

**SIGNATURE DOCUMENT FOR
DEPARTMENT OF STATE HEALTH SERVICES
CONTRACT NO. 2016-049598-001**

I. PURPOSE

The Department of State Health Services ("System Agency"), an administrative agency within the executive department of the State of Texas and having its principal office in Austin, Texas, and THE UNIVERSITY OF TEXAS AT AUSTIN-Office of Sponsored Projects ("Contractor"), having its principal office in AUSTIN, TX(each a "Party" and collectively "the Parties") enter into the following contract for the Money Follows the Person Program (MH/MFP) (the "Contract").

II. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions of Texas Health and Safety Code, Chapter 1001.

III. DURATION

This Contract is effective on 01/01/2016 and terminates on 12/31/2016, unless renewed or terminated pursuant to the terms and conditions of this Contract. System Agency, at its own discretion, may extend this contract annually through calendar year 2020, subject to terms and conditions mutually agreeable to the Parties.

IV. BUDGET

The total amount of this Contract will not exceed \$326,205.00. All expenditures under the Contract will be in accordance with the service rate schedule in ATTACHMENT A, STATEMENT OF WORK.

V. CONTRACT REPRESENTATIVES.

The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

System Agency

Department of State Health Services
909 W. 45th Street, MC 2058
Austin, TX 78751
Attention: No Contact Listed

Contractor

THE UNIVERSITY OF TEXAS AT AUSTIN
DBA UNIVERSITY OF TEXAS UNIVER PO BOX 7159

AUSTIN, TX 78713-159
Attention: DAVID HAWKINS

VI. LEGAL NOTICES

Any legal notice required under this Contract shall be deemed delivered when deposited by the System Agency either in the United States mail, postage paid, certified, return receipt requested; or with a common carrier, overnight, signature required, to the appropriate address below:

System Agency

Department of State Health Services
Attention: Lisa Hernandez
1100 W 49th Street, MC 1911
Austin, TX 78756

Contractor

THE UNIVERSITY OF TEXAS AT AUSTIN-OFFICE OF SPONSORED PROJECTS

DBA UNIVERSITY OF TEXAS UNIVER
AUSTIN, TX 78713-159
Attention: DAVID HAWKINS


Legal notice given by Contractor shall be deemed effective when received by the System Agency. Either Party may change its address for notice by written notice to the other Party.

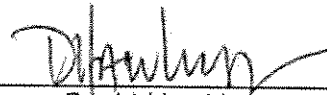
SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE FOR SYSTEM AGENCY CONTRACT No. 2016-049598-001

SYSTEM AGENCY

THE UNIVERSITY OF TEXAS AT
AUSTIN-OFFICE OF
SPONSORED PROJECTS


Lauren Lacefield
Assistant Commissioner
Date of execution: 8-30-14


Name: David Hawkins
Title: Associate Director, OSP
Date of execution: 8-29-2016

THE FOLLOWING ATTACHMENTS TO SYSTEM AGENCY CONTRACT No. 2016-049598-001 ARE HEREBY ATTACHED AND INCORPORATED BY REFERENCE:

ATTACHMENT A – STATEMENT OF WORK
ATTACHMENT B – BUDGET
ATTACHMENT C – UNIFORM TERMS AND CONDITIONS
ATTACHMENT D – VENDOR GENERAL AFFIRMATIONS
ATTACHMENT E – SPECIAL CONDITIONS
ATTACHMENT F – FEDERAL ASSURANCES AND CERTIFICATIONS
ATTACHMENT G – DATA USE AGREEMENT

ATTACHMENTS FOLLOW

ATTACHMENT A STATEMENT OF WORK

SECTION I. STATEMENT OF WORK:

Contractor shall conduct an analysis of qualitative and quantitative data on processes and outcomes in the Texas Money Follows the Person Behavioral Health Pilot (BH Pilot) in order to guide process improvement and inform policy recommendations. Activities shall be conducted by the University of Texas Center for Social Work Research Addiction Research Institute (UTARI). The BH Pilot is funded by a federal grant to the Texas Department of Aging and Disability Services (DADS) from the Centers for Medicare and Medicaid Services (CMS). The BH Pilot is administered by the Department of State Health Services (DSHS).

Contractor's work under this Program Attachment is part of the BH Pilot's overall goal of sustaining effective aspects of the intervention, developing policy recommendations and programmatic improvements, and promoting and disseminating effective practices relating to community transition for adult nursing facility residents with mental health and/or substance use disorders.

Contractor shall carry out the tasks detailed in the request for funding submitted by DSHS to CMS to address the following research objectives:

1. Determine which elements of the BH Pilot are most effective in enabling the participants of this program to leave nursing facilities and live successfully in the community.
2. Determine the satisfaction level of participants who receive BH Pilot services.
3. Determine which services can be improved to more effectively meet the objectives of the BH Pilot.
4. Determine which individual participant gains and functional improvements achieved during the BH Pilot are sustained after the intervention period is over.
5. Report functional outcomes, individual experiences, and the type of residential dwelling inhabited by BH Pilot participants during the intervention period, at the end of the intervention period and after the intervention ends.
6. Determine if some or all of the BH Pilot techniques and practices could be integrated into the Medicaid STAR+PLUS model and support the state-wide rollout of CAT by monitoring CAT and other applicable Center of Excellence (COE) implementation activities.
7. Determine the costs and benefits of implementing BH Pilot techniques and practices.
8. Determine the characteristics of BH Pilot participants who show success in the program and those who do not succeed.
9. Determine how the agencies involved in the BH Pilot can increase their effectiveness and efficiency in working together.
10. Analyze quantitative measures (Multnomah Community Ability Scale, Life Skills Profile, Quality of Life Scale, and Functional Needs Assessment) currently being collected as part of the BH Pilot.
11. Determine strategies and/or services that DSHS, DADS, and the Health and Human Services Commission (HHSC) could potentially implement to prevent or forestall the need for nursing facility placement for individuals with mental health or substance use disorders and/or shorten the length of time in the nursing facility.

ATTACHMENT A STATEMENT OF WORK

Based on the above research objectives, Contractor shall perform the following tasks in the manner and timeframes specified:

A. ADMINISTRATION

1. Provide staffing and support for evaluation of the BH Pilot.
2. Complete tasks necessary to obtain approval of the project from the University of Texas Institutional Review Board (UT IRB).
3. Obtain and deploy communication/curriculum development/policy expertise as directed and approved by DSHS.

B. DATA COLLECTION AND ANALYSIS

1. Contractor shall collect and analyze qualitative data from participants currently receiving BH pilot services to guide Money Follows the Person process improvements and determine the efficacy and perceived effectiveness of Cognitive Adaptation Training (CAT) and substance abuse services.
2. Contractor shall conduct analyses of the quantitative functioning measures currently collected on participants in the BH Pilot. The findings will determine patterns and demographic correlates of change, which will show how the participants function during the year of BH Pilot services.
3. Contractor shall submit a CY 2016 report that includes final versions of each draft report listed in Section II. B.1-6. Final versions of all draft reports will incorporate comments, revisions, and feedback from DSHS.
4. Contractor shall continue to work with the University of Texas Health Science Center - San Antonio (UTHSCSA) to collect and analyze standardized measures on participants after discharge.
5. Contractor shall support the state-wide rollout of CAT and other EBPs by monitoring CAT and other applicable EBP training implementation activities. This will include MCO staff pre-test and post-test assessments of knowledge, and qualitative interviews regarding how the organization evolved to accommodate best practices.

C. REPORTING

1. Contractor shall provide regular updates to the Project Manager with a written summary of the processes and procedures of Contractor's ongoing work and preliminary findings.

ATTACHMENT A STATEMENT OF WORK

2. Contractor shall provide DSHS ad hoc reports and data requests. Contractor shall produce up to two ad hoc reports or data requests per month during the term of this Program Attachment.
3. Contractor shall respond to up to two ad hoc requests from UTHSCSA per quarter (based on the CY) for quantitative analysis of measures (Multnomah Community Ability Scale, Life Skills Profile, Quality of Life Scale, and Functional Needs Assessment) currently being collected as part of the BH Pilot.
4. Contractor shall provide two on-site trainings to Pilot contractors (University of Texas Health Science Center and the Center for Healthcare Services) to present findings and best practices for effective behavioral health pilot services based on qualitative and quantitative evaluation. At minimum, the trainings will include:
 - i. A discussion of the most financially and therapeutically effective target population based on participant outcomes.
 - ii. A discussion of best processes and procedures for administering BH Pilot services.
 - iii. A discussion of participant outcomes and a detailed analysis of what factors lead to successfully maintaining independence in the community.
 - iv. A summary of all qualitative and quantitative findings of the evaluation effort.
 - v. Other data determined by the DSHS Project Manager that has been collected by the Contractor for the BH Pilot Evaluation.

D. MEETINGS, CONFERENCE CALLS, TRAVEL AND OTHER ACTIVITIES

Contractor shall participate in BH Pilot meetings and conference calls as directed or requested by DSHS. Contractor shall travel to project sites as needed to interview participating entities including, but not limited to, STAR+PLUS HMOs, DADS Relocation Contractors, local DADS staff, local mental health authority staff and University of Texas Health Science Center staff.

E. DOCUMENTS SUPPORTING ACTIVITIES

In support of the BH Pilot activities and upon written request of the DSHS Project Director or Project Manager, Contractor shall provide the following services:

1. Work with the Project Director and/or Project Manager to develop and/or contribute to the development of documents and reports, such as white papers, policy briefs, and research manuscripts.
2. Work with the Project Director and/or Project Manager to develop presentations based on BH Pilot findings and to make presentations to appropriate bodies as specified by the DSHS Project Director and/or Project Manager.

SECTION II. PERFORMANCE MEASURES:

ATTACHMENT A STATEMENT OF WORK

Department of State Health Services (DSHS) shall use the terms of this Program Attachment, including without limitation, the following performance measures, to assess Contractor's effectiveness in providing the services described in this Program Attachment. Contractor shall provide the following to DSHS by the dates specified.

A. ADMINISTRATION

1. No later than ten working days after Contractor executes this contract, Contractor shall demonstrate that staffing and administrative support for evaluation are in place and functioning by participating in a conference call with the Project Manager. Each staff member listed in Form I-1 (Personnel) of the budget for this Program Attachment shall be in attendance. Contractor shall submit requests for any changes to administrative and operational support positions, including changes in duties, hours or specific key personnel identified in the Cost Estimate section, in writing, to DSHS no later than ten working days before Contractor implements the proposed change. Contractor shall not implement proposed changes until approval is received, in writing, from the DSHS Project Manager.
2. No later than the 20th day following the end of each month, contractor will e-mail a report to the DSHS Project Manager that includes the following elements: 1) the status of any submitted UT IRB approvals, 2) a description of anticipated UT IRB submissions, which are necessary to carry out performance measures detailed in this program attachment, and 3) a copy of any finalized approval notifications sent from the UT IRB. DSHS Project Manager may allow the contractor to stop sending this report after all UT IRB approvals have been secured.

B. DATA COLLECTION AND ANALYSIS

Contractor shall begin contacting and arranging interviews with a sample of current and former participants within 15 working days after Contractor executes this contract. Contractor shall provide the following services:

1. Contractor shall submit a draft report of the qualitative findings, as specified in Sec. I.B.1-I.B.2 to the DSHS Project Manager no later than June 30, 2016.
2. Contractor shall compile the reports specified in Sec. I.B.5. and submit a final report to the DSHS Project Manager no later than November 30, 2016.
3. Contractor shall compile the standardized measures specified in Sec. I.B.4 and submit a final report to the DSHS Project Manager no later than December 31, 2016.
4. Contractor will assess MCO staff's prior knowledge of Cognitive Adaptation Training (CAT) and will follow up with post-tests. In addition, UTARI will collaborate with essential stakeholders, and will provide policy recommendations on the best process for targeting the CAT intervention. Additional measures will focus on organizational level implementation, specifically, the reach and fidelity of MCOs running MFP, and nursing facility readmission. Contractor identify and report to DSHS on the standardized measures selected for use in Sec. I.B.5 and submit a final report to DSHS no later than

ATTACHMENT A STATEMENT OF WORK

May 1, 2016.

C. REPORTING

1. Contractor shall electronically submit a quarterly summary of progress and findings to the Project Manager no later than the 20th day following the end of each calendar year quarter.
2. For ad hoc reports and data requested by the Project Director and/or Project Manager, Contractor shall submit the reports or data within five working days of receiving the request, unless the Project Director grants an extension.
3. For ad hoc reports and data requested by UTHSCSA, Contractor shall submit the reports or data within ten working days of receiving the request, unless the DSHS Project Manager grants an extension. Contractor shall copy the DSHS Project Manager on all reports sent to UTHSC.
4. By October 31, 2016 Contractor shall submit an agenda, presentation materials, and invitee list to DSHS Project Manager for the first UTHSCSA and CHCS trainings.
5. By November 30, 2016 Contractor shall provide training to UTHSCSA and CHCS Staff.

D. MEETINGS, CONFERENCE CALLS AND OTHER ACTIVITIES

1. Contractor shall participate in 90 percent of the BH Pilot DSHS monthly meetings scheduled the first Monday of every month. DSHS will verify compliance with the requirement based on a roll call of attendees at the beginning of each meeting.
2. Contractor shall participate in conferences or teleconference calls, as requested by the Project Director and/or Project Manager.
3. Contractor shall participate in face-to-face meetings as directed by the Project Director and/or Manager.
4. Contractor shall participate in non-routine calls and activities within 24 hours of request by the Project Director and/or Project Manager.

E. DOCUMENTS SUPPORTING ACTIVITIES

1. Contractor shall submit reports, white papers, and policy briefs to the assigned DSHS Contract Manager with a copy to the DSHS Project Director and Project Manager by the deadlines established by the Project Director and/or Project Manager. The Project Director and/or Project Manager may grant extensions to specified deadlines on a case-by-case basis.
2. Contractor's reports, white papers and policy briefs shall meet content, quality and form criteria specified by the Project Director and/or Project Manager.

F. Contractor shall electronically submit Financial Status Reports using the Form 269a, which

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ATTACHMENT A STATEMENT OF WORK

can be downloaded at <http://www.dshs.state.tx.us/grants/forms.shtm>, to the Claims Processing Unit at invoices@dshs.state.tx.us with a copy to mhcontracts@dshs.state.tx.us and the DSHS Project Manager no later than the following dates: 4/30/2016, 7/31/2016, 10/31/2016, and 1/30/2017.

- G. All reports, documentation, and other information required of Contractor shall be submitted electronically to the mhcontracts@dshs.state.tx.us email address, as well as to the assigned DSHS Contract Manager and the DSHS Project Manager. If DSHS determines Contractor needs to submit deliverables by mail or fax, Contractor shall send the required information to one of the following addresses:

U.S. Postal Mail

Department of State Health Services
Mental Health Contracts Management Unit (Mail Code 2058)
P. O. Box 149347
Austin, TX 78714-9347

Overnight Mail

Department of State Health Services
Mental Health Contracts Management Unit (Mail Code 2058)
909 West 45th Street, Bldg. 552
Austin, TX 78751

Fax: (512) 206-5307

SECTION III. SOLICITATION DOCUMENT:

Exempt-Government Entity

SECTION IV. RENEWALS:

DSHS may renew this contract annually through CY2020 at the sole discretion of DSHS.

SECTION V. PAYMENT METHOD:

Cost Reimbursement

Funding is further detailed in the attached Cost Estimate and, if applicable, Equipment List.

SECTION VI. BILLING INSTRUCTIONS:

Contractor agrees that it will provide the services and deliverables under this Program Attachment within the total amount stated in this Program Attachment.

ATTACHMENT A STATEMENT OF WORK

Contractor shall bill and DSHS will pay Contractor based on actual allowable costs in accordance with Texas Government Code, Chapter 771, Interagency Cooperation Act and OMB Circular A-21 (2 CFR Part 220) up to the total amount of this Program Attachment.

Contractor shall submit expenditures no later than the 20th day of each month. Contractor shall request payment using the State of Texas Purchase Voucher (Form B-13), which can be downloaded at <http://www.dshs.state.tx.us/grants/forms.shtm>. When required by the Program Attachment, supporting documentation for reimbursement of the services/deliverables shall also be submitted.

At a minimum, invoices shall include:

1. Name, address, and telephone number of Contractor;
2. DSHS Contract or Purchase Order Number;
3. Itemized expenses broken down by salaries, fringe benefits, in-state travel, out-of state travel, equipment, supplies, contractual, other and indirect;
4. Identification of service(s) provided;
5. Dates services were delivered;
6. Name of the person performing the activities;
7. Total hours worked as a function of percent of effort that key personnel are appointed to the project;
8. Total invoice amount;
9. A copy of the General Ledger for the period which supports the budget items requesting reimbursement; and
10. Any additional supporting documentation which is required by this Program Attachment or as requested by DSHS.

Contractor shall electronically submit all invoices with supporting documentation to the Claims Processing Unit at invoices@dshs.state.tx.us with a copy to mhcontracts@dshs.state.tx.us and the DSHS Project Manager. Alternative submission arrangements must be approved by the assigned DSHS Contract Manager.

Any cost estimate form, including the DSHS Vendor Cost Schedules, used by Contractor to develop the not-to-exceed amount of this Program Attachment does not constitute a categorical budget and is not incorporated into this Program Attachment. With the exception of the indirect cost rate, approval of DSHS is not necessary for Contractor to submit actual allowable costs that differ from the cost estimate form or to transfer costs between line items in the cost estimate form as long as the total amount of this Program Attachment is not exceeded.

Contractor must maintain and produce, upon request, accounting records that adequately identify and support all costs incurred in the performance of this Program Attachment. Billings submitted by Contractor are subject to audit as stated in the General Provisions made a part of this Program Attachment.

SECTION VII. BUDGET:

Program Amount: 326,205.00\$326,875

System Agency Contract Number 2016-049598-001

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**ATTACHMENT A
STATEMENT OF WORK**

Match Amount:0.00 0.00

Program Income:0.00 0.00

Total:326,205.00 \$326,875

SOURCE OF FUNDS: 93.791.000

CFDA NO: 93.791

2016-049598-001

Categorical Budget:

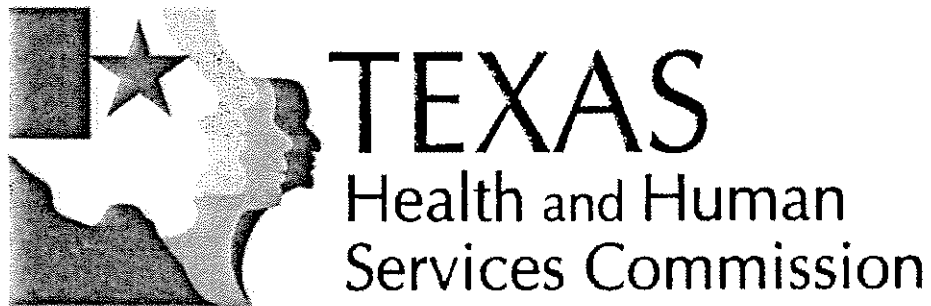
PERSONNEL	\$173,535.00
FRINGE BENEFITS	\$38,178.00
TRAVEL	\$5,700.00
EQUIPMENT	\$0.00
SUPPLIES	\$6,450.00
CONTRACTUAL	\$34,250.00
OTHER	\$780.00
TOTAL DIRECT CHARGES	\$258,893.00
INDIRECT CHARGES	\$67,312.00
TOTAL	\$326,205.00
DSHS SHARE	\$326,205.00
CONTRACTOR SHARE	\$0.00
OTHER MATCH	\$0.00

Total reimbursements will not exceed \$326,205.00

Financial status reports are due: 04/30/2016, 07/31/2016, 11/02/2016, 02/15/2017

The budgeted Indirect cost amount is based on an indirect cost rate agreement approved by a Federal cognizant agency or a state single audit-coordinating agency. A copy of the current approved rate agreement is on file at DSHS.

HHSC Uniform Terms and Conditions Version 2.13
Published and Effective: July 15, 2016
Responsible Office: Chief Counsel



Health and Human Services Commission
HHSC Uniform Terms and Conditions - Grant
Version 2.13

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ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS

1.01 Definitions

As used in this Contract, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

"Amendment" means a written agreement, signed by the parties hereto, which documents changes to the Contract other than those permitted by Work Orders or Technical Guidance Letters, as herein defined.

"Attachment" means documents, terms, conditions, or additional information physically added to this Contract following the Signature Document or included by reference, as if physically, within the body of this Contract.

"Contract" means the Signature Document, these Uniform Terms and Conditions, along with any Attachments, and any Amendments, or Technical Guidance Letters that may be issued by the System Agency, to be incorporated by reference herein for all purposes if issued.

"Deliverable" means a work product prepared, developed, or procured by Grantee as part of the Services under the Contract for the use or benefit of the System Agency or the State of Texas.

"Effective Date" means the date agreed to by the Parties as the date on which the Contract takes effect.

"System Agency" means HHSC or any of the agencies of the State of Texas that are overseen by HHSC under authority granted under State law and the officers, employees, and designees of those agencies. These agencies include: the Department of Aging and Disability Services, the Department of Assistive and Rehabilitative Services, the Department of Family and Protective Services, and the Department of State Health Services.

"Federal Fiscal Year" means the period beginning October 1 and ending September 30 each year, which is the annual accounting period for the United States government.

"GAAP" means Generally Accepted Accounting Principles.

"GASB" means the Governmental Accounting Standards Board.

"Grantee" means the Party receiving funds under this Contract, if any.

"Health and Human Services Commission" or "HHSC" means the administrative agency established under Chapter 531, Texas Government Code or its designee.

"HUB" means Historically Underutilized Business, as defined by Chapter 2161 of the Texas Government Code.

"Intellectual Property" means inventions and business processes, whether or not patentable; works of authorship; trade secrets; trademarks; service marks; industrial designs; and creations

that are subject to potential legal protection incorporated in any Deliverable and first created or developed by Grantee, Grantee's contractor or a subcontractor in performing the Project.

"Mentor Protégé" means the Comptroller of Public Accounts' leadership program found at: <http://www.window.state.tx.us/procurement/prog/hub/mentorprotege/>.

"Parties" means the System Agency and Grantee, collectively.

"Party" means either the System Agency or Grantee, individually.

"Program" means the statutorily authorized activities of the System Agency under which this Contract has been awarded.

"Project" means specific activities of the Grantee that are supported by funds provided under this Contract.

"Public Information Act" or "PIA" means Chapter 552 of the Texas Government Code.

"Statement of Work" means the description of activities performed in completing the Project, as specified in the Contract and as may be amended.

"Signature Document" means the document executed by both Parties that specifically sets forth all of the documents that constitute the Contract.

"Solicitation" means the document issued by the System Agency under which applications for Program funds were requested, which is incorporated herein by reference for all purposes in its entirety, including all Amendments and Attachments.

"Solicitation Response" means Grantee's full and complete response to the Solicitation, which is incorporated herein by reference for all purposes in its entirety, including any Attachments and addenda.

"State Fiscal Year" means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

"State of Texas Textravel" means Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter C, Section 5.22, relative to travel reimbursements under this Contract, if any.

"Technical Guidance Letter" or "TGL" means an instruction, clarification, or interpretation of the requirements of the Contract, issued by the System Agency to the Grantee.

1.02 Interpretive Provisions

- a. The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.
- b. The words "hereof," "herein," "hereunder," and similar words refer to this Contract as a whole and not to any particular provision, section, Attachment, or schedule of this Contract unless otherwise specified.
- c. The term "including" is not limiting and means "including without limitation" and, unless otherwise expressly provided in this Contract, (i) references to contracts (including this Contract) and other contractual instruments shall be deemed to include all subsequent

Amendments and other modifications thereto, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Contract, and (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting the statute or regulation.

- d. Any references to "sections," "appendices," or "attachments" are references to sections, appendices, or attachments of the Contract.
- e. Any references to agreements, contracts, statutes, or administrative rules or regulations in the Contract are references to these documents as amended, modified, or supplemented from time to time during the term of the Contract.
- f. The captions and headings of this Contract are for convenience of reference only and do not affect the interpretation of this Contract.
- g. All Attachments within this Contract, including those incorporated by reference, and any Amendments are considered part of the terms of this Contract.
- h. This Contract may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative and each will be performed in accordance with its terms.
- i. Unless otherwise expressly provided, reference to any action of the System Agency or by the System Agency by way of consent, approval, or waiver will be deemed modified by the phrase "in its sole discretion."
- j. Time is of the essence in this Contract.

ARTICLE II PAYMENT METHODS AND RESTRICTIONS

2.01 Payment Methods

Except as otherwise provided by the provisions of the Contract, the payment method will be one or more of the following:

- a. cost reimbursement. This payment method is based on an approved budget and submission of a request for reimbursement of expenses Grantee has incurred at the time of the request;
- b. unit rate/fee-for-service. This payment method is based on a fixed price or a specified rate(s) or fee(s) for delivery of a specified unit(s) of service and acceptable submission of all required documentation, forms and/or reports; or
- c. advance payment. This payment method is based on disbursement of the minimum necessary funds to carry out the Program or Project where the Grantee has implemented appropriate safeguards. This payment method will only be utilized in accordance with governing law and at the sole discretion of the System Agency.

Grantees shall bill the System Agency in accordance with the Contract. Unless otherwise specified in the Contract, Grantee shall submit requests for reimbursement or payment monthly by the last business day of the month following the month in which expenses were incurred or services provided. Grantee shall maintain all documentation that substantiates invoices and make the documentation available to the System Agency upon request.

2.02 Final Billing Submission

Unless otherwise provided by the System Agency, Grantee shall submit a reimbursement or payment request as a final close-out invoice not later than forty-five (45) calendar days following

the end of the term of the Contract. Reimbursement or payment requests received in the System Agency's offices more than forty-five (45) calendar days following the termination of the Contract may not be paid.

2.03 Financial Status Reports (FSRs)

Except as otherwise provided in these General Provisions or in the terms of any Program Attachment(s) that is incorporated into the Contract, for contracts with categorical budgets, Grantee shall submit quarterly FSRs to Accounts Payable by the last business day of the month following the end of each quarter of the Program Attachment term for System Agency review and financial assessment. Grantee shall submit the final FSR no later than forty-five (45) calendar days following the end of the applicable term.

2.04 Debt to State and Corporate Status

Pursuant to Tex. Gov. Code § 403.055, the Department will not approve and the State Comptroller will not issue payment to Grantee if Grantee is indebted to the State for any reason, including a tax delinquency. Grantee, if a corporation, certifies by execution of this Contract that it is current and will remain current in its payment of franchise taxes to the State of Texas or that it is exempt from payment of franchise taxes under Texas law (Tex. Tax Code §§ 171.001 et seq.). If tax payments become delinquent during the Contract term, all or part of the payments under this Contract may be withheld until Grantee's delinquent tax is paid in full.

2.05 Application of Payment Due

Grantee agrees that any payments due under this Contract will be applied towards any debt of Grantee, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

2.06 Use of Funds

Grantee shall expend funds provided under this Contract only for the provision of approved services and for reasonable and allowable expenses directly related to those services.

2.07 Use for Match Prohibited

Grantee shall not use funds provided under this Contract for matching purposes in securing other funding without the written approval of the System Agency.

2.08 Program Income

Income directly generated from funds provided under this Contract or earned only as a result of such funds is Program Income. Unless otherwise required under the Program, Grantee shall use the addition alternative, as provided in UGMS § __.25(g)(2), for the use of Project income to further the Program, and Grantee shall spend the Program Income on the Project. Grantee shall identify and report this income in accordance with the Contract, applicable law, and any programmatic guidance. Grantee shall expend Program Income during the Contract term and may not carry Program Income forward to any succeeding term. Grantee shall refund program income to the System Agency if the Program Income is not expended in the term in which it is earned. The System Agency may base future funding levels, in part, upon Grantee's proficiency in identifying, billing, collecting, and reporting Program Income, and in using it for the purposes and under the conditions specified in this Contract.

2.09 Nonsupplanting

Grantee shall not use funds from this Contract to replace or substitute for existing funding from other but shall use funds from this Contract to supplement existing state or local funds currently available. Grantee shall make a good faith effort to maintain its current level of support. Grantee may be required to submit documentation substantiating that a reduction in state or local funding, if any, resulted for reasons other than receipt or expected receipt of funding under this Contract.

ARTICLE III. STATE AND FEDERAL FUNDING

3.01 Funding

This Contract is contingent upon the availability of sufficient and adequate funds. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or agencies, amendment of the Texas General Appropriations Act, agency consolidation, or any other disruptions of current funding for this Contract, the System Agency may restrict, reduce, or terminate funding under this Contract. This Contract is also subject to immediate cancellation or termination, without penalty to the System Agency, if sufficient and adequate funds are not available. Grantee will have no right of action against the System Agency if the System Agency cannot perform its obligations under this Contract as a result of lack of funding for any activities or functions contained within the scope of this Contract. In the event of cancellation or termination under this Section, the System Agency will not be required to give notice and will not be liable for any damages or losses caused or associated with such termination or cancellation.

3.02 No debt Against the State

The Contract will not be construed as creating any debt by or on behalf of the State of Texas.

3.03 Debt to State

If a payment law prohibits the Texas Comptroller of Public Accounts from making a payment, the Grantee acknowledges the System Agency's payments under the Contract will be applied toward eliminating the debt or delinquency. This requirement specifically applies to any debt or delinquency, regardless of when it arises.

3.04 Recapture of Funds

The System Agency may withhold all or part of any payments to Grantee to offset overpayments made to the Grantee. Overpayments as used in this Section include payments (i) made by the System Agency that exceed the maximum allowable rates; (ii) that are not allowed under applicable laws, rules, or regulations; or (iii) that are otherwise inconsistent with this Contract, including any unapproved expenditures. Grantee understands and agrees that it will be liable to the System Agency for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Contract. Grantee further understands and agrees that reimbursement of such disallowed costs will be paid by Grantee from funds which were not provided or otherwise made available to Grantee under this Contract.

ARTICLE IV ALLOWABLE COSTS AND AUDIT REQUIREMENTS

4.01 Allowable Costs.

System Agency will reimburse the allowable costs incurred in performing the Project that are sufficiently documented. Grantee must have incurred a cost prior to claiming reimbursement and within the applicable term to be eligible for reimbursement under this Contract. The System Agency will determine whether costs submitted by Grantee are allowable and eligible for reimbursement. If the System Agency has paid funds to Grantee for unallowable or ineligible costs, the System Agency will notify Grantee in writing, and Grantee shall return the funds to the System Agency within thirty (30) calendar days of the date of this written notice. The System Agency may withhold all or part of any payments to Grantee to offset reimbursement for any unallowable or ineligible expenditure that Grantee has not refunded to the System Agency, or if financial status report(s) required under the Financial Status Reports section are not submitted by the due date(s). The System Agency may take repayment (recoup) from funds available under this Contract in amounts necessary to fulfill Grantee's repayment obligations. Applicable cost principles, audit requirements, and administrative requirements include-

Applicable Entity	Applicable Cost Principles	Audit Requirements	Administrative Requirements
State, Local and Tribal Governments	2 CFR, Part 225	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
Educational Institutions	2 CFR, Part 220	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
Non-Profit Organizations	2 CFR, Part 230	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
For-profit Organization other than a hospital and an organization named in OMB Circular A-122 (2 CFR Part, 230) as not subject to that circular.	48 CFR Part 31, Contract Cost Principles, Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the federal or state awarding agency	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS

OMB Circulars will be applied with the modifications prescribed by UGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

4.02 Independent Single or Program-Specific Audit

If Grantee, within Grantee's fiscal year, expends a total amount of at least **SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000)** in federal funds awarded, Grantee shall have a single audit or program-specific audit in accordance with the 2 CFR 200. The \$750,000 federal threshold amount includes federal funds passed through by way of state agency awards. If Grantee, within Grantee's fiscal year, expends a total amount of at least \$750,000 in state funds awarded, Grantee must have a single audit or program-specific audit in accordance with UGMS, State of Texas Single Audit Circular. For-profit Grantees whose expenditures meet or exceed the federal or state expenditure thresholds stated above shall follow the guidelines in 2 CFR 200 or UGMS, as applicable, for their program-specific audits. The HHSC Office of Inspector General (OIG) will notify Grantee to complete the Single Audit Status Registration Form. If Grantee fails to complete the Single Audit Status Form within thirty (30) calendar days after notification by OIG to do so, Grantee shall be subject to the System Agency sanctions and remedies for non-compliance with this Contract. The audit must be conducted by an independent certified public accountant and in accordance with applicable OMB Circulars, Government Auditing Standards, and UGMS. Grantee shall procure audit services in compliance with this section, state procurement procedures, as well as with the provisions of UGMS

4.03 Submission of Audit

Within thirty (30) calendar days of receipt of the audit reports required by the Independent Single or Program-Specific Audit section, Grantee shall submit one copy to the System Agency as directed in this Contract. The Grantee will also submit a copy of the Independent Single or Program-Specific Audit to the OIG, at the following address:

Health and Human Services Commission
Office of Inspector General
Compliance/Audit, Mail Code 1326
P.O. Box 85200
Austin, Texas 78708-5200

Electronic submission to OIG should be addressed as follows:
Dani.fielding@hhsc.state.tx.us

If Grantee fails to submit the audit report as required by the Independent Single or Program-Specific Audit section within thirty (30) calendar days of receipt by Grantee of an audit report, Grantee shall be subject to the System Agency sanctions and remedies for non-compliance with this Contract.

ARTICLE V AFFIRMATIONS, ASSURANCES AND CERTIFICATIONS

5.01 General Affirmations

Grantee certifies that, to the extent General Affirmations are incorporated into the Contract under the Signature Document, the General Affirmations have been reviewed and that Grantee is in compliance with each of the requirements reflected therein.

5.02 Federal Assurances

Grantee further certifies that, to the extent Federal Assurances are incorporated into the Contract under the Signature Document, the Federal Assurances have been reviewed and that Grantee is in compliance with each of the requirements reflected therein.

5.03 Federal Certifications

Grantee further certifies, to the extent Federal Certifications are incorporated into the Contract under the Signature Document, that the Federal Certifications have been reviewed, and that Grantee is in compliance with each of the requirements reflected therein. **In addition, Grantee certifies that it is in compliance with all applicable federal laws, rules, or regulations, as they may pertain to this Contract.**

ARTICLE VI OWNERSHIP AND INTELLECTUAL PROPERTY

6.01 Ownership

The System Agency will own, and Grantee hereby assigns to the System Agency, all right, title, and interest in all Deliverables.

6.02 Intellectual Property

- a. The System Agency and Grantee will retain ownership, all rights, title, and interest in and to, their respective pre-existing Intellectual Property. A license to either Party's pre-existing Intellectual Property must be agreed to under this or another contract.
- b. Grantee grants to the System Agency and the State of Texas a royalty-free, paid up, worldwide, perpetual, non-exclusive, non-transferable license to use any Intellectual Property invented or created by Grantee, Grantee's contractor, or a subcontractor in the performance of the Project. Grantee will require its contractors to grant such a license under its contracts.

ARTICLE VII RECORDS, AUDIT, AND DISCLOSURE

7.01 Books and Records

Grantee will keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the System Agency, the Texas State Auditor's Office, the United States Government, and their authorized representatives sufficient information to determine compliance with the terms and conditions of this Contract and all state and federal rules, regulations, and statutes. Unless otherwise specified in this Contract, Grantee will maintain legible copies of this Contract and all related documents for a minimum of seven (7) years after the termination of the contract period or seven (7) years after the completion of any litigation or dispute involving the Contract, whichever is later.

7.02 Access to records, books, and documents

In addition to any right of access arising by operation of law, Grantee and any of Grantee's affiliate or subsidiary organizations, or Subcontractors will permit the System Agency or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, unrestricted access to and the right to examine any site where business is conducted or Services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If the Contract includes federal funds, federal agencies that will have a right of access to records as described in this section include: the federal agency providing the funds, the Comptroller General of the United States, the General Accounting Office, the Office of the Inspector General, and any of their authorized representatives. In addition, agencies of the State of Texas that will have a right of access to records as described in this section include: the System Agency, HHSC, HHSC's contracted examiners, the State Auditor's Office, the Texas Attorney General's Office, and any successor agencies. Each of these entities may be a duly authorized authority. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Grantee will produce original documents related to this Contract. The System Agency and any duly authorized authority will have the right to audit billings both before and after payment, and all documentation that substantiates the billings. Grantee will include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any Subcontract it awards.

7.03 Response/compliance with audit or inspection findings

- a. Grantee must act to ensure its and its Subcontractor's compliance with all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle, or any other deficiency identified in any audit, review, or inspection of the Contract and the goods or services provided hereunder. Any such correction will be at Grantee or its Subcontractor's sole expense. Whether Grantee's action corrects the noncompliance will be solely the decision of the System Agency.
- b. As part of the Services, Grantee must provide to HHSC upon request a copy of those portions of Grantee's and its Subcontractors' internal audit reports relating to the Services and Deliverables provided to the State under the Contract.

7.04 SAO Audit

Grantee understands that acceptance of funds directly under the Contract or indirectly through a Subcontract under the Contract acts as acceptance of the authority of the State Auditor's Office (SAO), or any successor agency, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the SAO must provide the SAO with access to any information the SAO considers relevant to the investigation or audit. Grantee agrees to cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested. Grantee will ensure that this clause concerning the authority to audit funds received indirectly by Subcontractors through Grantee and the requirement to cooperate is included in any Subcontract it awards.

7.05 Confidentiality

Any specific confidentiality agreement between the Parties takes precedent over the terms of this section. To the extent permitted by law, Grantee agrees to keep all information confidential, in whatever form produced, prepared, observed, or received by Grantee. The provisions of this section remain in full force and effect following termination or cessation of the services performed under this Contract.

7.06 Public Information Act

Information related to the performance of this Contract may be subject to the PIA and will be withheld from public disclosure or released only in accordance therewith. Grantee must make all information not otherwise excepted from disclosure under the PIA available in portable document file (".pdf") format or any other format agreed between the Parties.

ARTICLE VIII CONTRACT MANAGEMENT AND EARLY TERMINATION

8.01 Contract Management

To ensure full performance of the Contract and compliance with applicable law, the System Agency may take actions including:

- a. Suspending all or part of the Contract;
- b. Requiring the Grantee to take specific corrective actions in order to remain in compliance with term of the Contract;
- c. Recouping payments made to the Grantee found to be in error;
- d. Suspending, limiting, or placing conditions on the continued performance of the Project;
- e. Imposing any other remedies authorized under this Contract; and
- f. Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.

8.02 Termination for Convenience

The System Agency may terminate the Contract at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in HHSC's notice of termination.

8.03 Termination for Cause

Except as otherwise provided by the U.S. Bankruptcy Code, or any successor law, the System Agency may terminate the Contract, in whole or in part, upon either of the following conditions:

a. Material Breach

The System Agency will have the right to terminate the Contract in whole or in part if the System Agency determines, at its sole discretion, that Grantee has materially breached the Contract or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Grantee's duties under the Contract. Grantee's misrepresentation in any aspect of Grantee's Solicitation Response, if any or Grantee's addition to the Excluded Parties List System (EPLS) will also constitute a material breach of the Contract.

b. Failure to Maintain Financial Viability

The System Agency may terminate the Contract if, in its sole discretion, the System Agency has a good faith belief that Grantee no longer maintains the financial viability required to complete the Services and Deliverables, or otherwise fully perform its responsibilities under the Contract.

8.04 Equitable Settlement

Any early termination under this Article will be subject to the equitable settlement of the respective interests of the Parties up to the date of termination.

ARTICLE IX MISCELLANEOUS PROVISIONS

9.01 Amendment

The Contract may only be amended by an Amendment executed by both Parties.

9.02 Insurance

Unless otherwise specified in this Contract, Grantee will acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry as determined by the System Agency. Grantee will provide evidence of insurance as required under this Contract, including a schedule of coverage or underwriter's schedules establishing to the satisfaction of the System Agency the nature and extent of coverage granted by each such policy, upon request by the System Agency. In the event that any policy is determined by the System Agency to be deficient to comply with the terms of this Contract, Grantee will secure such additional policies or coverage as the System Agency may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Grantee must produce renewal certificates for each type of coverage.

These and all other insurance requirements under the Contract apply to both Grantee and its Subcontractors, if any. Grantee is responsible for ensuring its Subcontractors' compliance with all requirements.

9.03 Legal Obligations

Grantee will comply with all applicable federal, state, and local laws, ordinances, and regulations, including all federal and state accessibility laws relating to direct and indirect use of information and communication technology. Grantee will be deemed to have knowledge of all applicable laws and regulations and be deemed to understand them. In addition to any other act or omission that may constitute a material breach of the Contract, failure to comply with this Section may also be a material breach of the Contract.

9.04 Permitting and Licensure

At Grantee's sole expense, Grantee will procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Grantee to provide the goods or Services required by this Contract. Grantee will be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Grantee agrees to be responsible for payment of any such government obligations not paid by its contractors or subcontractors during performance of this Contract.

9.05 Indemnity

TO THE EXTENT ALLOWED BY LAW, GRANTEE WILL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND ITS OFFICERS AND EMPLOYEES, AND THE SYSTEM AGENCY AND ITS OFFICERS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING ATTORNEYS' FEES AND COURT COSTS ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM:

- a. GRANTEE'S PERFORMANCE OF THE CONTRACT, INCLUDING ANY NEGLIGENT ACTS OR OMISSIONS OF GRANTEE, OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR
- b. ANY BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, RULE, OR BREACH OF CONTRACT BY GRANTEE, ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR
- c. EMPLOYMENT OR ALLEGED EMPLOYMENT, INCLUDING CLAIMS OF DISCRIMINATION AGAINST GRANTEE, ITS OFFICERS, OR ITS AGENTS; OR
- d. WORK UNDER THIS CONTRACT THAT INFRINGES OR MISAPPROPRIATES ANY RIGHT OF ANY THIRD PERSON OR ENTITY BASED ON COPYRIGHT, PATENT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS.

GRANTEE WILL COORDINATE ITS DEFENSE WITH THE SYSTEM AGENCY AND ITS COUNSEL. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE GRANTEE TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING SOLELY FROM THE GROSS NEGLIGENCE OF THE SYSTEM AGENCY OR ITS EMPLOYEES. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS CONTRACT.

9.06 Assignments

Grantee may not assign all or any portion of its rights under, interests in, or duties required under this Contract without prior written consent of the System Agency, which may be withheld or granted at the sole discretion of the System Agency. Except where otherwise agreed in writing by the System Agency, assignment will not release Grantee from its obligations under the Contract.

Grantee understands and agrees the System Agency may in one or more transactions assign, pledge, or transfer the Contract. This assignment will only be made to another State agency or a non-state agency that is contracted to perform agency support.

9.07 Relationship of the Parties

Grantee is, and will be, an independent contractor and, subject only to the terms of this Contract, will have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract will be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create for the System Agency any

liability whatsoever with respect to the indebtedness, liabilities, and obligations of Grantee or any other Party.

Grantee will be solely responsible for, and the System Agency will have no obligation with respect to:

- a. Payment of Grantee's employees for all Services performed;
- b. Ensuring each of its employees, agents, or Subcontractors who provide Services or Deliverables under the Contract are properly licensed, certified, or have proper permits to perform any activity related to the Work;
- c. Withholding of income taxes, FICA, or any other taxes or fees;
- d. Industrial or workers' compensation insurance coverage;
- e. Participation in any group insurance plans available to employees of the State of Texas;
- f. Participation or contributions by the State to the State Employees Retirement System;
- g. Accumulation of vacation leave or sick leave; or
- h. Unemployment compensation coverage provided by the State.

9.08 Technical Guidance Letters

In the sole discretion of the System Agency, and in conformance with federal and state law, the System Agency may issue instructions, clarifications, or interpretations as may be required during Work performance in the form of a Technical Guidance Letter. A TGL must be in writing, and may be delivered by regular mail, electronic mail, or facsimile transmission. Any TGL issued by the System Agency will be incorporated into the Contract by reference herein for all purposes when it is issued.

9.09 Governing Law and Venue

This Contract and the rights and obligations of the Parties hereto will be governed by, and construed according to, the laws of the State of Texas, exclusive of conflicts of law provisions. Venue of any suit brought under this Contract will be in a court of competent jurisdiction in Travis County, Texas unless otherwise elected by the System Agency. Grantee irrevocably waives any objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Contract or any document related hereto.

9.10 Severability

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provision or provisions of this Contract unenforceable.

9.11 Survivability

Termination or expiration of this Contract or a Contract for any reason will not release either party from any liabilities or obligations in this Contract that the parties have expressly agreed will survive any such termination or expiration, remain to be performed, or by their nature would be intended to be applicable following any such termination or expiration, including maintaining confidentiality of information and records retention.

9.12 Force Majeure

Except with respect to the obligation of payments under this Contract, if either of the Parties, after a good faith effort, is prevented from complying with any express or implied covenant of this Contract by reason of war; terrorism; rebellion; riots; strikes; acts of God; any valid order, rule, or regulation of governmental authority; or similar events that are beyond the control of the affected Party (collectively referred to as a "Force Majeure"), then, while so prevented, the affected Party's obligation to comply with such covenant will be suspended, and the affected Party will not be liable for damages for failure to comply with such covenant. In any such event, the Party claiming Force Majeure will promptly notify the other Party of the Force Majeure event in writing and, if possible, such notice will set forth the extent and duration thereof.

9.13 No Waiver of Provisions

Neither failure to enforce any provision of this Contract nor payment for services provided under it constitute waiver of any provision of the Contract.

9.14 Publicity

Except as provided in the paragraph below, Grantee must not use the name of, or directly or indirectly refer to, the System Agency, the State of Texas, or any other State agency in any media release, public announcement, or public disclosure relating to the Contract or its subject matter, including in any promotional or marketing materials, customer lists, or business presentations.

Grantee may publish, at its sole expense, results of Grantee performance under the Contract with the System Agency's prior review and approval, which the System Agency may exercise at its sole discretion. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

9.15 Prohibition on Non-compete Restrictions

Grantee will not require any employees or Subcontractors to agree to any conditions, such as non-compete clauses or other contractual arrangements that would limit or restrict such persons or entities from employment or contracting with the State of Texas.

9.16 No Waiver of Sovereign Immunity

Nothing in the Contract will be construed as a waiver of sovereign immunity by the System Agency.

9.17 Entire Contract and Modification

The Contract constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Contract will be harmonized with this Contract to the extent possible by the System Agency.

9.18 Counterparts

This Contract may be executed in any number of counterparts, each of which will be an original, and all such counterparts will together constitute but one and the same Contract.

9.19 Proper Authority

Each Party hereto represents and warrants that the person executing this Contract on its behalf has full power and authority to enter into this Contract. Any Services or Work performed by Grantee before this Contract is effective or after it ceases to be effective are performed at the sole risk of Grantee with respect to compensation.

9.20 Employment Verification

Grantee will confirm the eligibility of all persons employed during the contract term to perform duties within Texas and all persons, including subcontractors, assigned by the contractor to perform work pursuant to the Contract.

9.21 Civil Rights

- a. Grantee agrees to comply with state and federal anti-discrimination laws, including:
 1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d *et seq.*);
 2. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
 3. Americans with Disabilities Act of 1990 (42 U.S.C. §12101 *et seq.*);
 4. Age Discrimination Act of 1975 (42 U.S.C. §§6101-6107);
 5. Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688);
 6. Food and Nutrition Act of 2008 (7 U.S.C. §2011 *et seq.*); and
 7. The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Agreement.

Grantee agrees to comply with all amendments to the above-referenced laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States may, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from participation in or denied any aid, care, service or other benefits provided by Federal or State funding, or otherwise be subjected to discrimination.

- b. Grantee agrees to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations at 45 C.F.R. Part 80 or 7 C.F.R. Part 15, prohibiting a contractor from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. State and federal civil rights laws require contractors to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Grantee agrees to take reasonable steps to provide services and information, both orally and in writing, in appropriate languages other than English, in order to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities.
- c. Grantee agrees to post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHS Civil Rights Office. The posters are available on the HHS website at: http://www.hhsc.state.tx.us/about_hhsc/civil-rights/brochures-posters.shtml

- d. Grantee agrees to comply with Executive Order 13279, and its implementing regulations at 45 C.F.R. Part 87 or 7 C.F.R. Part 16. These provide in part that any organization that participates in programs funded by direct financial assistance from the United States Department of Agriculture or the United States Department of Health and Human Services shall not discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.
- e. Upon request, Grantee will provide HHSC Civil Rights Office with copies of all of the Grantee's civil rights policies and procedures.
- f. Grantee must notify HHSC's Civil Rights Office of any civil rights complaints received relating to its performance under this Agreement. This notice must be delivered no more than ten (10) calendar days after receipt of a complaint. Notice provided pursuant to this section must be directed to:

HHSC Civil Rights Office
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
TTY Toll Free: (877) 432-7232
Fax: (512) 438-5885.

GENERAL AFFIRMATIONS

By entering into this Contract, Contractor affirms, without exception, as follows:

1. Contractor represents and warrants that these General Affirmations apply to Contractor and all of Contractor's principals, officers, directors, shareholders, partners, owners, agents, employees, Subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Contract.
2. Contractor represents and warrants that all statements and information provided to the Enterprise Agency are current, complete, and accurate. This includes all statements and information relating in any manner to this Contract and any solicitation resulting in this Contract.
3. Contractor has not given, has not offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract.
4. Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
5. Under Section 2155.006, Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
6. Under Section 2261.053, Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), Contractor certifies that it is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
7. Under Section 231.006, Texas Family Code (relating to delinquent child support), Contractor certifies that it is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.
8. Contractor certifies that: (a) the entity executing this Contract; (b) its principals; (c) its Subcontractors; and (d) any personnel designated to perform services related to this Contract are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal Department or Agency. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Contractor's Subcontracts if payment in whole or in part is from federal funds.
9. Contractor certifies that it, its principals, its Subcontractors, and any personnel designated to perform services related to this Contract are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state, or local governmental entity.
10. Contractor certifies it is in compliance with all State of Texas statutes and rules relating to procurement; and that (a) the entity executing this Contract; (b) its principals; (c) its Subcontractors; and (d) any personnel designated to perform services related to this Contract are not listed on the federal government's terrorism watch list described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov/portal/public/SAM/>, which Contractor may

review in making this certification. Contractor acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate. This provision shall be included in its entirety in Contractor's Subcontracts if payment in whole or in part is from federal funds.

11. In accordance with Texas Government Code Section 669.003 (relating to contracting with the executive head of a state agency), Contractor certifies that it (1) is not the executive head of the Enterprise Agency; (2) was not at any time during the past four years the executive head of the Enterprise Agency; and (3) does not employ a current or former executive head of the Enterprise Agency.
12. Contractor represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.
13. Contractor represents and warrants that payments to Contractor and Contractor's receipt of appropriated or other funds under this Contract are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).
14. Contractor represents and warrants that it will comply with Texas Government Code Section 2155.4441, relating to the purchase of products produced in the State of Texas under service contracts.
15. Pursuant to Section 2252.901, Texas Government Code (relating to prohibitions regarding contracts with and involving former and retired state agency employees), Contractor will not allow any former employee of the Enterprise Agency to perform services under this Contract during the twelve (12) month period immediately following the employee's last date of employment at the Enterprise Agency.
16. Contractor acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of the Enterprise Agency who during the period of state service or employment participated on behalf of the Enterprise Agency in a procurement or contract negotiation involving Contractor may not accept employment from Contractor before the second anniversary of the date the officer's or employee's service or employment with the Enterprise Agency ceased.
17. Contractor understands that the Enterprise Agency does not tolerate any type of fraud. The Enterprise Agency's policy is to promote consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. All employees or contractors who suspect fraud, waste or abuse (including employee misconduct that would constitute fraud, waste, or abuse) are required to immediately report the questionable activity to both the Health and Human Services Commission's Office of the Inspector General at 1-800-436-6184 and the State Auditor's Office. Contractor agrees to comply with all applicable laws, rules, regulations, and Enterprise Agency policies regarding fraud including, but not limited to, HHS Circular C-027.
18. Contractor represents and warrants that it has not violated state or federal antitrust laws and has not communicated its bid for this Contract directly or indirectly to any competitor or any other person engaged in such line of business. Contractor hereby assigns to Enterprise Agency any claims for overcharges associated with this Contract under 15 U.S.C. § 1, *et seq.*, and Texas Business and Commerce Code § 15.01, *et seq.*
19. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Contractor or any of the individuals or entities included numbered paragraph 1 of these General Affirmations within the five (5) calendar years immediately preceding the execution of this Contract that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to the Enterprise Agency's consideration of entering

into this Contract. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has provided to the Enterprise Agency a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to the Enterprise Agency's consideration of entering into this Contract. In addition, Contractor represents and warrants that it shall notify the Enterprise Agency in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update the Enterprise Agency shall constitute breach of contract and may result in immediate termination of this Contract.

20. Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.
21. Contractor represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to this Contract.
22. Contractor represents and warrants that the individual signing this Contract is authorized to sign on behalf of Contractor and to bind Contractor.

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**ATTACHMENT E
SUPPLEMENTAL & SPECIAL CONDITIONS**

**HHSC/UNIVERSITY OF TEXAS GRANTS CONTRACT
SUPPLEMENTAL CONDITIONS**

The Uniform Terms and Conditions - Grants, Attachment C of this Contract, are revised as follows:

Section 2.02, Final Billing Submission, is deleted in its entirety and replaced with the following:

2.02 Final Billing Submission

Unless otherwise provided by the System Agency, Grantee shall submit a reimbursement or payment request as a final close-out invoice not later than sixty (60) calendar days following the end of the term of the Contract. Reimbursement or payment requests received in the System Agency's offices more than sixty (60) calendar days following the termination of the Contract may not be paid.

Section 2.03, Financial Status Reports, is deleted in its entirety and replaced with the following:

2.03 Financial Status Reports (FSRs)

Except as otherwise provided in these General Provisions or in the terms of any Program Attachment(s) that is incorporated into the Contract, for contracts with categorical budgets, Grantee shall submit quarterly FSRs to Accounts Payable by the last business day of the month following the end of each quarter of the Program Attachment term for System Agency review and financial assessment. Grantee shall submit the final FSR no later than sixty (60) calendar days following the end of the applicable term.

Section 6.01, Ownership, is deleted in its entirety and replaced with the following:

6.01 Ownership

Other than intellectual property interests, System Agency will own, and Grantee hereby assigns to the System Agency, all right, title, and interest in all Deliverables.

Section 6.02, Intellectual Property, is deleted in its entirety and replaced with the following:

6.02 Intellectual Property

- a. The System Agency and Grantee will retain ownership, all rights, title, and interest in and to, their respective pre-existing Intellectual Property.
- b. To the extent any Work results in the creation of Intellectual Property, all rights, title, and interest in and to such Intellectual Property shall vest in the Part that creates such Intellectual Property.
- c. Grantee agrees to grant to the System Agency and the State of Texas a royalty-free, paid up, worldwide, perpetual, non-exclusive, non-transferable, non-commercial license to use all Deliverables and any Intellectual Property invented or created by Grantee, Grantee's contractor, or a

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subcontractor in the performance of the Project. Grantee will require its contractors to grant such a license in any subcontracts under this Contract.

- d. The System Agency shall have the right to review and provide comment to any written report, publication or other literature including copyrightable Intellectual Property invented or created in the performance of this Contract, prior to the publication of such literature. Grantee agrees to provide the System Agency with an advance copy of any such report, publication, or literature at least thirty (30) days prior to publication. Grantee agrees to insert the following statement into any such report, publication or literature: "The views expressed in this publication are those of the authors and do not necessarily reflect the official policies, positions, or views of the State of Texas or the Health and Human Services Commission."

Section 7.05, Confidentiality, is deleted in its entirety and replaced with the following:

7.05 Confidentiality

Should the work under this Contract require the exchange of any confidential information, the parties agree to execute a separate nondisclosure or data use agreement to control the handling and protection of such information.

Section 7.06, Public Information Act, is deleted in its entirety and replaced with the following:

7.06 Public Information Act

Information related to the performance of this Contract may be subject to the PIA. Grantee must make all information not otherwise excepted from disclosure under the PIA available in portable document file (".pdf") format or any other format agreed between the Parties.

Section 9.02, Insurance, is deleted in its entirety and replaced with the following:

9.02 Insurance

As an agency of the State of Texas, Grantee agrees to maintain the highest levels of insurance as required by applicable law. Grantee is self-insured with respect to Worker's Compensation Insurance (Texas Labor Code title 5, Chapter 503, Workers' Compensation Insurance for Employees of The University of Texas System). Under the law of the State of Texas, Grantee is unable to obtain Employer's Liability, Comprehensive General or Public Liability, and Comprehensive Automobile Insurance. In lieu of this, the Texas Tort Claims Act provides for remedies against the State for legal proceedings for claimants for personal injuries or death (Texas Civil Code Title 5, Chapter 101, Governmental Liability).

Section 9.04, Permitting and Licensure, is deleted in its entirety and replaced with the following:

9.04, Permitting and Licensure

At Grantee's sole expense, Grantee will procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Grantee to provide the goods or Services

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required by this Contract. Grantee will be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law.

Section 9.05, Indemnity, is deleted in its entirety and replaced with the following:

9.05 Indemnity

TO THE EXTENT ALLOWED BY LAW, GRANTEE WILL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND ITS OFFICERS AND EMPLOYEES, AND THE SYSTEM AGENCY AND ITS OFFICERS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING ATTORNEYS' FEES AND COURT COSTS (IF SO AWARDED BY A COURT OF COMPETENT JURISDICTION) ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM:

- a. GRANTEE'S PERFORMANCE OF THE CONTRACT, INCLUDING ANY NEGLIGENT ACTS OR OMISSIONS OF GRANTEE, OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR
- b. ANY BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, RULE, OR BREACH OF CONTRACT BY GRANTEE, ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF GRANTEE, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF GRANTEE, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR
- c. EMPLOYMENT OR ALLEGED EMPLOYMENT, INCLUDING CLAIMS OF DISCRIMINATION AGAINST GRANTEE, ITS OFFICERS, OR ITS AGENTS; OR

SUBJECT TO THE STATUTORY DUTIES OF THE TEXAS ATTORNEY GENERAL, GRANTEE WILL COORDINATE ITS DEFENSE WITH THE SYSTEM AGENCY AND ITS COUNSEL. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE GRANTEE TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING SOLELY FROM THE NEGLIGENCE OF THE SYSTEM AGENCY OR ITS EMPLOYEES. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS CONTRACT.

Section 9.14, Publicity, is deleted in its entirety and replaced with the following:

9.14 Publicity

Except as provided in the paragraph below or required under applicable law, Grantee must not use the name of, or directly or indirectly refer to, the System Agency, the State of Texas, or any other State agency in any media release, public announcement, or public disclosure relating to the Contract or its subject matter, including in any promotional or marketing materials, customer lists, or business presentations.

Grantee may publish, at its sole expense, results of Grantee performance under the Contract following the System Agency's prior review and comment. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

**ATTACHMENT E
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Section 9.16, No Waiver of Sovereign Immunity, is deleted in its entirety and replaced with the following:

9.16 No Waiver of Sovereign Immunity

Nothing in the Contract will be construed as a waiver of sovereign immunity by the System Agency or the Grantee.

Section 9.20, Employment Verification, is deleted in its entirety and replaced with the following:

9.20 Employment Verification

Grantee will confirm the eligibility of all new persons employed by Grantee on or after September 1, 2015, to perform duties within the State of Texas during the contract term. To the extent applicable law requires a higher standard of employment verification, Grantee will comply with the applicable law.

SPECIAL CONDITIONS

The Uniform Terms and Conditions, Attachment C of this Contract, are revised by adding these Special Conditions as Article X - DSHS Special Conditions:

Section 10.01 Notice of Legal Matter or Litigation.

Grantee shall notify the contract manager assigned to this Contract of any litigation or legal matter related to or affecting this Contract within seven calendar days of becoming aware of the litigation or legal matter.

Section 10.02 Notice of a Contract Action.

Grantee shall notify their assigned contract manager assigned to the contract if Grantee has had any contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within five days of becoming aware of the action and include the following:

- a. Reason for such action;
- b. Name and contact information of the local, state or federal department or agency or entity;
- c. Date of the contract;
- d. Date of suspension or termination; and
- e. Contract or case reference number.

Section 10.03 Notice of Bankruptcy.

Grantee shall notify in writing their assigned contract manager assigned of its plan to seek bankruptcy protection within five days of such action by Grantee.

Section 10.04 Notice of Criminal Activity and Disciplinary Actions.

- a. Grantee shall immediately report in writing their contract manager when the Grantee has knowledge or reason to believe any that they or any person with ownership or controlling interest in the organization/business, or their agent, employee, subcontractor or volunteer that is providing services under this Contract has engaged in any activity that:

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1. Would constitute a criminal offense equal to or greater than a Class A misdemeanor; and
 2. Reasonably would constitute grounds for disciplinary action by a state or federal regulatory authority; or
 3. Has been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime.
- b. Grantee shall not permit any person who engaged, or was alleged to have engaged, in any activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed in writing by DSHS.

Section 10.05 Grantee's Notification of Change of Contact Person or Key Personnel.

Within ten days shall notify in writing the contract manager assigned to the Contract of any change enumerated in the Grantee's Contact Person or Key Personnel.

Section 10.06 Education to Persons in Residential Facilities.

Grantee shall ensure that all persons, who are housed in Department-licensed and/or -funded residential facilities and are 22 years of age or younger, have access to educational services as required by Texas Education Code § 29.012.

Grantee shall notify the local education agency or local early intervention program as prescribed by this Section not later than the third calendar day after the date a person who is 22 years of age or younger is placed in Grantee's residential facility.

Section 10.07 Services and Information for Persons with Limited English Proficiency.

- a. Grantee shall take reasonable steps to provide services and information both orally and in writing, in appropriate languages other than English, to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits and activities.
- b. Grantee shall identify and document on the client records the primary language/dialect of a client who has limited English proficiency and the need for translation or interpretation services and shall not require a client to provide or pay for the services of a translator or interpreter.
- c. Grantee shall make every effort to avoid use of any persons under the age of 18 or any family member or friend of the client as an interpreter for essential communications with a client with limited English proficiency unless the client has requested that person and using the person would not compromise the effectiveness of services or violate the client's confidentiality and the client is advised that a free interpreter is available.

Section 10.08 HIV/AIDS Model Workplace Guidelines.

Grantee shall implement Department's policies based on the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), AIDS Model Workplace Guidelines for

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Businesses at <http://www.dshs.state.tx.us/hivstd/policy/policies.shtm>, State Agencies and State Grantees Policy No. 090.021.

Grantee shall also educate employees and clients concerning HIV and its related conditions, including AIDS, in accordance with the Texas Health & Safety Code §§ 85.112-114.

Section 10.09 Medical Records Retention.

Grantee shall retain medical records in accordance with 22 TAC §165.1(b) or other applicable statutes, rules and regulations governing medical information.

Section 10.10 Notice of a License Action.

Grantee shall notify their contract manager of any action impacting its license to provide services under this Contract within five days of becoming aware of the action and include the following:

- a. Reason for such action;
- b. Name and contact information of the local, state or federal department or agency or entity;
- c. Date of the license action; and
- d. License or case reference number.

Section 10.11 Interim Extension Amendment.

- a. Prior to or on the expiration date of this Contract, the Parties agree that this Contract can be extended as provided under this Section.
- b. DSHS/HHSC shall provide written notice of interim extension amendment to the Grantee under one of the following circumstances:
 1. Continue provision of services in response to a disaster declared by the governor; or
 2. To ensure that services are provided to clients without interruption.
- c. DSHS will provide written notice of the interim extension amendment that specifies the reason for it and period of time for the extension.
- d. Grantee will provide and invoice for services in the same manner that is stated in the Contract.
- e. An interim extension under Section (b)(1) above shall extend the term of the contract not longer than 30 days after governor's disaster declaration is declared unless the Parties agree to a shorter period of time.
- f. An interim extension under Section (b)(2) above shall be a one-time extension for a period of time determined by HHS/DSHS.

Section 10.12 Electronic and Information Resources Accessibility and Security Standards.

- a. **Applicability.**

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ATTACHMENT E SUPPLEMENTAL & SPECIAL CONDITIONS

The following Electronic and Information Resources (EIR) requirements apply to the Contract because the Grantee performs services that include EIR that DSHS employees are required or permitted to access or members of the public are required or permitted to access.

This Section does not apply to incidental uses of EIR in the performance of the Agreement, unless the Parties agree that the EIR will become property of the State of Texas or will be used by HHSC's clients or recipients after completion of the Agreement.

Nothing in this section is intended to prescribe the use of particular designs or technologies or to prevent the use of alternative technologies, provided they result in substantially equivalent or greater access to and use of a Product.

b. Definitions.

For purposes of this Section:

"Accessibility Standards" means accessibility standards and specifications for Texas agency and institution of higher education websites and EIR set forth in 1 TAC Chapter 206 and/or Chapter 213.

"Electronic and Information Resources" means information resources, including information resources technologies, and any equipment or interconnected system of equipment that is used in the creation, conversion, duplication, or delivery of data or information. The term includes telephones and other telecommunications products, information kiosks, transaction machines, Internet websites, multimedia resources, and office equipment, including copy machines and fax machines.

"Electronic and Information Resources Accessibility Standards" means the accessibility standards for electronic and information resources contained in 1 Texas Administrative Code Chapter 213.

"Product" means information resources technology that is, or is related to EIR.

"Web Site Accessibility Standards/ Specifications" means standards contained in Volume 1 Tex. Admin. Code Chapter 206(c) Accessibility Requirements.

Under Tex. Gov't Code Chapter 2054, Subchapter M, and implementing rules of the Texas Department of Information Resources, DSHS must procure Products and services that comply with the Accessibility Standards when those Products are available in the commercial marketplace or when those Products are developed in response to a procurement solicitation. Accordingly, Grantee must provide electronic and information resources and associated Product documentation and technical support that comply with the Accessibility Standards.

c. Evaluation, Testing, and Monitoring.

1. DSHS may review, test, evaluate and monitor Grantee's Products and services, as well as associated documentation and technical support for compliance with the Accessibility Standards. Review, testing, evaluation and monitoring may be conducted before and

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after the award of a contract. Testing and monitoring may include user acceptance testing.

Neither the review, testing (including acceptance testing), evaluation or monitoring of any Product or service, nor the absence of review, testing, evaluation or monitoring, will result in a waiver of the State's right to contest the Grantee's assertion of compliance with the Accessibility Standards.

2. Grantee agrees to cooperate fully and provide DSHS and its representatives timely access to Products, records, and other items and information needed to conduct such review, evaluation, testing, and monitoring.

d. Representations and Warranties.

1. Grantee represents and warrants that:

- i. As of the Effective Date of the Contract, the Products and associated documentation and technical support comply with the Accessibility Standards as they exist at the time of entering the Agreement, unless and to the extent the Parties otherwise expressly agree in writing; and
 - ii. If the Products will be in the custody of the state or a DSHS client or recipient after the Contract expiration or termination, the Products will continue to comply with Accessibility Standards after the expiration or termination of the Contract Term, unless DSHS or its clients or recipients, as applicable, use the Products in a manner that renders it noncompliant.
2. In the event Grantee becomes aware, or is notified that the Product or service and associated documentation and technical support do not comply with the Accessibility Standards, Grantee represents and warrants that it will, in a timely manner and at no cost to DSHS, perform all necessary steps to satisfy the Accessibility Standards, including remediation, replacement, and upgrading of the Product or service, or providing a suitable substitute.
 3. Grantee acknowledges and agrees that these representations and warranties are essential inducements on which DSHS relies in awarding this Contract.
 4. Grantee's representations and warranties under this subsection will survive the termination or expiration of the Contract and will remain in full force and effect throughout the useful life of the Product.

e. Remedies.

1. Under Tex. Gov't Code § 2054.465, neither the Grantee nor any other person has cause of action against DSHS for a claim of a failure to comply with Tex. Gov't Code Chapter 2054, Subchapter M, and rules of the Department of Information Resources.

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2. In the event of a breach of Grantee's representations and warranties, Grantee will be liable for direct, consequential, indirect, special, or liquidated damages and any other remedies to which DSHS may be entitled under this Contract and other applicable law. This remedy is cumulative of any other remedies to which DSHS may be entitled under this Contract and other applicable law.