

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

SAP Number

**COUNTY ADMINISTRATIVE OFFICE**

Department Contract Representative  
Telephone Number

\_\_\_\_\_

Subgrantee  
Subgrantee Representative  
Telephone Number  
Contract Term  
Original Contract Amount  
Amendment Amount  
Total Contract Amount  
Cost Center

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**FUNDING AND DISBURSEMENT AGREEMENT BETWEEN SAN BERNARDINO COUNTY  
COUNTY ADMINISTRATIVE OFFICE  
AND  
[NAME OF SUBGRANTEE]  
FOR  
OPERATING SUBSIDY PAYMENT**

**COMMUNITY CARE EXPANSION PRESERVATION PROGRAM**

**THIS FUNDING AND DISBURSEMENT AGREEMENT** is entered into by and between San Bernardino County (County), and [Subgrantee] (Subgrantee) a [non-profit, etc. describe form of entity], in the State of California, duly organized, existing and acting pursuant to the laws thereof, located at [enter address of facility] (Facility) which parties do hereby agree as follows:

**A. PURPOSE.**

County has been allocated funding by the State of California, Department of Social Services (CDSS) pursuant to the Community Care Expansion Preservation Funds (CCE) program to assist in the preservation and avoidance of closure of critical residential adult and senior care facilities serving applicants or recipients of Supplemental Security Income/State Supplementary Payment or Cash

Assistance Program for Immigrants, including those who are experiencing or at risk of homelessness (hereinafter referred to as “the Program”). Subgrantee has been selected to receive Operating Subsidy Payments (OSP) for use as authorized by the Notice of Funding Announcement for the CCE. The intent of OSP funds is to provide operating subsidies to existing licensed residential adult and senior case facilities to preserve them and avoid their closure, as well as to increase the acceptance of new qualified residents, including the prioritized population.

## **B. DEFINITIONS**

**B.1 Adult Residential Facility (ARF):** “ARF” has the same meaning as in Title 22 of the California Code of Regulations Section 80001: “any facility of any capacity that provides 24-hour-a-day nonmedical care and supervision to the following: (A) persons 18 years of age through 59 years of age; and (B) persons 60 years of age and older only in accordance with Section 85068.4.”

**B.2 Operating Costs:** The costs associated with the day-to-day physical operation (e.g., staffing, utilities, security, maintenance) of qualified facilities. OSP funds will cover operating costs that are not covered by existing revenues.

**B.3 Prioritized Population:** Qualified residents who are experiencing, or at risk of experiencing homelessness.

**B.4 Qualified Resident:** Applicants or recipients of Supplemental Social Security Income/State Supplementary Payment (SSI/SSP) pursuant to Subchapter 16 (commencing with Section 1381) of Chapter 7 of Title 42 of the United States Code and Welfare and Institutions Code section 12000 et seq., and applicants or recipients of the Cash Assistance Program for Immigrants (CAPI) pursuant to WIC section 18937 et seq., who need the care and supervision that is provided by the licensed facility that receives the grant. “Qualified resident” shall not include SSI/SSP or CAPI applicants or recipients who are receiving services through a regional center.

**B.5 Residential Care Facility for the Chronically Ill (RCFCI):** “RCFCI” has the same meaning as in Title 22 of the California Code of Regulations Section 87801: “any place, building, or housing arrangement which is maintained and operated to provide care and supervision to all or any of the following: (A) Adults with HIV disease or AIDS, (B) Emancipated minors with HIV disease or AIDS, or (C) Family units as defined in Section 87801(f)(1) with adults or children or both with HIV disease or AIDS.”

**B.6 Residential Care Facility for the Elderly (RCFE):** “RCFE” has the same meaning as in Title 22 of the California Code of Regulations Section 87101: “a housing arrangement chosen voluntarily by the resident, the resident’s guardian, conservator or other responsible person; where 75 percent of the residents are sixty years of age or older and where varying levels of care and supervision are provided, as agreed to at time of admission or as determined necessary at subsequent times of reappraisal. Any younger residents must have needs compatible with other residents.”

## **C. TERM**

The term of this Funding and Disbursement Agreement (Agreement) begins on the date this Agreement is initially executed by the County, through the earlier of subsidy funds being exhausted, the liquidation deadline of June 30, 2029, or the Subgrantee is no longer able to demonstrate need. The County reserves the right to terminate this Agreement, for any reason, with a thirty (30) day written notice of termination.

**D. FUNDING AMOUNT.** The maximum amount payable by the County under this Agreement shall not exceed \$1,000 per month per Qualified Resident.

**E. BASIC CONDITIONS.** County shall have no obligation to disburse money for the Program under this Agreement until Subgrantee has satisfied the following conditions:

**E.1** Eligible Facility Meet the qualifications of an Eligible Facility, which includes:

**E.1.1** Be an existing licensed ARF, RCFE, or RCFCI;

**E.1.2** Currently serve at least one Qualified Resident;

**E.1.3** Be in good standing with the community Care Licensing Division (CCLD) defined as licensees in “substantial compliance” with licensing statutes and regulations per Title 22, sections 80001(s)(8), 81001(s)(8), 87101(s)(9), and 87801(s)(7) of the California Code of regulations;

**E.1.4** Agree to continue to serve Qualified Residents;

**E.1.5** Agree to prioritize applications from Qualified Residents who are part of the Prioritized Population;

**E.1.6** Agree to use the Program Funds disbursed for only Eligible Uses; and

**E.1.7** Have a critical monthly or annual operating and cash flow gap that places the facility at risk of closure or at risk of reducing the number of beds for qualified residents.

Subgrantees execution of this Agreement certifies that it meets the qualifications listed above.

**E.2** Subgrantee may not be a facility vendored by a regional center.

**E.3** Per Welfare and Institutions Code section 18999.97(f), a deed restriction is recorded as to the real property on which the facility is located requiring the provision of licensed adult and senior residential care on the property for the length of time OSP funds are received. If Subgrantee is leasing the property, the owners of the property must consent to the deed restriction. No OSP funds will be disbursed until the deed restriction has been recorded.

## **F. ELIGIBLE USES.**

**F.1** Eligible Uses Subgrantee shall apply OSP funds received only to Operating Costs that are considered eligible uses in accordance with applicable provisions of the Notice of Funding Availability dated June 10, 2022. Eligible uses may include the following:

**F.1.1** Utilities, including heating, water, sewer, telephone, broadband and internet, and common area utilities.

**F.1.2** Maintenance and repairs, including supplies, trash removal, snow removal, pest controls, grounds upkeep and landscaping, and painting.

**F.1.3** Staff and payroll costs required to sufficiently operate the licensed facility, including administrative, maintenance, and security staff/payrolls; staging costs must be attributed to the facility as a whole and not in direct service or support of any single individual.

**F.1.4** Marketing and leasing, including advertising, credit investigations, and leasing fees.

**F.1.5** Taxes and insurance, including real estate taxes and property insurance.

**F.1.6** Office supplies and expenses.

**F. 1.7** Accounting, such as tax filings, audits, and reporting to investors associated with the operation of the qualified facility.

**F.1.8** Strategic planning and coordination with local health, social services, or homelessness systems of care to support sustainable long-term facility operations.

**F.2** Ineligible Uses Expenses that are not eligible to be covered by the OSP funds include the following:

**F.2.1** Expenses unrelated to operational costs.

**F.2.2** Sponsor distributions.

**F.2.3** Expenses or fees related to change in ownership, limited partner buyout, substitution, or assignment of ownership interest.

**F.2.4** Expenses or fees related to tort or contract liability.

**F.2.5** The acquisition, operation or maintenance of computer software in violation of copyright laws.

**F.3** Withholding of Disbursements by the County If the County determines that the OSP funds are not being utilized in accordance with the provisions of this Agreement, or that Subgrantee has failed in any other respect to comply with the provisions of this Agreement, and if Subgrantee does not remedy any such failure to the County's satisfaction, the County may withhold from Subgrantee all or any portion of the OSP funds and take any other action that it deems necessary to protect its interests. Where a portion of the OSP funding has been disbursed to the Subgrantee and the County notifies the Subgrantee of its decision not to release funds that have been withheld pursuant to Article R, the portion that has been disbursed shall thereafter be repaid immediately as directed by the County. The County may consider Subgrantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Article R, "Default Provisions." If the County notifies Subgrantee of its decision to withhold all future OSP funds from the Subgrantee pursuant to this Paragraph, this Agreement shall terminate upon receipt of such notice by Subgrantee and the County shall no longer be required to provide funds under this Agreement and the Agreement shall no longer be binding on either party.

## **G. CONTINUING ELIGIBILITY**

Subgrantee must meet the following ongoing requirement(s) to remain eligible to receive OSP funds:

**G.1** Subgrantee shall only use OSP funds in accordance with the Eligible Uses defined herein as well as the requirements of this Agreement, including all reporting requirements.

**G.2** Subgrantee agrees to continue serving Qualified Residents for the duration of this Agreement.

**G.3** Subgrantee agrees to prioritize applications from Qualified Residents who are currently experiencing or at risk of homelessness.

**G.4** Subgrantee must remain in good standing with CCLD.

**G.5** Subgrantee shall respond immediately to requests for information from the County, CDSS and the third-party administrator under contract with CDSS (currently HORNE).

## **H. ANNUAL AUDIT**

Subgrantee shall provide its annual audit within 90 days of the end of its fiscal year. If Subgrantee meets the threshold for a federal single audit, a copy of the most recent single audit must be provided to the County.

## **I. NOTICE OF SIGNIFICANT EVENTS**

Subgrantee shall report to the County within thirty (30) days any of the following:

**I.1** Changes to key staff, including the director, chief executive officer, chief financial officer, chief operating officer, program coordinator or the individuals responsible for administration of this Agreement at the Facility.

**I.2** Any actual or threatened lawsuits against Subgrantee that may impact the provision of services.

**I.3** Any changes to the licensure of Subgrantee.

## **J. SUBMISSION OF REPORTS**

Subgrantee agrees to provide progress updates to the County upon request, per County, CDSS or its third party administrator, guidelines and timeline. In addition, Subgrantee shall submit to the County such periodic reports, updates, and information as deemed necessary by the County to monitor compliance and/or perform program evaluation. Any requested data or information shall be submitted electronically in a format provided by the County.

The submittal and approval of all reports is a requirement for the successful completion of this Funding Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. If requested, Subgrantee shall promptly provide any additional information deemed necessary by the County for the approval of reports. The timely submittal of reports is a requirement for initial and continued disbursement of OSP funds.

## **K. GENERAL AGREEMENT REQUIREMENTS**

### **K.1 Recitals**

The recitals set forth above are true and correct and incorporated herein by this reference.

### **K.2 Agreement Amendments**

Subgrantee agrees any alterations, variations, modifications, or waivers of the provisions of the Agreement, shall be valid only when reduced to writing, executed and attached to the original Subgrantee and approved by the person(s) authorized to do so on behalf of Subgrantee and County.

### **K.3 Agreement Assignability**

Without the prior written consent of the County, the Agreement is not assignable by Subgrantee either in whole or in part.

### **K.4 Americans with Disabilities Act**

By signing this Funding Agreement, Subgrantee assures the County that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

### **K.5 Attorney's Fees and Costs**

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney's fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney's fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

For disputes involving CDSS or its third party administrator, the following provision shall apply:

If a dispute arising out of this Agreement is finally adjudicated, the non-prevailing party shall pay the prevailing party's reasonable expenses incurred in connection therewith, including reasonable arbitration costs and reasonable attorneys' fees. If multiple items are disputed and the final decision is split, then the Parties shall allocate such expenses pro rata as to each item.

**K.6 California Civil Rights Requirements**

During the term of this Agreement, Subgrantee and its contractors and subcontractors, shall not deny the Agreement's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender identity, gender expression, age, sexual orientation, or military or veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identify, gender expression, age, sexual orientation, or military and veteran status.

**K.7 Change of Address**

Subgrantee shall notify the County in writing, of any change in mailing address within ten (10) business days of the change.

**K.8 Choice of Law**

This Agreement shall be governed by and construed according to the laws of the State of California.

**K.9 Confidentiality**

Subgrantee shall protect from unauthorized use or disclosure the names and other identifying information concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant. Subgrantee shall not use or disclose any identifying information for any purpose other than carrying out the Subgrantee's obligations under this Agreement, except as may otherwise be required by law. This provision will remain in force even after the termination of the Agreement.

Subgrantee shall comply with the requirements set forth in Attachment A – The California Department of Social Services Confidentiality and Information Security Requirements.

**K.10 Primary Point of Contact**

Subgrantee will designate an individual to serve as the primary point of contact for the Agreement. Subgrantee or designee must respond to County inquiries within two (2) business days. Subgrantee shall not change the primary contact without written acknowledgement to the County. Subgrantee will also designate a back-up point of contact in the event the primary contact is not available.

**K.11 County Representative**

The Chief Executive Officer and/or the County Chief Financial Officer or his/her designee shall represent the County in all matters pertaining to the services to be rendered under this Agreement, including termination and assignment of this Agreement, and shall be the final authority in all matters pertaining to the services by Subgrantee. If this Agreement was initially approved by the San Bernardino County Board of Supervisors, then the Board of Supervisors must approve all amendments to this Agreement.

**K.12 Debarment and Suspension**

Subgrantee certifies that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. (See the following United States General Services Administration's System for Award Management website <https://www.sam.gov>). Subgrantee further certifies that if it or any of its subcontractors are business entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

**K.13 Drug and Alcohol Free Workplace**

In recognition of individual rights to work in a safe, healthful and productive work place, as a material condition of this Agreement, the Subgrantee agrees that the Subgrantee and the Subgrantee's employees, while performing service for the County, on County property, or while using County equipment:

- K.13.1** Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.
- K.13.2** Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.
- K.13.3** Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Subgrantee or Subgrantee's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Subgrantee shall inform all employees that are performing service for the Program, of the County's objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the Program.

The County may terminate for default or breach of this Agreement and any other Agreement the Subgrantee has with the County, if the Subgrantee or Subgrantee's employees are determined by the County not to be in compliance with above.

**K.14 Duration of Terms**

This Agreement, and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Agreement.

**K.15 Employment Discrimination**

During the term of the Agreement, Subgrantee shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Subgrantee shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted. Subgrantee shall permit access by representatives of the Department of Fair Employment and Housing, CDSS or its third party administrator, upon reasonable notice at any time during normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities to ascertain compliance with this clause.

**K.16 Environmental Requirements**

In accordance with County Policy 11-08, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The County requires Subgrantee to use recycled paper for any printed or photocopied material created as a result of this Agreement. Subgrantee is also required to use both sides of paper sheets for reports submitted to the County whenever practicable.

To assist the County in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Subgrantee must be able to annually report the County's environmentally preferable purchases. Subgrantee must also be able to report on environmentally preferable goods and materials used in the provision of their service to the County, utilizing a County approved form.

**K. 17 Force Majeure**

Neither Party shall be liable to the other for loss or damages due to failure or delay rendering performance caused by circumstances beyond its reasonable control, if such failure could not have been overcome by the exercise of due diligence, due care, or foresight. Circumstances may include, but are not limited to, acts of God or a public enemy; wars; acts of terrorism; riots; fires; floods; epidemics; quarantine restrictions; labor disputes; strikes; defaults of subcontractors/vendors; failure/delays in transportation; unforeseen freight embargoes; unusually severe weather; or any law/order/regulation/request of a state or local government entity, the U.S. Government, or of any agency, court, commission, or other instrumentality of any such governments. Times of performance under this Agreement may be appropriately extended for excused delays if the Party whose performance is affected promptly notifies the other of the existence and nature of such delay.

**K.18 Improper Influence**

Subgrantee shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of the Agreement or any competing offer, shall have any direct or indirect financial interest resulting from the award of the Agreement or shall have any relationship to the Subgrantee or officer or employee of the Subgrantee.

**K.19 Improper Consideration**

Subgrantee shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement.

The County, by written notice, may immediately terminate this Agreement if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once a contract has been awarded.

Subgrantee shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Subgrantee. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

**K.20 Dispute Resolution**

In the event the County determines that service is unsatisfactory, or in the event of any other dispute, claim, question or disagreement arising from or relating to this Agreement or breach thereof, the parties hereto shall use their best efforts to settle the dispute, claim, question or disagreement. To this effect, they shall consult and negotiate with each other in good faith and,



recognizing their mutual interests, attempt to reach a just and equitable solution satisfactory to both parties.

For those disputes involving CDSS or its third party administrator the following provision applies: The Parties shall use reasonable efforts to resolve any dispute arising under this Agreement within thirty (30) days pursuant to informal mediation before a retired judge with Judicial Arbitration and Mediation Services ("JAMS") in Los Angeles, California.

If the Parties cannot resolve a dispute arising under this Agreement pursuant to the above, the Parties shall submit such dispute to arbitration in accordance with the provisions of the American Arbitration Association. The Parties shall conduct any arbitration in Los Angeles, California. The arbitrator's decision in any such arbitration shall be final, conclusive, and binding on the Parties.

TO THE FULLEST EXTENT PERMITTED BY LAW, THE PARTIES HEREBY UNCONDITIONALLY WAIVE ANY RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM ARISING OUT OF THIS AGREEMENT.

The Subgrantee shall be obligated to continue to perform pursuant to this Agreement while any dispute is pending.

**K.21 Legality and Severability**

The parties' actions under the Agreement shall comply with all applicable laws, rules, regulations, court orders and governmental agency orders. The provisions of this Agreement are specifically made severable. If a provision of the Agreement is terminated or held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

**K.22 Licenses, Permits and/or Certifications**

Subgrantee shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Subgrantee shall maintain these licenses, permits and/or certifications in effect for the duration of this Agreement. Subgrantee will notify County immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Agreement.

**K.23 Mutual Covenants**

The parties to this Agreement mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

**K.24 Notice of Delays**

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall, within twenty-four (24) hours, give notice thereof, including all relevant information with respect thereto, to the other party.

**K.25 Policies and Legal Authorities**

The Subgrantee shall comply with all California and federal law, regulations, and published guidelines, to the extent that these authorities contain requirements applicable to the Subgrantee's performance under this Agreement, including any licensing and health and safety requirements.

The Subgrantee shall comply with California Welfare and Institutions Code section 18999.97-18999.98 et seq., including any related CDSS guidance, regulations, and/or subsequent additions or amendments thereto.

In the event Subgrantee does not comply with the terms of this Section, the County shall give notice in accordance with and have all rights set forth in Article R.

**K.26 Air, Water Pollution Control, Safety and Health**

Subgrantee shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this Agreement.

**K.27 Records**

Subgrantee shall maintain all records and books pertaining to the delivery of services under this Agreement and demonstrate accountability for Agreement performance. All records shall be complete and current and comply with all Agreement requirements. Failure to maintain acceptable records shall be considered grounds for withholding of payments for invoices submitted and/or termination of the Agreement.

All records relating to the Subgrantee's personnel, consultants, subcontractors, facility and expenses pertaining to this Agreement shall be kept in a generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must comply with the appropriate Office of Management and Budget (OMB) Circulars, which state the administrative requirements, cost principles and other standards for accountancy.

**K.28 Relationship of the Parties**

Nothing contained in this Agreement shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.

**K.29 Release of Information**

No news releases, advertisements, public announcements or photographs arising out of the Agreement or Subgrantee's relationship with County may be made or used without prior written approval of the County.

**K.30 Representation of the County**

In the performance of this Agreement, Subgrantee, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the San Bernardino County.

**K.31 Strict Performance**

Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

**K.32 Subcontracting**

Subgrantee shall obtain County's written consent, which County may withhold in its sole discretion, before entering into Agreements with or otherwise engaging any subcontractors who may supply any part of the Services to County. At County's request, Subgrantee shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the County, resumes of proposed subcontractor personnel. Subgrantee shall remain directly responsible to County for its subcontractors and shall indemnify County for the actions or omissions of its subcontractors under the terms and conditions specified Article P. All approved subcontractors shall be subject to the provisions of this Agreement applicable to Subgrantee Personnel.

For any subcontractor, Subgrantee shall:

**K.32.1** Be responsible for subcontractor compliance with the Agreement and the subcontract terms and conditions; and

**K.32.2** Ensure that the subcontractor follows County's reporting formats and procedures as specified by County.

**K.32.3** Include in the subcontractor's subcontract substantially similar terms as are provided in Article E. Basic Conditions, Article F. Eligible Uses, Article G. Continuing Eligibility and Article K. General Agreement Requirements.

**K. 33 Subpoena**

In the event that a subpoena or other legal process commenced by a third party in any way concerning the this Agreement is served upon Subgrantee or County, such party agrees to notify the other party in the most expeditious fashion possible following receipt of such subpoena or other legal process. Subgrantee and County further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Subgrantee for County.

**K.34 Third Party Beneficiaries**

The State, represented by CDSS and its third party administrator, is a third party beneficiary of this Agreement. This Agreement shall not be construed so as to give any other person or entity, other than the parties, CDSS, and its third party administrator, any legal or equitable claim or right. CDSS or another authorized department or agency representing the State of California may enforce any provision of this Agreement to the full extent permitted in law or equity as a third party beneficiary of this Agreement. The State may take any and all remedies available in law and equity. In the event of litigation, the State may choose to seek any type of damages available in law or equity, up to the full amount of Program Funds awarded to Subgrantee.

**K.35 Time of the Essence**

Time is of the essence in performance of this Agreement and of each of its provisions.

**K.36 Venue**

The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Agreement will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

To the extent a dispute arises between the County, the Subgrantee, CDSS and/or its third party administrator such that the terms of the funding agreement between the County and the third party administrator apply, venue shall be in the appropriate state or federal court in the State of California, County of Sacramento.

**K.37 Conflict of Interest**

Subgrantee shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Subgrantee shall make a reasonable effort to prevent employees, Subgrantee, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the County determines a conflict

of interest situation exists, any increase in costs, associated with the conflict of interest situation, may be disallowed by the County and such conflict may constitute grounds for termination of the Agreement. This provision shall not be construed to prohibit employment of persons with whom Subgrantee's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

Subgrantee shall certify on Attachment C Certification Regarding Lobbying and Conflicts of Interest that it is in compliance with the Political Reform Act of 1978 and regulations promulgated by the Fair Political Practices Commission (FPPC) regarding requirements relating to lobbying and conflicts of interest.

**K.38 Former County Administrative Officials**

Subgrantee agrees to provide, or has already provided information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Subgrantee. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Subgrantee. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

**K.39 Disclosure of Criminal and Civil Procedures**

The County reserves the right to request the information described herein from the Subgrantee. Failure to provide the information may result in a termination of the Agreement. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Subgrantee also may be requested to provide information to clarify initial responses. Negative information discovered may result in Agreement termination.

Subgrantee is required to disclose whether it, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Subgrantee will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the Subgrantee is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Subgrantee will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

**K.40 Waiver**

The County's failure to notify the Subgrantee of a breach or to insist on strict performance of any provision of this Agreement shall not constitute waiver of such breach or provision.

**K.41 Remedies**

No remedy in this Agreement is exclusive of any other remedy available under this Agreement, at law or in equity. The County may seek equitable relief, including an injunction, against the Subgrantee in connection with any breach or threatened breach of this Agreement.

**K.42 Limitation of Liability**

**Except as otherwise provided in this Agreement, or by applicable law, the Subgrantee waives any right to sue, and the County shall not be liable for, any special, consequential, or punitive damages, including but not limited to, negligence claims; indirect, or incidental damages; or for any loss of goodwill, profits, data, or loss of use arising out of, resulting from, or in any way connected with the performance or breach of this Agreement, even if the Subgrantee advises the County of the possibility of any such damages.**

**K.43 California Consumer Privacy Act**

To the extent applicable, if Subgrantee is a business that collects the personal information of a consumer(s) in performing Services pursuant to this Agreement, Subgrantee must comply with the provisions of the California Consumer Privacy Act (CCPA). (Cal. Civil Code §§1798.100, et seq.). For purposes of this provision, "business," "consumer," and "personal information" shall have the same meanings as set forth at Civil Code section 1798.140. Subgrantee must contact the County immediately upon receipt of any request by a consumer submitted pursuant to the CCPA that requires any action on the part of the County, including but not limited to, providing a list of disclosures or deleting personal information. Subgrantee must not sell, market or otherwise disclose personal information of a consumer provided by the County unless specifically authorized pursuant to terms of this Agreement. Subgrantee must immediately provide to the County any notice provided by a consumer to Subgrantee pursuant to Civil Code section 1798.150(b) alleging a violation of the CCPA, that involves personal information received or maintained pursuant to this Agreement. Subgrantee must immediately notify the County if it receives a notice of violation from the California Attorney General pursuant to Civil Code section 1798.155(b).

**K. 44 Executive Order N-6-22 Russia Sanctions**

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine (<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>), as well as any sanctions imposed under state law (<https://www.dgs.ca.gov/OLS/Ukraine-Russia>). The EO directs state agencies and their contractors (including by agreement or receipt of a grant) to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should it be determined that Subgrantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. Subgrantee shall be provided advance written notice of such termination, allowing Subgrantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the County.

**K.45 Campaign Contribution Disclosure (SB 1439)**

Subgrantee has disclosed to the County using Attachment B - Campaign Contribution Disclosure Senate Bill 1439, whether it has made any campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of Subgrantee's proposal to the County, or (2) 12 months before the date this Agreement was approved by the Board of Supervisors. Subgrantee acknowledges

that under Government Code section 84308, Subgrantee is prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer for 12 months after the County's consideration of the Agreement.

In the event of a proposed amendment to this Agreement, the Subgrantee will provide the County a written statement disclosing any campaign contribution(s) of more than \$250 to any member of the Board of Supervisors or other County elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the Subgrantee or by a parent, subsidiary or otherwise related business entity of Subgrantee.

## **L. TERMINATION**

The County shall have the right, in its sole discretion and without prejudice to any other rights and remedies it may have under applicable law, to terminate this Agreement immediately upon notice of such termination to Subgrantee, if (i) an Event of Default occurs; (ii) three (3) violations, breaches or defaults by the County of the terms and conditions of this Agreement (whether the same or different) occur within any twelve-month period, regardless of whether any or all such violations, breaches or defaults are timely corrected; (iii) Subgrantee files a petition in bankruptcy or is adjudicated by a court of competent jurisdiction to be bankrupt or insolvent, or makes an assignment for the benefit of creditors or an arrangement pursuant to any bankruptcy law, or if the County discontinues or dissolves its business or if a receiver is appointed for Subgrantee or the Subgrantee's business; or (iv) Subgrantee fails to provide the County with adequate assurances within a reasonable time that the Subgrantee is financially solvent, or the County determines that the Subgrantee is financially insecure.

Notwithstanding the foregoing, or anything to the contrary stated herein, the County may terminate this Agreement upon thirty (30) days' notice if the County without cause or if it is directed by CDSS, or its third party administrator, to terminate this Agreement.

Upon termination of this Agreement for any reason, neither the County nor the State shall be liable for any work that is not performed in accordance with the Agreement or for any commitments made by the Subgrantee. Upon any termination, neither the County nor CDSS shall be responsible for any additional disbursements of Program Funds after the termination date or for any damages to the Subgrantee as a result of such termination.

## **M. DISBURSEMENT OF FUNDS**

**M.1** County will disburse to Subgrantee the amount of \$1,000 per month, per SSI/SSP or CAPI client served. Funds shall be disbursed on the 30th day of the month following execution of this Agreement. All disbursements are subject to availability of funds to the County.

**M.2** Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations pursuant to any federal statute or regulation. Any and all money disbursed to Subgrantee under this Agreement shall be used solely to pay for eligible OSP uses as defined in this Agreement.

**M. 3** Invoices shall be submitted by Subgrantee by the 7th business day of each month, in the month prior to which a disbursement is being sought. Invoices shall be submitted in a format determined by the County.

**M.4** Invoices may be submitted by one of the following methods:

**M.4.1** Via email at CCEAdminTeam@cao.sbcounty.gov

**M.4.2** Mail the invoice with the original “wet signature” to the following address:  
County Administrative Office, CCE Administration  
385 N Arrowhead Ave, Fourth Floor  
San Bernardino County, CA 92415

- M.5** All invoices submitted shall be accurate and signed under penalty of law. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the County may request an audit pursuant to Article Q.
- M.6** Subgrantee shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Subgrantee’s designated checking or other bank account. Subgrantee shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.
- M.7** County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Subgrantee or on any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the County pursuant to the Agreement.
- M.8** Costs for services under the terms of this Agreement shall be incurred during the contract period except as approved by County. Subgrantee shall not use current year funds to pay prior or future year obligations.
- M.9** Funds made available under this Agreement shall not supplant any federal, state or any governmental funds intended for services of the same nature as this Agreement. Subgrantee shall not claim reimbursement or payment from County for, or apply sums received from County with respect to that portion of its obligations that have been paid by another source of revenue. Subgrantee agrees that it will not use funds received pursuant to this Agreement, either directly or indirectly, as a contribution or compensation for purposes of obtaining funds from another revenue source without prior written approval of the County.
- M.10** Subgrantee shall adhere to the County’s Travel Management Policy (8-02 and 08-02SP1) when travel is pursuant to this Agreement and for which reimbursement is sought from the County. In addition, Subgrantee is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.

## **N. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT**

- N.1** Separate Accounting of Funding Disbursements: Subgrantee shall account for the money disbursed pursuant to this Agreement separately from all other Subgrantee funds. Subgrantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Subgrantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Subgrantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the County at any and all reasonable times.
- N.2** Remittance of Unexpended Funds: Subgrantee shall remit to the County any unexpended funds that were disbursed to Subgrantee under this Agreement and were not used to pay for Eligible Uses within a period of sixty (60) calendar days from the final disbursement from the County to Subgrantee of funds or, within thirty (30) calendar days of the expiration of the Agreement, whichever comes first.

## **O. WARRANTIES**

Subgrantee represents and warrants that:

- O.1** It is free to enter into and fully perform this Agreement.
- O.2** It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
- O.3** It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to the County, CDSS or its third party administrator in this Agreement.
- O.4** It has appropriate systems and controls in place to ensure that OSP funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- O.5** It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Subgrantee's performance of this Agreement.
- O.6.** It shall comply with all applicable California and federal laws and published guidelines in connection with its performance of its obligations under this Agreement.
- O.7** The provisions set forth in this Agreement shall survive any termination or expiration of this Agreement.

## **P. INDEMNIFICATION AND INSURANCE REQUIREMENTS**

### **P.1 Indemnification**

The Subgrantee agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless the County, CDSS and its third party administrator, and their authorized officers, employees, agents and volunteers (Indemnitees) from any and all claims, actions, losses, damages and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by the Indemnitees on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of Indemnitees. The Subgrantee's indemnification obligation applies to the Indemnitees' "active" as well as "passive" negligence but does not apply to the Indemnitees' "sole negligence" or "willful misconduct" within the meaning of Civil Code section 2782.

### **P.2 Additional Insured**

All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

### **P.3 Waiver of Subrogation Rights**

The Subgrantee shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Subgrantee and



Subgrantee's employees or agents from waiving the right of subrogation prior to a loss or claim. The Subgrantee hereby waives all rights of subrogation against the County.

**P.4 Policies Primary and Non-Contributory**

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

**P.5 Severability of Interests**

The Subgrantee agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the Subgrantee and the County or between the County and any other insured or additional insured under the policy.

**P.6 Proof of Coverage**

The Subgrantee shall furnish Certificates of Insurance to the County Department administering the Agreement evidencing the insurance coverage at the time the Agreement is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Subgrantee shall maintain such insurance from the time Subgrantee commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this Agreement, the Subgrantee shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

**P.7 Acceptability of Insurance Carrier**

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

**P.8 Deductibles and Self-Insured Retention**

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

**P.9 Failure to Procure Coverage**

In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the Agreement or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Subgrantee or County payments to the Subgrantee will be reduced to pay for County purchased insurance.

**P.10 Insurance Review**

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Subgrantee agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

- P.11** The Subgrantee agrees to provide insurance set forth in accordance with the requirements herein. If the Subgrantee uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Subgrantee agrees to amend, supplement or endorse the existing coverage to do so.

Without in anyway affecting the indemnity herein provided and in addition thereto, the Subgrantee shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:

- P.11.1** Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Subgrantee and all risks to such persons under this Agreement.

If Subgrantee has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management.

With respect to Subgrantees that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

- P.11.2** Commercial/General Liability Insurance – The Subgrantee shall carry General Liability Insurance covering all operations performed by or on behalf of the Subgrantee providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:
- Premises operations and mobile equipment.
  - Products and completed operations.
  - Broad form property damage (including completed operations).
  - Explosion, collapse and underground hazards.
  - Personal injury.
  - Contractual liability.
  - \$2,000,000 general aggregate limit.

- P.11.3** Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If the Subgrantee is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence.

If the Subgrantee owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

**P.11.4** **Umbrella Liability Insurance** – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

**P.11.5** *\*if applicable\** **Cyber Liability Insurance** - Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

*\*if applicable\** **Abuse/Molestation Insurance** – Subgrantee shall have abuse or molestation insurance providing coverage for all employees for the actual or threatened abuse or molestation by anyone of any person in the care, custody, or control of any insured, including negligent employment, investigation and supervision. The policy shall provide coverage for both defense and indemnity with liability limits of not less than one million dollars (\$1,000,000) with a two million dollars (\$2,000,000) aggregate limit.

## **Q. RIGHT TO MONITOR, INSPECT AND AUDIT**

**Q.1 Right of Inspection.** Subgrantee shall maintain and preserve all financial records, supporting documents, statistical records, and all other records pertinent to the Program Funds for the term of this Agreement and for a minimum of three (3) years after termination of this Agreement and final payment of OSP funds. Subgrantee shall permit the County, CDSS, or its third party administrator, or any duly authorized representative, to have access to, examine or audit any pertinent records and facilities related to this Agreement and to allow interviews of any employees who might reasonably have information related to such records. Subgrantee shall cooperate in any desk reviews requested by the County, CDSS or its third party administrator. The right to access records is not limited to the required retention period but lasts as long as the records are retained by the Subgrantee.

A review or inspection undertaken by the County or its designee, of the Subgrantee’s records is solely for the purpose of determining whether the Subgrantee is properly discharging its obligations to the County, and should not be relied upon by the Subgrantee as a warranty or representation by the County as to the quality of the services performed by Subgrantee. The Subgrantee agrees that claims based upon an audit finding and/or an audit finding that is appealed and upheld shall be recovered by the County by one of the following options:

**Q.1.1** The Subgrantee’s remittance to the County of the full amount of the audit exception within thirty (30) days following the County’s request for payment; or

**Q.1.2** A repayment schedule which is agreeable to the County and the Subgrantee.

The County reserves the right to select which option described above shall be employed, and the County shall notify the Subgrantee in writing of the claim procedure to be utilized. Interest on the unpaid balance of the audit finding or debt shall accrue at a rate equal to the maximum allowed by the applicable law.

**Q.2. Monitoring and Audits.** All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by County representatives for a period of three years after final payment under this Agreement or until all pending County, State and Federal audits are completed, whichever is later. The costs of such audit shall be borne by the County. Subgrantee shall give full cooperation, in any auditing or monitoring conducted. Subgrantee shall cooperate with the County in the implementation, monitoring, and evaluation of this Agreement and comply with any and all reporting requirements established by the County.

After termination of the Agreement, the County may require Subgrantee to conduct a final audit to the County's specifications, at Subgrantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by the Subgrantee to comply with this provision shall be considered a breach of this Agreement, and the County may elect to pursue any remedies provided in Article R or take any other action it deems necessary to protect its interests. The Subgrantee agrees it shall return any audit disallowances to the County.

Pursuant to Government Code section 8546.7, the Subgrantee shall be subject to the examination and audit by the California State Auditor, DCSS or the County for a period of three (3) years after final payment under this Funding Agreement with respect of all matters connected with this Funding Agreement, including but not limited to, the cost of administering this Funding Agreement. All records of Subgrantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

The County, State and Federal government shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of Subgrantee in the delivery of services provided under this Agreement.

## **R. DEFAULT PROVISIONS**

**R.1 Event of Default** Subgrantee will be in default under this Agreement if any of the following occur:

**R.1.1** Substantial breaches of this Agreement, or any supplement or amendment to it, or any other agreement between Subgrantee and the County evidencing or securing Subgrantee's obligations.

**R.1.2** The County's determination of the following:

**R.1.2.1** The Subgrantee has concealed any material fact from the County related to the Subgrantee;

**R.1.2.2** Any material fact or representation, made or furnished to the County by Subgrantee in connection with this Agreement shall have been untrue or misleading at the time that such fact or representation was made known to the County, or subsequently becomes true or misleading; or

**R.1.2.3** Any Certification provided by the Subgrantee is determined to be untrue or misleading; or

**R.1.2.4** Any objectives or requirements of the Program cannot be met in accordance with this Agreement or within applicable timeframes, as memorialized by this Agreement.

**R.1.3** Failure to operate or maintain status as an Eligible Facility in accordance with this Agreement.

**R.1.4** Failure to make any remittance required by this Agreement, including any remittance recommended as the result of an audit conducted pursuant to Article Q.

**R.1.5** Failure to submit timely progress reports.

**R.1.6** Failure to routinely invoice the County.

**R.1.7** Subgrantee's failure to timely satisfy each or any of the conditions set forth in this Agreement.

**R.1.8** Failure to meet any of the requirements set forth in Article G. "Continuing Eligibility."

**R.2** Cure Should an event of default occur, the County shall provide a notice of default to the Subgrantee and shall give Subgrantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Subgrantee. If the Subgrantee fails to cure the default within the time prescribed by the County, the County may do any of the following:

**R.2.1** Declare the funding disbursed be immediately repaid.

**R.2.2** Terminate any obligation to make future payments to Subgrantee.

**R.2.3** Terminate the Agreement.

**R.2.4** Take any other action that it deems necessary to protect its interests.

Notwithstanding the foregoing, the Subgrantee may request additional time to cure any default from the County. The County may, but shall not be required to, grant any such request, subject to County approval, in the County's sole discretion. The County's approval of Subgrantee's request for additional time to cure shall be subject to the Subgrantee's continuing and diligent efforts to cure, and any additional cure period provided to the Subgrantee shall be reasonable, as determined by the County, in the County's sole discretion. The County shall provide notice to the Subgrantee of approval or denial of the County's request for additional time to cure any default. In no event shall any extension of the cure period exceed thirty (30) days.

In the event the County finds it necessary to enforce this provision of this Agreement in the manner provided by law, Subgrantee agrees to pay all costs incurred by the County including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

**R.3** Remedies Upon the occurrence of an Event of Default, the County may take any and all actions or remedies that are available under this Agreement, at law, or in equity, including but not limited to the following:

**R.3.1** Temporarily withhold reimbursement of Program Funds pending correction of the breach, violation, or default.

**R.3.2** Disallow use of Program Funds for all or part of the costs resulting from the breach, violation, or default;

**R.3.3** Wholly or partly suspend or terminate this Agreement and the Subgrantee's award of Program Funds, or disbursements thereof (any such suspension or termination of this Agreement or the County's award of Program Funds shall be effective upon the Subgrantee's receipt of County notice of termination or suspension);

**R.3.4** Withhold or deny further Program Funds or awards to the Subgrantee;

- R.3.5** Require the Subgrantee to return all or part of any Program Funds, including any interest;
- R.3.6** Specific performance;
- R.3.7** Injunctive relief; and
- R.3.8** Any and all remedies allowed by law or equity.

**S. NOTICES**

All written notices provided for in this Agreement or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

*San Bernardino County  
Department  
Address*

*Subgrantee  
Address*

Notice shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

**T. ENTIRE AGREEMENT**

This Agreement, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the subject matter of this Agreement not expressly set forth herein are of no force or effect. This Agreement is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Agreement and signs the same of its own free will.

**U. ELECTRONIC SIGNATURES**

This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. The parties shall be entitled to sign and transmit an electronic signature of this Agreement (whether by facsimile, PDF or other mail transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Agreement upon request.

**IN WITNESS WHEREOF**, the San Bernardino County and the Subgrantee have each caused this Agreement to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

►

\_\_\_\_\_  
Luther Snoke, Chief Executive Officer

Dated: \_\_\_\_\_

Approved as to legal form:

\_\_\_\_\_  
County Counsel

\_\_\_\_\_  
*(Print or type name of corporation, company, contractor, etc.)*

By ►

\_\_\_\_\_  
*(Authorized signature - sign in blue ink)*

Name

\_\_\_\_\_  
*(Print or type name of person signing contract)*

Title

\_\_\_\_\_  
*(Print or Type)*

Dated: \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

**ATTACHMENT A**  
**The California Department of Social Services**  
**Confidentiality and Information Security Requirements County - v 2019 01**

This Confidentiality and Information Security Requirements - Attachment A (hereinafter referred to as "this Exhibit" or "Attachment A") sets forth the information security and privacy requirements Subgrantee is obligated to follow with respect to all confidential and sensitive information (as defined herein) disclosed to or collected by Subgrantee, pursuant to the Agreement in which this Attachment is incorporated. CDSS, its third party administrator, the County and Subgrantee desire to protect the privacy and provide for the security of CDSS Confidential, Sensitive, and/or Personal (CSP) Information (hereinafter referred to as "CDSS CSP") in compliance with state and federal statutes, rules and regulations.

**Order of Precedence.** With respect to information security and privacy requirements for all CDSS CSP, unless specifically exempted, the terms and conditions of this Attachment shall take precedence over any conflicting terms or conditions set forth in any other part of the Agreement between County and Subgrantee.

**I. Effect on lower tier transactions.** The terms of this Attachment shall apply to all lower tier transactions (e.g., agreements, sub-agreements, contracts, subcontracts, and sub- awards, etc.). Subgrantee shall incorporate the contents of this Attachment into each lower tier transaction.

**II. Confidentiality of Information.**

**A. DEFINITIONS.** The following definitions apply to this Attachment and relate to CDSS Confidential, Sensitive, and/or Personal Information:

- i. "Confidential Information" is information maintained by CDSS that is exempt from disclosure under the provisions of the California Public Records Act (Government Code sections 6250 *et seq.*) or has restrictions on disclosure in accordance with other applicable state or federal laws.
- ii. "Sensitive Information" is information maintained by CDSS which is not confidential by definition, but requires special precautions to protect it from unauthorized access and/or modification (i.e., financial or operational information). Sensitive information is information in which the disclosure would jeopardize the integrity of CDSS (i.e., CDSS' fiscal resources and operations).  
  
"Personal Information" is information, in any medium (paper, electronic, or oral) that identifies or describes an individual (i.e., name, social security number, driver's license, home/mailling address, telephone number, financial matters with security codes, medical insurance policy number, Protected Health Information (PHI), etc.) and must be protected from inappropriate access, use or disclosure, and must be made accessible to information subjects upon request. It can also be information in the possession of the Department in which the disclosure is limited by law or contractual Agreement (i.e., proprietary information, etc.).
- iii. "Breach" is the unauthorized acquisition, access, use, or disclosure of CDSS CSP in a manner which compromises the security, confidentiality or integrity of the information; or the same as the definition of "breach of the security of the system" set forth in California Civil Code section 1798.29(I).
- iv. "Information Security Incident" is unauthorized access or disclosure, modification or destruction of, or interference with, CDSS CSP that actually or potentially jeopardizes the confidentiality, integrity, or availability of an information system or the information the system processes, stores, or transmits or that constitutes a violation or imminent threat of violation of any state or federal law or in a manner not permitted under the Agreement, including this



Exhibit.

**B.** CDSS CSP which may become available to Subgrantee as a result of the implementation of the Agreement shall be protected by County from unauthorized access, use, and disclosure as described in this Attachment.

**C.** Subgrantee is notified that unauthorized disclosure of CDSS CSP may be subject to civil and/or criminal penalties under state and federal law, including but not limited to:

- California Welfare and Institutions Code section 10850
- Information Practices Act - California Civil Code section 1798 *et seq.*
- Public Records Act - California Government Code section 6250 *et seq.*
- California Penal Code section 502, 11140-11144, 13301-13303
- Health Insurance Portability and Accountability Act of 1996 ("HIPAA")- 45 CFR Parts 160 and 164
- Safeguarding Information for the Financial Assistance Programs - 45 CFR Part 205.50
- Unemployment Insurance Code section 14013

**D. EXCLUSIONS.** "Confidential Information," "Sensitive Information," and "Personal Information" (CDSS CSP) does not include information that:

- i. Is or becomes generally known or available to the public other than because of a breach by County of these confidentiality provisions;
- ii. Already known to Subgrantee before receipt from CDSS without an obligation of confidentiality owed to CDSS;
- iii. Provided to Subgrantee from a third party except where Subgrantee knows, or reasonably should know, that the disclosure constitutes a breach of confidentiality or a wrongful or tortious act; or
- iv. Independently developed by Subgrantee without reference to CDSS CSP.

### **III. Subgrantee Responsibilities.**

**A. TRAINING.** Subgrantee shall instruct all employees, agents, and subcontractors with access to CDSS CSP regarding:

- i. The confidential nature of the information;
- ii. The civil and criminal sanctions against unauthorized access, use, or disclosure found in the California Civil Code section 1798.55, Penal Code section 502 and other state and federal laws;
- iii. CDSS procedures for reporting actual or suspected information security incidents in Paragraph V - Information Security Incidents and/or Breaches; and
- iv. That unauthorized access, use, or disclosure of CDSS CSP is grounds for immediate termination of this Agreement and may be subject to penalties, both civil and criminal.

**B. USE RESTRICTIONS.** Subgrantee shall take the appropriate steps to ensure that their employees, agents, and subcontractors will not intentionally seek out, read, use, or disclose CDSS CSP other than for the purposes described in the Agreement and to meet its obligations under the Agreement.

**C. DISCLOSURE OF CDSS CSP.** Subgrantee shall not disclose any individually identifiable CDSS CSP to any person other than for the purposes described in the Agreement and to meet its obligations under the Agreement.

**D. SUBPOENA.** If Subgrantee receives a subpoena or other validly issued administrative or judicial notice requesting the disclosure of CDSS CSP, Subgrantee will immediately notify the AHP Project Director and CDSS Information Security and Privacy Officer. In no event should notification to CDSS occur more than three (3) business days after receipt by Subgrantee's responsible unit for handling subpoenas and court orders.

**E. INFORMATION SECURITY OFFICER.** Subgrantee shall designate an Information Security Officer to oversee its compliance with this Attachment and to communicate with CDSS on matters concerning this Attachment.

**F. REQUESTS FOR CDSS CSP BY THIRD PARTIES.** Subgrantee shall promptly transmit to the County all requests for disclosure of any COSS CSP requested by third parties to the Agreement (except from an individual for an accounting of disclosures of the individual's personal information pursuant to applicable state or federal law), unless prohibited from doing so by applicable state or federal law.

**G. DOCUMENTATION OF DISCLOSURES FOR REQUESTS FOR ACCOUNTING.** Subgrantee shall maintain an accurate accounting of all requests for disclosure of COSS CSP Information and the information necessary to respond to a request for an accounting of disclosures of personal information as required by Civil Code section 1798.25, or any applicable state or federal law.

**H. RETURN OR DESTRUCTION OF CDSS CSP ON EXPIRATION OR TERMINATION.** Upon expiration or termination of the Agreement between County and Subgrantee, or upon a date mutually agreed upon by the Parties following expiration or termination, Subgrantee shall return or destroy COSS CSP. If return or destruction is not feasible, Subgrantee shall provide a written explanation to the County, using the contact information in this Agreement. The County, in its sole discretion, will make a determination of the acceptability of the explanation and, if retention is permitted, shall inform Subgrantee in writing of any additional terms and conditions applicable to the retention of COSS CSP.

**I. RETENTION REQUIRED BYLAW.** If required by state or federal law, Subgrantee may retain, after expiration or termination, COSS CSP for the time specified as necessary to comply with the law.

**J. RECORDS RETENTION.** Maintain all project materials and records pertaining to service delivery and fiscal and administrative controls for three years after final payment has been made under the terms of this Agreement, or until all pending county, State and federal audits are completed, whichever is later. Subgrantee agrees that the State or its designated representative shall have the right to review and copy any records and supporting documentation pertaining to the performance of this Agreement. Upon request, the Subgrantee shall promptly make these materials and records available to the State or its representative including the State Auditor. Subgrantee agrees to allow the State or its representative access to such records during normal business hours and to allow interviews of any employees or others who might reasonably have information related to such

records. Further, Subgrantee agrees to include a similar right of the State to audit records and interview staff in any subcontract related to this Agreement.

**K. OBLIGATIONS CONTINUE UNTIL RETURN OR DESTRUCTION.** Subgrantee's obligations regarding the confidentiality of CDSS CSP set forth in this Agreement, including but not limited to obligations related to responding to Public Records Act requests and subpoenas, shall continue until Subgrantee returns or destroys CDSS CSP or returns CDSS CSP to the County; provided, however, that on expiration or termination of the Agreement between County and Subgrantee, Subgrantee shall not further use or disclose CDSS CSP except as required by state or federal law.

**L. NOTIFICATION OF ELECTION TO DESTROY CDSS CSP.** If Subgrantee elects to destroy CDSS CSP, Subgrantee shall certify in writing, to the County, using the contact information, that CDSS CSP has been destroyed.

**M. BACKGROUND CHECK.** Before a member of Subgrantee's workforce may access CDSS CSP, Subgrantee must conduct a thorough background check of that worker and evaluate the results to assure that there is no indication that the worker may present a risk to CDSS information technology systems and/or CDSS data. Subgrantee shall retain each workforce members background check documentation for a period of three (3) years following Agreement termination.

**N. CONFIDENTIALITY SAFEGUARDS.** Subgrantee shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of CDSS CSP that it creates, receives, maintains, uses, or transmits pursuant to the Agreement. Subgrantee shall develop and maintain a written information privacy and security program that includes administrative, technical and physical safeguards appropriate to the size and complexity of Subgrantee's operations and the nature and scope of its activities, including at a minimum the following safeguards:

**i. General Security Controls**

- (1) **Confidentiality Acknowledgement.** By executing the Agreement and signing Paragraph XI, CDSS Confidentiality and Security Compliance Statement, Subgrantee acknowledges that the information resources maintained by CDSS and provided to Subgrantee may be confidential, sensitive, and/or personal and requires special precautions to protect it from wrongful access, use, disclosure, modification, and destruction.
- (2) **Workstation/Laptop Encryption.** All Subgrantee -owned or managed workstations, laptops, tablets, smart phones, and similar devices that process and/or store CDSS CSP must be encrypted using a FIPS 140-2 certified algorithm which is 128 bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk unless approved by CDSS Information Security Office.
- (3) **Data Encryption.** Any CDSS CSP shall be encrypted at rest when stored on network file shares or document repositories.
- (4) **Server Security.** Servers containing unencrypted CDSS CSP must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review.
- (5) **Minimum Necessary.** Only the minimum necessary amount of CDSS CSP required to perform necessary business functions may be copied, downloaded, or exported.

- (6) **Removable Media Devices.** All electronic files that contain CDSS CSP must be encrypted when stored on any removable media or portable device (i.e., USB thumb drives, floppies, CD/DVD, smart phone, backup tapes, etc.). Encryption must be a FIPS 140-2 certified algorithm which is 128 bit or higher, such as AES.
- (7) **Antivirus Software.** All Subgrantee -owned or managed workstations,- laptops, tablets, smart phones, and similar devices that process and/or store CDSS CSP must install and actively use comprehensive anti-virus software solution with automatic updates scheduled at least daily.
- (8) **Patch Management.** To correct known security vulnerabilities, Subgrantee shall install security patches and updates in a timely manner on all Subgrantee -owned or managed workstations, laptops, tablets, smart phones, and similar devices that process and/or store CDSS CSP as appropriate based on Subgrantee 's risk assessment of such patches and updates, the technical requirements of Subgrantee 's systems, and the vendor's written recommendations. If patches and updates cannot be applied in a timely manner due to hardware or software constraints, mitigating controls will be implemented based upon the results of a risk assessment.
- (9) **User IDs and Password Controls.** All users must be issued a unique user name for accessing CDSS CSP. Subgrantee 's password policy must be based on information security best practices for password length, complexity, and reuse.
- (10) **Data Destruction.** Upon termination of the Agreement, all CDSS CSP must be sanitized in accordance with NIST Special Publication 800-88, Guidelines for Media Sanitization.

ii. **System Security Controls**

- (1) **System Timeout.** The system providing access to CDSS CSP must provide an automatic timeout, requiring re-authentication of the user session after no more than thirty (30) minutes of inactivity for applications, and fifteen (15) minutes of inactivity for desktops and laptops.
- (2) **Warning Banners.** All systems (servers, desktops, laptops, etc.) containing CDSS CSP must display a warning banner at login stating that data is confidential, systems are logged, and system use is for business purposes only. User must be directed to log off the system if they do not agree with these requirements.
- (3) **System Logging.** The system must maintain an automated audit trail which can identify the user or system process which initiates a request for CDSS CSP, or which alters CDSS CSP. The audit trail must be date and time stamped, must log both successful and failed accesses, must be read only, and must be restricted to authorized users. If CDSS CSP is stored in a database, database logging functionality must be enabled. Audit trail data must be

archived for at least one (1) year after occurrence.

- (4) **Access Controls.** The system must use role-based access controls for all user authentications, enforcing the principle of least privilege.
- (5) **Transmission Encryption.** All data transmissions of CDSS CSP by Subgrantee outside the secure internal network must be encrypted using a FIPS 140-2 certified algorithm, such as Advanced Encryption Standard (AES), with a 128-bit key or higher. Encryption can be end-to-end at the network level, or the data files containing CDSS CSP can be encrypted. This requirement pertains to any type of CDSS CSP in motion such as website access, file transfer, and email.
- (6) **Intrusion Detection.** All systems involved in accessing, holding, transporting, and protecting CDSS CSP that are accessible via the Internet must be protected by a comprehensive intrusion detection and prevention solution.

### iii. **Audit Controls**

- (1) **System Security Review.** All systems processing and/or storing CDSS CSP must have at least an annual system risk assessment/security review which provides assurance that administrative, physical, and technical controls are functioning effectively and providing adequate levels of protection. Reviews shall include vulnerability scanning tools.
- (2) **Log Reviews.** All systems processing and/or storing CDSS CSP must have a routine procedure in place to review system logs for unauthorized access.
- (3) **Change Control.** All systems processing and/or storing CDSS CSP must have a documented change control procedure that ensures separation of duties and protects the confidentiality, integrity and availability of data.

### iv. **Business Continuity/Disaster Recovery Controls**

- (1) **Disaster Recovery.** Subgrantee must establish a documented plan to enable continuation of critical business processes and protection of the security of electronic CDSS CSP in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than twenty-four (24) hours.
- (2) **Data Backup Plan.** Subgrantee must have established documented procedures to backup CDSS CSP to maintain retrievable exact copies of CDSS CSP. The plan must include a regular schedule for making backups, storing backups offsite, an inventory of backup media, and the amount of time to restore CDSS CSP should it be lost. At a minimum, the schedule must be

a weekly full backup and monthly offsite storage of CDSS data.

**v. Paper Document Controls**

- (1) **Supervision of Information.** CDSS CSP in paper form shall not be left unattended at any time, unless it is locked in a file cabinet, file room, desk or office. Unattended means that information may be observed by an individual not authorized to access the information. CDSS CSP in paper form shall not be left unattended at any time in vehicles or planes and shall not be checked in baggage on commercial airplanes.
- (2) **Escorting Visitors.** Visitors to areas where CDSS CSP are contained shall be escorted, and CDSS CSP shall be kept out of sight while visitors are in the area.
- (3) **Confidential Destruction.** CDSS CSP must be disposed of through confidential means, such as cross-cut shredding and/or pulverizing.
- (4) **Removal of Information.** CDSS CSP must not be removed from the premises of County except for identified routine business purposes or with express written permission of CDSS.
- (5) **Faxing.** CDSS CSP that must be transmitted by fax shall require that County confirms the recipient fax number before sending, takes precautions to ensure that the fax was appropriately received, maintains procedures to notify recipients if County's fax number changes, and maintains fax machines in a secure area.
- (6) **Mailing.** Paper copies of CDSS CSP shall be mailed using a secure, bonded mail service, such as Federal Express, UPS, or by registered U.S. Postal Service (i.e., accountable mail using restricted delivery). All packages must be double packed with a sealed envelope and a sealed outer envelope or locked box.

**IV. Information Security Incidents and/or Breaches of CDSS CSP**

- A. CDSS CSP Information Security Incidents and/or Breaches Response Responsibility.** Subgrantee shall be responsible for facilitating the Information Security Incident and/or Breach response process as described in California Civil Code 1798.82, and State Administrative Manual (SAM) section 5340, Information Security Incident Management, including, but not limited to, taking:
  - i. Prompt corrective action to mitigate the risks or damages involved with the Information Security Incident and/or Breach and to protect the operating environment; and
  - ii. Any action pertaining to such unauthorized disclosure required by applicable Federal and State laws and regulations.
- B. Discovery and Notification of Information Security Incidents and/or Breaches of CDSS CSP.** Subgrantee shall notify the County of an Information Security Incident and/or Breach as expeditiously as practicable and without unreasonable delay, taking into account the time necessary to allow Subgrantee to determine the scope of the Information Security

Incident and/or Breach, but no later than three (3) calendar days after the discovery of an Information Security Incident and/or Breach. Notification is to be made by telephone call and email.

- C. Isolation of System or Device.** A system or device containing CDSS CSP compromised by an exploitation of a technical vulnerability shall be promptly disconnected or quarantined and investigated until the vulnerability is resolved. Subgrantee will notify the County within two (2) business days of a confirmed exploitation of a technical vulnerability and keep the County informed as to the investigation until resolution of the vulnerability is completed.
- D. Investigation of Information Security Incidents and/or Breaches.** Subgrantee shall promptly investigate Information Security Incidents and/or Breaches of CDSS CSP. The County shall have the right to participate in the investigation of such Information Security Incidents and/or Breaches. The County shall also have the right to conduct its own independent investigation, and Subgrantee shall cooperate fully in such investigations. Subgrantee is not required to disclose their un-redacted confidential, proprietary, or privileged information. Subgrantee will keep the County fully informed of the results of any such investigation.
- E. Updates on Investigation.** Subgrantee shall provide regular (at least once a week) email updates on the progress of the Information Security Incident and/or Breach investigation of CDSS CSP to the County until the updates are no longer needed, as mutually agreed upon between Subgrantee and the County. Subgrantee is not required to disclose their unredacted confidential, proprietary, or privileged information.
- F. Written Report.** Subgrantee shall provide a written report of the investigation to the County within thirty (30) business days of the discovery of the Information Security Incident and/or Breach of CDSS CSP. Subgrantee is not required to disclose their unredacted confidential, proprietary, or privileged information. The report shall include, but not be limited to, if known, the following:

  - i. Subgrantee point of contact information;
  - ii. A description of what happened, including the date of the Information Security Incident and/or Breach of CDSS CSP and the date of the discovery of the Information Security Incident and/or Breach, if known;
  - iii. A description of the types of CDSS CSP that were involved and the extent of the information involved in the Information Security Incident and/or Breach;
  - iv. A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed CDSS CSP;
  - v. A description of where CDSS CSP is believed to have been improperly transmitted, sent, or utilized;
  - vi. A description of the probable causes of the improper use or disclosure;
  - vii. Whether Civil Code sections 1798.29 or 1798.82, or any other federal or state laws requiring individual notifications of breaches, are triggered; and
  - viii. A full, detailed corrective action plan, including information on measures that were taken to halt and/or contain the Information Security Incident and/or Breach of CDSS CSP.
- G. Cost of Investigation and Remediation.** Per SAM section 5305.8, Subgrantee shall be responsible for all direct and reasonable costs incurred by the County due to Information

Security Incidents and/or Breaches of CDSS CSP resulting from Subgrantee's failure to perform or from negligent acts of its personnel, and resulting in the unauthorized disclosure, release, access, review or destruction, or loss, theft or misuse of an information asset. These costs include, but are not limited to, notice and credit monitoring for twelve (12) months for impacted individuals, County staff time, material costs, postage, media announcements, and other identifiable costs associated with the Information Security Incident, Breach and/or loss of data.

- V. Contact Information.** To direct communications to the above-referenced County staff, Subgrantee shall initiate contact as indicated herein. The County reserves the right to make changes to the contact information below by giving written notice to Subgrantee. Said changes shall not require an amendment to this Attachment or the Agreement to which it is incorporated.

<b>[INSERT COUNTY CONTACT]</b>

- VI. Audits and Inspections.** The County may inspect and/or monitor compliance with the safeguards required in this Attachment. Subgrantee shall promptly remedy any violation of any provision of this Attachment and shall certify the same to the County in writing. The fact that the County inspects, or fails to inspect, or has the right to inspect, does not relieve Subgrantee of its responsibility to comply with this Attachment.
- VII. Amendment.** The Parties acknowledge that federal and state laws regarding information security and privacy rapidly evolve and that amendment of this Attachment may be required to provide for procedures to ensure compliance with such laws. The Parties specifically agree to take such action as is necessary to implement new standards and requirements imposed by regulations and other applicable laws relating to the security or privacy of CDSS CSP.
- VIII. Interpretation.** The terms and conditions in this Attachment shall be interpreted as broadly as necessary to implement and comply with regulations and applicable State laws. The Parties agree that any ambiguity in the terms and conditions of this Exhibit shall be resolved in favor of a meaning that complies and is consistent with federal and state laws and regulations.
- IX. Termination.** An Information Security Incident and/or Breach of CDSS CSP by Subgrantee, its employees, agents, or subcontractors, as determined by the County, may constitute a material breach of the Agreement between County and Subgrantee and grounds for immediate termination of the Agreement.

**X. CONFIDENTIALITY AND SECURITY COMPLIANCE STATEMENT v 2019 01**

Information resources maintained by the California Department of Social Services (CDSS) and the County, and provided to Subgrantee may be confidential, sensitive, and/or personal and requires special precautions to protect it from wrongful access, use, disclosure, modification, and destruction.

We hereby acknowledge that the confidential and/or sensitive records of CDSS are subject to strict confidentiality requirements imposed by state and federal law, which may include, but are not limited to, the following: the California Welfare and Institutions Code§ 10850, Information Practices Act - California Civil Code § 1798 *et seq.*, Public Records Act - California Government Code§ 6250 *et seq.*, California Penal Code§ 502, 11140-11144, 13301-13303, Health Insurance Portability and Accountability Act of 1996 ("HIPAA")- 45 CPR Parts 160 and 164, and Safeguarding Information for the Financial Assistance Programs - 45 CPR Part 205.50. Subgrantee agrees to comply with the laws applicable to CDSS CSP received.



This Confidentiality and Security Compliance Statement must be signed and returned with the Agreement.

SUBGRANTEE:

---

Signature



## ATTACHMENT B Campaign Contribution Disclosure (SB 1439)

### **DEFINITIONS**

Actively supporting the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

**Contractors must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.**

1. Name of Subgrantee: \_\_\_\_\_
2. Is the entity listed in Question No.1 a nonprofit organization under Internal Revenue Code section 501(c)(3)?  
Yes ☐ If yes, skip Question Nos. 3-4 and go to Question No. 5  
No ☐
3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision: \_\_\_\_\_
4. If the entity identified in Question No.1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s): \_\_\_\_\_
5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship

6. Name of agent of Subgrantee:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district.

Company Name	Subcontractor(s):	Principal and//or Agent(s):

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

Company Name	Individual(s) Name

--	--

9. Was a campaign contribution, of more than \$250, made to any member of the San Bernardino County Board of Supervisors or other County elected officer on or after January 1, 2023, by any of the individuals or entities listed in Question Nos. 1-8?

No ☐ If **no**, please skip Question No. 10.

Yes ☐ If **yes**, please continue to complete this form.

10. Name of Board of Supervisor Member or other County elected officer: \_\_\_\_\_

Name of Contributor: \_\_\_\_\_

Date(s) of Contribution(s): \_\_\_\_\_

Amount(s): \_\_\_\_\_

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, Subgrantee certifies that the statements made herein are true and correct. Subgrantee understands that the individuals and entities listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$250 to any member of the Board of Supervisors or other County elected officer while award of this Contract is being considered and for 12 months after a final decision by the County.

ATTACHMENT C  
**Certification Regarding Lobbying and Conflicts of Interest**  
**CERTIFICATION REGARDING LOBBYING AND CONFLICTS OF INTEREST**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. By entering into the Agreement and accepting Program Funds, Contractor/Subgrantee is in compliance with the Political Reform Act of 1978 and regulations promulgated by the Fair Political Practices Commission (FPPC) regarding requirements relating to lobbying and conflicts of interest.
2. Contractor/Subgrantee is aware of California state laws and regulations regarding employing current or former state employees. If Contractor/Subgrantee has any questions on the status of any person rendering services or involved with the Agreement, the County must be contacted immediately for clarification.
  - (a) Current State Employees (Pub. Contract Code§ 10410): 1). No officer or employee of the State shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment. No officer or employee of the State shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.
  - (b) Former State Employees (Pub. Contract Code§ 10411): 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which they engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency. For the twelve-month period from the date they left state employment, no former state officer or employee may enter into a contract with any state agency if they were employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to their leaving state service.

If Contractor/Subgrantee violates any provisions of above paragraphs, such action by Contractor/Subgrantee shall render this Agreement void (Pub. Contract Code § 10420). Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem (Pub. Contract Code§ 10430(e)).

SUBGRANTEE:

---

Signature



