number, and beginning and ending dates of the policy.
 - b) Statement that the insurer will not cancel the insured's coverage without 30 days prior written notice to the State.
 - c) Statement that the State of California, its officers, agents, employees, and servants are included as additional insured on the policy, but only insofar as the operations under this contract.

- 8) Contractor agrees that any insurance herein provided shall be in full force and effect at all times during the term of the contract. In the event said insurance coverage expires at any time during the term of this contract, Contractor agrees to provide, at least ten (10) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. In the event contractor fails to keep in effect at all times insurance coverage herein provided, State may, in addition to any other remedies it may have, terminate the contract upon the occurrence of such event, subject to the provisions of the contract.
- 9) Contractor shall notify the State within five (5) days if any insurance coverage identified in the contract is altered in any way.

8. RIGHT TO TERMINATE

- A. The State reserves the right to terminate this Contract subject to thirty (30) days written notice to the Contractor. Contractor may submit a written request to terminate this Contract only if the State should substantially fail to perform its responsibilities as provided herein. However, the Contract can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.
- B. This Contract may be suspended or cancelled without notice, at the option of the Contractor, if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render service as a result of any action by any governmental authority.

9. FORCE MAJEURE:

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of, performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and acts of god such as earthquakes, floods, and other natural disasters such that performance is impossible.

10. EVALUATION OF CONTRACTOR:

Performance of the Contractor under this Agreement will be evaluated. The evaluation shall be prepared on Contract/Contractor Evaluation Sheet (STD 4), and maintained in the Agreement file. For consultant agreements, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, if it is negative and over \$5,000.

11. SB/DVBE PARTICIPATION:

In accordance with requirements set forth by the State, the CalVet shall enforce all laws, rules, and regulations pertaining to this program. It is the Contractors responsibility to provide CalVet with all required documents as outlined in this agreement. The CalVet reserves the right to contact each SB and DVBE identified by the Contractor to verify compliance. Failure to meet SB/DVBE requirements under Exhibit B, and Exhibit C (GTC 610), paragraphs 19.a and 19.b. may deem the Contractor to be non-responsible and rejected from future bid and contract opportunities with the CalVet.

12. LICENSES AND PERMITS:

The Contractor shall be an individual or firm licensed to do business in California and shall obtain at his/her expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this contract.

If you are a Contractor located within the State of California, a business license from the city/county in which you are headquartered is necessary; however, if you are a corporation, a copy of your incorporation documents/letter from the Secretary of State's Office can be submitted. If you are a Contractor outside the State of California, you will need to submit to the California Department of Veterans Affairs a copy of your business license or incorporation papers for your respective State showing that your company is in good standing in that state.

In the event any license(s) and/or permit(s) expire at any time during the term of this contract, Contractor agrees to provide agency a copy of the renewed license(s) and/or permit(s) within 30 days following the expiration date. In the event the Contractor fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this contract upon occurrence of such event.

13. CONSULTANT – STAFF EXPENSES

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have any contractual relationship with any governmental entity.

14. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) STANDARDS FOR PRIVACY OF INDIVIDUALLY IDENTIFIABLE HEALTH INFORMATION

For the purpose of this contract, contractor shall comply with the federal Health Insurance Portability and Accountability Act (HIPAA), as well as State and Federal requirements for privacy protection. The definitions and obligations required by the HIPAA Standards for Privacy of Individually Identified Health Information (U.S.C. 1320d et seq.), and implementing regulations including but not limited to 45 Code of Federal Regulations parts 142, 160, 162, and 164, hereinafter referred to as the Privacy Rule, remain enforce and applicable for access to protected health information, including electronic protected health information.

15. LEGAL CONTRACTS (applies only to Legal Services Contracts)

In accordance with (Public Contract Code Section (10353.5), the Contractor shall:

- A. Agree to adhere to legal cost and billing guidelines designated by the State.
- B. Adhere to litigation plans designated by the state agency.
- C. Adhere to case phasing of activities designated by the state agency.
- D. Submit and adhere to legal budgets as designated by the state agency.
- E. Maintain legal malpractice insurance in an amount not less than the amount designated by the state agency.
- F. Submit to legal bill audits and law firm audits if requested by the state agency. The audits may be conducted by employees and designees of the state agency or by any legal cost control providers retained by the state agency for purpose.
- G. Submit to a legal cost and utilization review, as determined by the state agency.