

**SIGNATURE DOCUMENT FOR
HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO. HHS001108400021
UNDER THE
COVID-19 SUPPLEMENTAL GRANT PROGRAM**

I. PURPOSE

The Health and Human Services Commission (HHSC) and Lakes Regional Mental Health and Mental Retardation Center d\b\ a Lakes Regional Community Center (Grantee), a Community Mental Health Center established under Texas Health and Safety Code Section 534.001, each a “Party” and collectively the “Parties” to the following grant agreement providing funding to support service expansion in relation to the COVID-19 Supplemental Grant Program (MH/COVID)(the “Contract”).

II. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions under the authority of the Texas Government Code, Chapters 531 and 791, and Texas Health and Safety Code, Chapter 534.

III. DURATION

The Contract is effective on the signature date of the latter of the Parties to sign this agreement and terminates on September 30, 2025, unless renewed or terminated pursuant to the terms and conditions of the Contract. HHSC at its sole discretion, may extend this Contract for any period(s) of time, provided the Contract term, including all extensions or renewals, does not exceed five years. Notwithstanding the limitation in the preceding sentence, HHSC, at its sole discretion, also may extend the Contract beyond five years as necessary to ensure continuity of service, for purposes of transition or to exhaust carryforward funding, or as otherwise determined by HHSC to serve the best interest of the State.

IV. BUDGET

Grantee will be reimbursed as authorized by HHSC in each of its Notice(s) to Proceed. With respect to any Notice to Proceed, the reimbursement amount shall not exceed the budget amount set forth in the Notice to Proceed. The budget amount(s) set forth in any Notice to Proceed issued under Article IX shall automatically be incorporated herein in accordance with the terms and conditions of this Contract.

V. REPORTING REQUIREMENTS

The services to be performed and all reporting requirements by Grantee are described in Attachments A01-A05, individualized Statements of Work:

- A. Attachment A01 - Outpatient Capacity Expansion
- B. Attachment A02 - Housing and Homelessness Programs

- C. Attachment A03 - Housing Support Line
- D. Attachment A04 - Crisis Response and Diversion
- E. Attachment A05 - Consumer Operated Service Program

Grantee is only authorized to perform services HHSC- approved as provided within each Notice to Proceed provided. Upon Grantee's receipt of a Notice to Proceed from HHSC, Grantee shall perform or cause to be performed the disaster services described within each applicable Statement(s) of Work.

VI. CONTRACT REPRESENTATIVES

Grantee

Lakes Regional Mental Health and Mental Retardation Center d\b\ Lakes Regional Community Center
P.O. Box 747
Terrell, TX 75160
John Delaney
972-388-2000
johnd@lakesregional.org

HHSC

Health and Human Services Commission

P.O. Box 13247, Mail Code 2058
Austin, TX 78711-3247
Alicia McQuaig
512-424-6500
alicia.mcquaig@hhs.texas.gov

Either Party may change its designated Representative by providing written notice to the other Party.

VII. 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

Health and Human Services Commission
4601 W. Guadalupe St.
Austin, TX 78751-3146
P.O. Box 13247
Attention: General Counsel

Grantee

Lakes Regional Mental Health and Mental Retardation Center d\b\ Lakes Regional Community Center
P.O. Box 747
Terrell, TX 75160
Attention: John Delaney

VIII. NOTICE REQUIREMENTS

Notice given by Grantee will be deemed effective when received by the System Agency. Either Party may change its address for notices by providing written notice to the other Party. All notices submitted to System Agency must:

- A. include the Contract number;
- B. be sent to the person(s) identified in the Contract; and,
- C. comply with all terms and conditions of the Contract.

IX. NOTICES TO PROCEED

In the event of a state and/or federal disaster declaration (a “Disaster,” major or minor), HHSC will contact Grantee to assess need, project costs and budget to provide necessary disaster services. Due to the urgency and short timelines associated with disaster-related grant activities, Grantee must submit Grantee’s complete needs assessment and cost/budget information to HHSC within three calendar days (*i.e.*, 72-hours) of HHSC’s request for such information. Grantee acknowledges and accepts that failure to provide HHSC with all requested information within the stated three calendar days may result in HHSC’s sole and absolute discretion of declining to issue Grantee a Notice to Proceed, with respect to the related disaster.

HHSC, in its sole discretion, may issue a Notice to Proceed to Grantee in connection with any “Disaster,” as defined under Texas Government Code §418.004, or “Major Disaster,” as defined in United States Code §5122.

Each Notice to Proceed shall:

- A. Be sequentially numbered;
- B. Reference this Contract by Contract number;
- C. Provide the award period during which Grantee shall provide the disaster services;
- D. Provide applicable federal grant information, if any;
- E. Provide applicable cost/budget; and
- F. Contain an identification of the Statement(s) of Work applicable, which will be performed by Grantee.

Notices to Proceed may include additional terms and conditions, including project-specific programmatic requirements (*e.g.*, project targets, counties to be served, project training requirements, project templates, etc.). Each Notice to Proceed is deemed as an authorization by HHSC to Grantee to commence performance of the disaster services, in accordance with the terms and conditions of this Contract, and those applicable within the Notice to Proceed. Except as may be available under applicable state or federal law (including without limitation Title 2 of the Code of Federal Regulation, §200.309), HHSC shall have no obligation to reimburse Grantee for any activities or services except as provided by this Contract and the applicable Notice to Proceed. An example Notice to Proceed template is set forth in Attachment I to this Contract.

Any Notice to Proceed issued under this Contract is deemed effective and automatically incorporated into this Contract when received via United States mail, postage paid, certified, return

receipt requested; via common carrier, overnight, signature required, or when sent by HHSC via electronic mail (e-mail) to the appropriate address below:

Grantee Notice to Proceed Contact:

Lakes Regional Mental Health and Mental Retardation Center d\b\ Lakes Regional Community Center

P.O. Box 747

Terrell, TX 75160

Attention: John Delaney

Email: johnd@lakesregional.org

In the event of a disaster, Grantee is responsible for ensuring communication with HHSC, including confirming with HHSC any alternate channels of communication that may be temporarily employed by Grantee.

X. ADDITIONAL GRANT INFORMATION

- A. Grantee Data Universal Numbering System (DUNS) Number: 112211854
- B. Federal Award Identification Number (FAIN):
 - Award 1: B09SM083999
 - Award 2: B09SM085385
- C. Catalog of Federal Domestic Assistance (CFDA) Name and Number (list all that apply):
 - Block Grants for Community Mental Health Services - 93.958
- D. Federal Award Date:
 - Award 1: March 11, 2021
 - Award 2: May 17, 2021
- E. Federal Award Period:
 - Award 1: March 15, 2021 through March 14, 2023
 - Award 2: September 01, 2021 through September 30, 2025
- F. Name of Federal Awarding Agency: Department of Health and Human Services, Substance Abuse and Mental Health Services Administration
- G. Awarding Official Contact Information: Wendy Pang, Grants Management Specialist, wendy.pang@samhsa.hhs.gov, (240) 276-1419

The following grant information must be included in each Notice to Proceed for which federal grant funds are a funding reimbursement source:

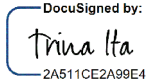
- A. Federal Award Identification Number
- B. Federal Award Date
- C. Name of Federal Awarding Agency
- D. CFDA Name and Number
- E. Awarding Official Contact Information

SIGNATURE PAGE FOLLOWS

**SIGNATURE PAGE FOR SYSTEM AGENCY
CONTRACT NO. HHS001108400021**

HEALTH AND HUMAN SERVICES

**LAKES REGIONAL MENTAL HEALTH AND
MENTAL RETARDATION CENTER D\B\A
LAKES REGIONAL COMMUNITY CENTER**

By:  DocuSigned by:
2A511CE2A99E415...

By:  DocuSigned by:
AFD6967DAA574E6...

Printed Name: Trina Ita

Printed Name: John Delaney

Title: Associate Commissioner

Title: Executive Director

Date of Signature: October 25, 2021

Date of Signature: October 25, 2021

THE FOLLOWING ATTACHMENTS TO HHSC CONTRACT NO. HHS001108400021 ARE INCORPORATED BY REFERENCE:

- | | |
|-------------------------|--|
| ATTACHMENT A01 | OUTPATIENT CAPACITY EXPANSION STATEMENT OF WORK |
| ATTACHMENT A02 | HOUSING AND HOMELESS PROGRAMS STATEMENT OF WORK |
| ATTACHMENT A03 | HOUSING SUPPORT LINE STATEMENT OF WORK |
| ATTACHMENT A03-1 | TEXAS HOUSING SUPPORT LINE DATA |
| ATTACHMENT A04 | CRISIS RESPONSE AND DIVERSION STATEMENT OF WORK |
| ATTACHMENT A04-1 | PERFORMANCE REPORT |
| ATTACHMENT A04-2 | EXPENDITURE REPORT |
| ATTACHMENT A05 | CONSUMER OPERATED SERVICE PROGRAM STATEMENT OF WORK |
| ATTACHMENT B | UNIFORM TERMS AND CONDITIONS – GRANTEE VER. 3.0 |
| ATTACHMENT C | HHSC SPECIAL CONDITIONS |
| ATTACHMENT D | CONTRACT AFFIRMATIONS |
| ATTACHMENT E | DATA USE AGREEMENT |
| ATTACHMENT F | ASSURANCES NON-CONSTRUCTION PROGRAMS |
| ATTACHMENT G | LOBBYING CERTIFICATIONS |
| ATTACHMENT H | FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACTION (FFATA) CERTIFICATION FORM |
| ATTACHMENT I | EXAMPLE NOTICE TO PROCEED TEMPLATE |

ATTACHMENTS FOLLOW

**ATTACHMENT A01
OUTPATIENT CAPACITY EXPANSION
STATEMENT OF WORK**

CONTRACT NO. HHS001108400021

**GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

I. PURPOSE

Expand outpatient mental health services for individuals with serious mental illness and serious emotional disturbance to address growing demand due to population growth, funding disparities, and other local challenges.

II. GRANTEE RESPONSIBILITIES

Grantee shall provide services specified in the Texas Resiliency and Recovery Utilization Management Guidelines in response to a Notice to Proceed (NTP) issued by HHSC. The Texas Resiliency and Recovery Utilization Management Guidelines are incorporated by reference and are found at: <https://hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/utilization-management-guidelines-manual>.

A. PROVISION OF SERVICES

1. Prioritized Populations:

- a. Individuals present and/or residing in the Texas county(ies) included in a state disaster declaration pursuant to Texas Government Code § 418.014 or a federal Disaster declaration pursuant to Title 44 Code of Federal Regulations Part §206, Subpart B (The Declaration Process).
- b. Individuals experiencing housing instability or homelessness.
- c. Children and adolescents in foster care.

2. Service Limitations:

Services are limited to those specified in the Texas Resiliency and Recovery Utilization Management Guidelines. HHSC may limit use of funding on specific services based on needs surrounding the disaster. HHSC will outline any service limitations within the NTP.

B. SERVICE REPORTING

Grantee shall report service delivery data via encounters following the procedures and instructions, including all required data fields and values in the current version of the HHSC Community Mental Health Service Array. The HHSC Community Mental Health Service Array is incorporated by reference and is found within the General Warehouse Information, Specifications subfolder using the following link:

<https://hhsc4svpop1.hhsc.txnet.state.tx.us/DataWarehousePage/>. Grantee can find encounter reporting schedule in Information Item S, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.

C. EQUIPMENT AND CONTROLLED ASSETS

1. Equipment and controlled assets determined necessary for the provision or reporting

ATTACHMENT A01 OUTPATIENT CAPACITY EXPANSION STATEMENT OF WORK

of services covered under this Statement of Work and those purchased with grant funding (e.g., computers, software, mobile phones, and peripherals) are owned by Grantee. Grantee is responsible for maintaining updates for all software, including but not limited to: operating systems, antivirus, and malicious software protection, and the regular and routine maintenance and upkeep. HHSC holds no responsibility for maintaining any equipment or controlled assets used or purchased by Grantee for any disaster services performed under the Contract.

2. Grantee must maintain an inventory of all equipment and controlled assets purchased and make such inventory available upon HHSC request. The inventory shall include:
 - a. A description of the property item;
 - b. Serial and/or model or other identification number(s), when available;
 - c. The acquisition date and cost;
 - d. The location, use, and condition of the property item; and
 - e. The source of the funding for the property item.
3. Grantee's record of the disposition of the property item must include the date of disposal and sale price, if applicable. Property items must be retained in accordance with the Code of Federal Regulations, Title II, Subtitle A, Chapter II, Part 200, §200.313.

III. PERFORMANCE MEASURES

HHSC will use following performance measures, along with any additional terms within this Statement of Work and those within any corresponding NTP, to assess Grantee's effectiveness in providing the services required:

- A. Grantee must increase the number of unduplicated individuals enrolled in a full level of care, defined in Information Item C, which is incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>, above the baseline originally communicated within the corresponding NTP.
 1. The baseline is always the higher of:
 - a. the set monthly service target; or
 - b. the average monthly number served for the first three quarters of fiscal year 2021.
- B. HHSC will outline further performance targets within each corresponding NTP.

IV. INVOICE AND PAYMENT

- A. Grantee shall establish and maintain an independent cost center that is accessible and identifies the source and application of funds provided under this Statement of Work and original source documentation substantiating that costs are specifically and solely allocable to this Statement of Work and are traceable from the transaction to the general ledger.
- B. Grantee shall request monthly payments on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP using the State of Texas Purchase Voucher Form 4116, which is incorporated by reference and can be downloaded at: <https://hhs.texas.gov/laws-regulations/forms/4000-4999/form-4116-state-texas-purchase-voucher>.
- C. Documentation and data required for invoice submission includes:

**ATTACHMENT A01
OUTPATIENT CAPACITY EXPANSION
STATEMENT OF WORK**

1. Name, address, and telephone number of Grantee on the State of Texas Purchase Voucher Form 4116;
 2. HHSC Contract Number and/or Purchase Order Number on the State of Texas Purchase Voucher Form 4116;
 3. Identification of service(s) provided on the State of Texas Purchase Voucher Form 4116;
 4. Dates services/deliverables were delivered on the State of Texas Purchase Voucher Form 4116;
 5. Name of the person performing the activities on the State of Texas Purchase Voucher Form 4116;
 6. Total invoice amount on the State of Texas Purchase Voucher Form 4116; and
 7. Supporting Documentation as attachments to the State of Texas Purchase Voucher Form 4116:
 - a. A copy of Grantee's General Ledger proving expenditure of funds by cost category; and
 - b. Any other documentation required by this Contract or otherwise requested by HHSC.
- D. Grantee shall electronically submit invoices with required or otherwise requested supporting documentation to the Claims Processing Unit at [HHSC AP@hhsc.state.tx.us](mailto:HHSC_AP@hhsc.state.tx.us), MHContracts@hhsc.state.tx.us, the assigned HHSC Contract Manager, and Program Services Liaisons.

V. OUTCOME IF GRANTEE CANNOT COMPLETE REQUIRED PERFORMANCE

Unless otherwise specified in this Statement of Work, if Grantee cannot complete or otherwise comply with a requirement included in this Statement of Work, HHSC, at its sole discretion, may impose remedies outlined under Contract Attachment C, Special Conditions, Article 6 (Disputes and Remedies).

**ATTACHMENT A02
HOUSING AND HOMELESS PROGRAMS
STATEMENT OF WORK**

CONTRACT NO. HHS001108400021

**GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

I. PURPOSE

Provide services and supports designed to help address housing instability and those experiencing homelessness due to the ongoing COVID-19 pandemic.

II. GRANTEE RESPONSIBILITIES

A. Grantee shall implement an initiative to address housing instability and homelessness that:

1. Uses a collaborative approach to maximize existing community resources and avoid duplication of effort;
2. Is time-limited in nature and designed to address funding expiring and sustainability;
3. Enhances systems and local processes to reduce barriers for people transitioning to, from, and between services;
4. Addresses housing instability barriers to ensure services are accessible to people regardless of setting or location;
5. Promotes improvement and recovery through coordinated housing, mental health, substance use, transitional, integrated, and/or supportive services, such as housing navigation;
6. Falls on a housing continuum spanning homelessness prevention, rapid rehousing, shared housing, and permanent supportive housing;
7. Is part of a coordinated homeless response to include diversion, quick sheltering, prioritizing the most vulnerable, and matching services with individual need;
8. Offers trauma-informed services;
9. Operates with model fidelity to an evidence-based program;
10. Involves collaboration with the individual and is inclusive of peers and/or family members;
11. Is conducted in an environment that is most appropriate and based on an individual's preference;
12. Follows the National Culturally and Linguistically Appropriate Services (CLAS) Standards in Health and Health Care, 2013, incorporated by reference and posted at: <https://thinkculturalhealth.hhs.gov/clas> (or the most current version) for all served populations, and utilize the most current version of "Texas Cultural Competence Guidelines for Behavioral Health Organizations, incorporated by reference and posted at: <https://hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/local-mental-health-authorities>. This guidance document comprises a set of requirements, implementation strategies, and additional resources to help providers/programs establish and expand culturally and linguistically appropriate services;
13. Tailors to an individual's unique strengths and needs; and
14. Offers a holistic approach in integrating housing services with other services, including mental health, substance use disorder, intellectual and/or developmental disability, and physical health services.

**ATTACHMENT A02
HOUSING AND HOMELESS PROGRAMS
STATEMENT OF WORK**

- B. Target population for approved project plan shall be individuals experiencing homelessness or at-risk of homelessness that have a severe mental illness (SMI), serious emotional disturbance (SED), and/or substance use disorder (SUD).
- C. Grantee shall complete the Mental Health Adult Uniform Assessment for Texas Resilience and Recovery Adult Needs Strengths Assessment (Adult UA and ANSA), incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/local-mental-health-authorities/adult-needs-strengths-assessment> for individuals served that have a mental illness and/or co-occurring substance use disorder.
- D. To ensure Grantee stays informed and continues receiving updated information, Grantee shall assign one or more staff responsible for tracking policy updates posted on HHSC's identified platform and disseminating information within Grantee's organization. Grantee will be provided instruction on new SharePoint website that will serve as the identified platform notes.
- E. Grantee shall make appropriate referrals to crisis services and/or 988 Hotline (as service is available in Texas) to help address the crisis-related needs of individuals).
- F. Grantee shall report service delivery data via encounters following the procedures, instructions, and schedule established by HHSC, including all required data fields and values in the current version of the HHSC Community Mental Health Service Array. The HHSC Community Mental Health Service Array is incorporated by reference and is found within the General Warehouse Information, Specifications subfolder using the following link: <https://hhsc4svpop1.hhsc.txnet.state.tx.us/DataWarehousePage/>.
- G. Grantee shall follow the corresponding rules/standards in project implementation:
1. Mental health service providers shall comply with standards for mental health providers as contained in the following Texas Administrative Code (TAC) Chapters and/or Subchapters:
 - a. Title 25, Chapter 404, Subchapter E, (Rights of Persons Receiving Mental Health Services);
 - b. Title 25, Chapter 415, Subchapter F (Interventions in Mental Health Programs)
 - i. Use of seclusion is prohibited in any residential facility.
 - c. Title 26, Chapter 301, Subchapter G (Mental Health Community Services Standards);
 - d. Title 26, Chapter 306, Subchapter F (Mental Health Rehabilitative Services).
 2. Housing providers shall maintain compliance with the following federal housing laws:
 - a. The Fair Housing Act, incorporated by reference and posted at: https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_act_overview;
 - b. Fair Housing Act Non-Discrimination and Accessibility for Persons with

**ATTACHMENT A02
HOUSING AND HOMELESS PROGRAMS
STATEMENT OF WORK**

Disabilities, incorporated by reference and posted at:

https://www.hud.gov/program_offices/fair_housing_equal_opp/fair_housing_act_overview;

- c. Section 504 of the Rehabilitation Act of 1973, incorporated by reference and posted at: <https://www.dol.gov/agencies/oasam/centers-offices/civil-rights-center/statutes/section-504-rehabilitation-act-of-1973>;
 - d. Title VI of the Civil Rights Act of 1964, incorporated by reference and posted at: <https://www.hhs.gov/civil-rights/for-individuals/special-topics/needy-families/civil-rights-requirements/index.html>;
 - e. Americans with Disabilities Act (ADA), incorporated by reference and posted at: <https://www.ada.gov/>;
 - f. Age Discrimination Act of 1975, incorporated by reference and posted at: <https://www.dol.gov/general/topic/discrimination/agedisc#:~:targetText=The%20Age%20Discrimination%20Act%20of,that%20meet%20the%20Act's%20requirements>; and
 - g. Local landlord tenant law in Grantee's jurisdiction.
3. Substance use treatment providers shall:
- a. Comply with the following rules as they relate to the provision of residential detoxification and withdrawal management services:
 - i. Title 26, Chapter 564, Subchapter C, rule §564.28 (Balance Billing);
 - ii. Title 25, Chapter 441, Subchapter A, rule §441.101 (Definitions);
 - iii. Title 25, Chapter 448 (Standards of Care) *et seq.*; and
 - iv. Title 25, Chapter 229, Subchapter J (Minimum Standards for Narcotic Treatment Programs).
 - b. Residential detoxification and withdrawal management services should be in alignment with the substance use disorder array with all applicable criteria from the Substance Use Disorder Program Guide, incorporated by reference and posted at: <https://hhs.texas.gov/sites/default/files/documents/doing-business-with-hhs/provider-portal/behavioral-health-provider/substance-use-treatment/sud-program-guide.pdf>; and
 - c. Document residential detoxification and withdrawal management services in the Clinical Management of Behavioral Health Services (CMBHS) system as directed in Substance Use Disorder Program Guide, incorporated by reference and posted at: <https://hhs.texas.gov/sites/default/files/documents/doing-business-with-hhs/provider-portal/behavioral-health-provider/substance-use-treatment/sud-program-guide.pdf>. Clinical Management for Behavioral Health Services (CMBHS) is located at: <https://cmbhs.dshs.state.tx.us/cmbhs/WebPages/Default.aspx>.
 - d. Within 90 calendar days of hire and prior to providing service delivery, clinical staff shall have specific documented training in the following, incorporated by reference and posted at: www.centralizedtraining.com:
 - i. Motivational Enhancement Therapy or motivational interviewing techniques;
 - ii. Trauma Informed Care;
 - iii. Cultural Competency; and
 - iv. State of Texas co-occurring psychiatric and substance use disorder (COPSD)

**ATTACHMENT A02
HOUSING AND HOMELESS PROGRAMS
STATEMENT OF WORK**

training.

III. PERFORMANCE MEASURES

HHSC will use the following performance measures, along with any additional terms within this Statement of Work and any corresponding Notice to Proceed, to assess Grantee's effectiveness in providing the services required:

- A. Grantee shall collect and report to HHSC's Contract Manager individual-level information for program participants using HHSC-approved instruments (e.g., CMBHS or Community Data of the Uniform Assessment report). Types of data shall include, but not be limited to:
 - 1. Number of individuals served;
 - 2. Number of individuals served in an LMHA/LBHA full level of care, defined in Information Item C, which is incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>; and
 - 3. Number of individuals that obtain stable housing.
- B. HHSC will outline performance targets in any corresponding NTP.
- C. HHSC may request validation of performance measures at any time, and Grantee's timely response to HHSC requests is necessary.

IV. INVOICE AND PAYMENT

- A. Grantee shall establish and maintain an independent cost center that is accessible and identifies the source and application of funds provided under this Statement of Work and original source documentation substantiating that costs are specifically and solely allocable to this Statement of Work and are traceable from the transaction to the general ledger.
- B. Upon contract execution, Grantee shall submit invoices on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP. Grantee shall use the State of Texas Purchase Voucher Form 4116, which is incorporated by reference and can be downloaded at: <https://hhs.texas.gov/laws-regulations/forms/4000-4999/form-4116-state-texas-purchase-voucher>.
- C. All invoice requests not received based on the schedule noted above in Section IV.B, are considered late and will require justification from the Grantee for the late submission.
- D. Documentation and data required for invoice submission includes:
 - 1. Name, address, and telephone number of Grantee on the State of Texas Purchase Voucher Form 4116;
 - 2. HHSC Contract Number and/or Purchase Order Number on the State of Texas Purchase Voucher Form 4116;

**ATTACHMENT A02
HOUSING AND HOMELESS PROGRAMS
STATEMENT OF WORK**

3. Identification of service(s) provided on the State of Texas Purchase Voucher Form 4116;
 4. Dates services/deliverables were delivered on the State of Texas Purchase Voucher Form 4116;
 5. Name of the person performing the activities on the State of Texas Purchase Voucher Form 4116;
 6. Total invoice amount on the State of Texas Purchase Voucher Form 4116; and
 7. Supporting Documentation as attachments to the State of Texas Purchase Voucher Form 4116:
 - a. A copy of Grantee's General Ledger proving expenditure of funds by cost category; and
 - b. Any other documentation required by this Contract or otherwise requested by HHSC.
- E. Grantee shall electronically submit all invoices with required or otherwise requested supporting documentation to the Claims Processing Unit at HHSC_AP@hhsc.state.tx.us, MHContracts@hhsc.state.tx.us, and the assigned HHSC Contract Manager by the 15th day following the end of each month.
- F. Grantee shall submit invoices no later than 90 days after the last day of the fiscal year for fiscal year close out.

V. OUTCOME IF GRANTEE CANNOT COMPLETE REQUIRED PERFORMANCE

Unless otherwise specified in this Statement of Work, if Grantee cannot complete or otherwise comply with a requirement included in this Statement of Work, HHSC, at its sole discretion, may impose remedies or sanctions outlined under Contract Attachment C, Special Conditions, Article 6 (Disputes and Remedies).

**ATTACHMENT A03
HOUSING SUPPORT LINE
STATEMENT OF WORK**

CONTRACT NO. HHS001108400021

**GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

I. PURPOSE

The Texas Housing Support Line is the establishment of a 24-hour, seven-days-per-week housing support line to assist Texans dealing with housing instability and homelessness, with an emphasis on those living with mental health and/or substance use issues.

II. GRANTEE RESPONSIBILITIES

- A. Grantee shall operate a statewide, continuously available, Housing Support Line.
1. This Housing Support Line must be operated by trained and competent staff as a resource to individuals dealing with housing instability and homelessness with an emphasis on those living with mental health and/or substance use issues.
 2. This Housing Support Line shall not serve as a crisis hotline, and Grantee shall make referrals to appropriate crisis services: Local Mental Health Authorities and Local Behavioral Health Authorities (LMHAs/LBHAs) for mental health services, or Outreach, Screening, Assessment and Referral (OSAR) for substance use services, and 2-1-1 as needed.
- B. Housing Support Line Implementation Requirements
1. Grantee shall employ and train competent staff members to answer calls in accordance with Texas Administrative Code (TAC) Title 26, Part 1, Chapter 301, Subchapter G *et seq* (Mental Health Community Services Standards), posted at [https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=2&p_dir=&p_rloc=198539&p_tloc=&p_ploc=&pg=1&p_tac=198539&ti=26&pt=1&ch=301&rl=301&dt=&z_chk=&z_contains=](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=2&p_dir=&p_rloc=198539&p_tloc=&p_ploc=&pg=1&p_tac=198539&ti=26&pt=1&ch=301&rl=301&dt=&z_chk=&z_contains=).
 2. Grantee shall operate the Housing Support Line 24 hours a day, seven days a week, and the line shall have toll free availability. Calls shall be answered by staff within 30 seconds, at least 80 percent of the time.
 3. Grantee shall ensure the Housing Support Line is integrated with, and can make direct referrals to, the 988 Hotline to help address the crisis-related needs of individuals who call into the support line.
 4. Grantee shall ensure staff answering calls are knowledgeable of Relay Texas communication protocol for callers utilizing assistive technology. Relay Texas provides telephone interpreting services between individuals who can hear and those who are deaf, hard-of-hearing, deaf-blind or speech-disabled. Relay Texas agents have equipment that enables them to hear a speaking caller and read the text sent by a text telephone (TTY) user. This service is available for Texans 24 hours a day, 365 days a year.
 5. Grantee shall ensure that trained and competent staff answering calls provide trauma-informed support and have knowledge of supported housing services, including the following:
 - a. Completion of Supportive Housing for Direct Service Providers, incorporated by reference and posted at

**ATTACHMENT A03
HOUSING SUPPORT LINE
STATEMENT OF WORK**

- <https://store.centralizedtraining.com/product?catalog=Supportive-Housing-for-Direct-Service-Providers>; and
- b. Knowledge and use of SAMHSA Permanent Supported Housing EBP Toolkit, incorporated by reference and posted at <https://store.samhsa.gov/product/Permanent-Supportive-Housing-Evidence-Based-Practices-EBP-KIT/SMA10-4509>.
6. Grantee shall ensure that trained and competent staff answering calls do not provide any medical advice or any instruction related to COVID-19, and instead:
- a. Direct callers to the Department of State Health Services (DSHS) website, which is found at <https://www.dshs.state.tx.us/coronavirus/>, or the Health and Human Services (HHS) website, which is found at <https://hhs.texas.gov/services/health/coronavirus-covid-19>, for general health-related information and precautions on COVID-19.
- b. Direct callers to 2-1-1 for help finding a doctor, accessing medical care or locating COVID-19 testing locations.
7. Grantee shall provide ongoing call monitoring of Housing Support Line calls to ensure quality:
- a. Call logs will be routinely monitored by Grantee supervisory staff; and
- b. At minimum, 1% of all calls must be silently monitored and hotline staff are given feedback accordingly.
8. Grantee shall ensure that if it is determined during a call that an individual in the Grantee's local service area is in crisis, that screening and follow up are performed by a Qualified Mental Health Professional–Community Services (QMHP-CS), and the appropriate crisis services are activated in accordance with 26 TAC 301, Subchapter G (Mental Health Community Services Standards).
9. Grantee shall ensure a plan for providing access to resources, referrals and crisis intervention services for callers outside of the Grantee's local service area.
10. Grantee shall maintain accreditation of hotline services by the American Association of Suicidology in accordance with Information V, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.
11. Grantee shall create necessary scripts and procedures for answering Housing Support Line calls.
12. To ensure Grantee stays informed and continues receiving updated information, Grantee shall assign one or more staff responsibility for tracking policy updates posted on HHSC's identified platform and disseminating information within the organization.
- C. Online Platform Implementation Requirements
1. Grantee shall develop a statewide web-based housing resource that can be used to link callers and the public to their corresponding housing Continuum of Care (CoC) for geographically specific housing resource information.

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III. PERFORMANCE MEASURES

HHSC will use the following performance measures, along with any additional terms within this Statement of Work and any corresponding Notice to Proceed, to assess Grantee's effectiveness in providing the services required:

A. Data Collection, Submission, and Reporting

1. Grantee shall provide HHSC with a monthly report on or before the 15th day of the month after the month of service (*e.g.*, September submission due October 15th), and within the budget period specified within Grantee's corresponding NTP of the Housing Support Line data, using Attachment A05-1 – Texas Housing Support Line Data, to include the following information:
 - a. Number of calls answered;
 - b. Average speed to answer;
 - c. Number of callers from outside the Grantee's local service area to include county in which the caller resides;
 - d. Number of callers by age categories:
 - i. 0 – 17;
 - ii. 18 – 39;
 - iii. 40 – 64;
 - iv. 65+; or
 - v. Age unknown.
 - e. Number of callers by reason for call categories, at a minimum:
 - i. Caller seeking housing resources;
 - ii. Caller seeking emotional/verbal support;
 - iii. Caller seeking medical information or testing/vaccine information on COVID-19;
 - iv. Caller seeking crisis mental health treatment;
 - v. Caller seeking non-crisis mental health treatment;
 - vi. Caller seeking substance use treatment; or
 - vii. Other.
 - f. Number of callers by disposition of call categories, at a minimum:
 - i. Caller was provided information about housing resources in their area;
 - ii. Caller was connected to their local housing CoC;
 - iii. Caller was provided emotional/verbal support;
 - iv. Caller was provided COVID-19 Mental Health Support Line information;
 - v. Caller was provided 2-1-1 for help finding a doctor, accessing medical care, or locating COVID-19 testing locations;
 - vi. Caller was transferred to an LMHA/LBHA in their area for crisis screening services;
 - vii. Caller was directly transferred or provided the number to the LMHA/LBHA in their area for non-crisis mental health referral;
 - viii. Caller was provided referral information for Outreach, Screening, Assessment and Referral (OSAR) service available in their specific area; or
 - ix. Caller was provided other resources or information.

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2. Grantee shall submit the Attachment A05-1 – Texas Housing Support Line Data to HHSC on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified within Grantee’s corresponding NTP.
3. All reports, documentation, and other information required of Grantee shall be submitted electronically to the MHContracts@hhsc.state.tx.us email address, as well as to the assigned HHSC Contract Manager.

IV. INVOICE AND PAYMENT

- A. Grantee shall establish and maintain an independent cost center that is accessible and identifies the source and application of funds provided under this Statement of Work and original source documentation substantiating that costs are specifically and solely allocable to this Statement of Work and are traceable from the transaction to the general ledger.
- B. Grantee shall request monthly payments on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified within Grantee’s corresponding NTP using the State of Texas Purchase Voucher Form 4116, which is incorporated by reference and can be downloaded at: <https://hhs.texas.gov/laws-regulations/forms/4000-4999/form-4116-state-texas-purchase-voucher>.
- C. Documentation and data required for invoice submission includes:
 1. Name, address, and telephone number of Grantee on the State of Texas Purchase Voucher Form 4116;
 2. HHSC Contract Number and/or Purchase Order Number on the State of Texas Purchase Voucher Form 4116;
 3. Identification of service(s) provided on the State of Texas Purchase Voucher Form 4116;
 4. Dates services/deliverables were delivered on the State of Texas Purchase Voucher Form 4116;
 5. Name of the person performing the activities on the State of Texas Purchase Voucher Form 4116;
 6. Total invoice amount on the State of Texas Purchase Voucher Form 4116; and
 7. Supporting Documentation as attachments to the State of Texas Purchase Voucher Form 4116:
 - a. A copy of Grantee’s General Ledger proving expenditure of funds by cost category;
 - b. Attachment A05-1 – Texas Housing Support Line Data; and
 - c. Any other documentation required by this Contract or otherwise requested by HHSC.
- D. Grantee shall electronically submit all invoices with required or otherwise requested supporting documentation to the Claims Processing Unit at HHSC_AP@hhsc.state.tx.us, with a copy to MHContracts@hhsc.state.tx.us and the assigned HHSC Contract Manager.

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V. OUTCOME IF GRANTEE CANNOT COMPLETE REQUIRED PERFORMANCE

Unless otherwise specified in this Statement of Work, if Grantee cannot complete or otherwise comply with a requirement included in this Statement of Work, HHSC, at its sole discretion, may impose remedies outlined under Contract Attachment C, Special Conditions, Article 6 (Disputes and Remedies).

**ATTACHMENT A03-1
TEXAS HOUSING SUPPORT LINE DATA**

**CONTRACT NO. HHS001108400021
GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

PURPOSE

The Texas Housing Support Line is the establishment of a 24-hour, seven-days-per-week housing support line to assist Texans dealing with housing instability and homelessness, with an emphasis on those living with mental health and/or substance use issues.

Monthly data is electronically submitted to the mhcontracts@hhsc.state.tx.us email address, as well as to the assigned HHSC Contract Manager and Subject Matter Expert (SME), on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and as also described within the Budget Period within Grantee's corresponding NTP.

Required Questions

Basic Information and Call Metrics

1. Month for this report:
2. Total number of calls answered this month:
3. Average speed (in seconds) to answer calls this month:
4. Number of callers from outside the Contractor's local service area (include county in which caller resides):

Age of Caller

5. Number of callers this month by age
 - a. (0-17):
 - b. (18-39):
 - c. (40-64):
 - d. (65+):
 - e. Age unknown

Reason for Call

6. Number of callers this month by reason for call category
 - a. Caller seeking housing resources:
 - b. Caller seeking emotional/verbal support:
 - c. Caller seeking medical information or testing/vaccine information on COVID-19:
 - d. Caller seeking crisis mental health treatment:
 - e. Caller seeking non-crisis mental health treatment:
 - f. Caller seeking substance use treatment:
 - g. Caller seeking other:

Call Disposition

7. Number of callers this month by disposition of call category
 - a. Caller was provided information about housing resources in the area:
 - b. Caller was connected to their local housing CoC:
 - c. Caller was provided emotional/verbal support:
 - d. Caller was provided COVID-19 Mental Health Support Line information:

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TEXAS HOUSING SUPPORT LINE DATA

- e. Caller was provided 2-1-1- for help finding a doctor, accessing medical care, or locating COVID-19 testing/vaccine locations:
- f. Caller was transferred to the Local Mental Health Authority (LMHA) or Local Behavioral Health Authority (LBHA) in their area for crisis screening services:
- g. Caller was directly transferred or provided the number to the LMHA or LBHA in their area for non-crisis mental health referral:
- h. Caller was provided referral information for Outreach, Screening, Assessment and Referral (OSAR) service available in their specific area:
- i. Caller was provided other resources or information:

**ATTACHMENT A04
CRISIS RESPONSE AND DIVERSION
STATEMENT OF WORK**

CONTRACT No. HHS001108400021

**GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

I. INTRODUCTION

The Health and Human Services Commission (HHSC) will implement the Mental Health Block Grant, as directed by the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (H.R. 133). The purpose of this program is to provide comprehensive community mental health services to adults with serious mental illness (SMI) or children with serious emotional disturbance (SED). This supplemental COVID-19 relief funding is to prevent, prepare for, and respond to SMI and SED needs and gaps due to the on-going COVID-19 pandemic.

II. GRANTEE RESPONSIBILITIES

- A. Grantee will establish new 24-hour, seven days per week criminal justice diversion programs in Texas. These programs will improve the local mental health authority (LMHA) crisis response by successfully diverting individuals in need of behavioral health crisis services from jails and emergency rooms into treatment. The following are examples of acceptable programs:
1. Co-responder Teams;
 2. Law-enforcement Liaison; and
 3. Other projects that fit the target community's needs and approved by HHSC.
- B. Grantee shall:
1. Promote collaboration between law enforcement and mental health professionals to provide crisis intervention and crisis stabilization services to individuals in behavioral health emergencies;
 2. Increase the number of trained and qualified professionals responding to individuals in crisis and at-risk of justice-involvement; and
 3. Divert individuals from the criminal justice system.
- C. Grantee shall coordinate with law enforcement personnel to respond to requests for crisis intervention for individuals identified to be in a behavioral health emergency.
- D. Grantee will serve as a liaison between law enforcement, human services providers and community stakeholders with an interest in behavioral health services to improve crisis response and increase jail diversions.
- E. Based on the behavioral crisis and clinical need, grantee will collaborate with staff of the LMHA or local law enforcement to institute an emergency detention, or seek a judge's or magistrate's order for emergency apprehension and detention, as instituted under Chapter 573 of the Texas Health and Safety Code (Emergency Detention).
- F. Based on the behavioral crisis and clinical need, grantee will coordinate transportation of individuals experiencing behavioral health crises, as defined in 26 Texas Administrative Code Chapter 301, Subchapter G (Mental Health Community Services Standards) to the appropriate

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service location where the individual can receive crisis stabilization services. If Grantee determines the program cannot transport the individual safely, Grantee may arrange for or coordinate transportation with law enforcement or other local community partners. Service locations may include the following: community hospitals, HHSC contracted psychiatric beds, crisis respite units, crisis residential units, extended observation units, crisis stabilization units, and state hospital facilities.

- G. Grantee must maintain written policies and procedures that describe program processes. Policies and procedures shall include processes for referrals, engagement, and continuity of care. HHSC may request a written copy of these policies and procedures at any time within the duration of the Contract.
- H. Grantee will provide the HHSC Contract Manager with the contact information of all dedicated program staff via email. Changes in program coordinating staff must be reported to HHSC's Contract Manager within 72 hours.
- I. Grantee will provide services in accordance with HHSC-approved program design and work plan included in the Notice to Proceed (NTP).
- J. Grantee will serve individuals identified with HHSC-approved program design and work plan included in the NTP.
- K. Grantee will ensure priority is given to individuals experiencing housing instability and homelessness.
- L. Grantee will comply with the following staffing requirements:
 - 1. Hire qualified staff in accordance with 26 TAC §301.331 (Competency and Credentialing) to provide services identified in the grant program;
 - 2. Ensure staff complete required trainings as identified in Grantee's work plan and by HHSC;
 - 3. Ensure any personnel having interactions with individuals served through the program are within the scope of their practice;
 - 4. Conduct criminal history background checks to ensure no program staff, officer, agent, intern, resident, or volunteer has been convicted of or received a probated sentence or deferred adjudication for any criminal offense that would constitute a bar to employment pursuant to Texas Health and Safety Code §250.006;
 - 5. Verify licensure for all licensed positions, as applicable. All staff required to be licensed shall be licensed by and in good standing with the State of Texas. Grantee shall require and document annual re-verification and self-reporting of license issues; and
 - 6. Conduct a registry clearance by conducting a review for reports of misconduct including abuse, neglect, and exploitation through: The Employee Misconduct Registry in accordance with 40 TAC Chapter 93 (Employee Misconduct Registry (EMR)); and the Nurse Aide Registry in accordance with 26 TAC Chapter 556 *et seq* (Nurse Aides).

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CRISIS RESPONSE AND DIVERSION
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- M. Should Grantee work with local law enforcement to perform the requirements of this Statement of Work, Grantee shall comply with the following training requirements for law enforcement officers (including mental health deputies funded by other HHSC contracts) involved in the program:
1. At least one time annually, coordinate and/or conduct training for law enforcement officer collaborating the LMHA. The training must address the following components:
 - a. Recognizing signs and symptoms of mental illness, intellectual and developmental disability, substance use, and co-occurring mental illness;
 - b. Cultural competency;
 - c. Crisis intervention and de-escalation; and
 - d. Information on community resources and must provide the following *A Community Support Guide for Alternatives to Inpatient Mental Health Treatment*. This guide can be found online by following this link: <https://hhs.texas.gov/services/mental-health-substance-use/mental-health-substance-use-resources>.
 2. Ensure any law enforcement officers involved in the program complete the Mental Health Officer Proficiency training referenced in 37 TAC §221.11.
- N. Grantee shall participate in monthly technical assistance calls provided by HHSC.
- O. To ensure Grantee stays informed and continues receiving updated information, Grantee must assign one or more staff responsible for tracking policy updates posted on HHSC's identified platform and disseminating such information within Grantee's organization.

III. PERFORMANCE MEASURES

HHSC will use the following performance measures, along with any additional terms of this Statement of Work and any corresponding NTP, to assess Grantee's effectiveness in providing the services:

- A. Grantee shall implement the program in accordance with the HHSC-approved work plan included in the corresponding NTP.
- B. Performance measures to be included in the Performance Report – Attachment A04-1 with Grantees using standardized outputs and outcomes that will align with the type of work funded. Performance Report measures will be included on an NTP to be issued by HHSC. Performance Reports will be submitted through an HHSC approved reporting system.
- C. Grantee shall identify a service delivery unit and sub-unit (if applicable) in Grantee's electronic health record system and report to HHSC:
 1. All individuals served in the program shall be registered in the Grantee's electronic health record system; and
 2. Encounters following the procedures and instructions, including all required data fields and values in the current version of the HHSC Community Mental Health Service Array. The HHSC Community Mental Health Service Array is incorporated by reference and is found within the General Warehouse Information, Specifications subfolder using the following link: <https://hhsc4svpop1.hhsc.txnet.state.tx.us/DataWarehousePage/>. Grantee

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CRISIS RESPONSE AND DIVERSION
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can find encounter reporting schedule in Information Item S, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.

- D. Grantee shall collect and report to HHSC individual-level information for program participants using Attachment A04-1 as outlined in Table 1 below. Types of data shall include, but are not limited to:
1. Any contact with an individual that does not result in arrest as a result of involvement with the crisis response and diversion funding and the outcome of that contact.
- E. Grantee shall submit Attachment A04-1, Performance Report, as outlined in Table 1 below.
- F. Grantee shall submit Attachment A04-2, Expenditure Report as outlined in Table 1 below.

Table 1: Deliverable Submission

Deliverable	Due Date
Attachment A04-1, Performance Report	Submit monthly, on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP. Grantee must attach the report to Grantee's invoice.
Attachment A04-2, Expenditure Report	Submit monthly, on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP. Grantee must attach the report to Grantee's invoice.
State of Texas Purchase Voucher Form 4116 (i.e., Invoice)	Submit monthly, on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP.
General Ledger	Submit monthly, on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP. Grantee must attach the report to Grantee's invoice.

These submissions shall be sent by electronic mail to the following email address in the subject format below with a copy to the HHSC's Contract Manager and Program Services Liaisons. Any alternative reporting methods must be approved or otherwise completed based on written notification from the HHSC's Contract Manager.

To: MHCContracts@hhsc.state.tx.us
Subject: CompCode_MHD_Crisis Response

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G. HHSC may request validation of performance measures at any time and Grantee must provide a timely response to HHSC's validation request.

IV. INVOICE AND PAYMENT

A. Grantee shall establish and maintain an independent cost center that is accessible and identifies the source and application of funds provided under this Statement of Work and original source documentation substantiating that costs are specifically and solely allocable to this Statement of Work and are traceable from the transaction to the general ledger.

B. Grantee shall submit invoices based on the schedule outlined in Table 1 using the State of Texas Purchase Voucher Form 4116, which is incorporated by reference and can be downloaded at: <https://hhs.texas.gov/laws-regulations/forms/4000-4999/form-4116-state-texas-purchase-voucher>.

C. All invoices not received by the scheduled due date as outlined in Table 1 above are considered late and will require justification from the Grantee for the late submission.

D. Documentation and data required for invoice submission includes:

1. Name, address, and telephone number of Grantee on the State of Texas Purchase Voucher Form 4116;
2. HHSC Contract Number and/or Purchase Order Number on the State of Texas Purchase Voucher Form 4116;
3. Identification of service(s) provided on the State of Texas Purchase Voucher Form 4116;
4. Dates services/deliverables were delivered on the State of Texas Purchase Voucher Form 4116;
5. Name of the person performing the activities on the State of Texas Purchase Voucher Form 4116;
6. Total invoice amount on the State of Texas Purchase Voucher Form 4116; and
7. Supporting Documentation as attachments to the State of Texas Purchase Voucher Form 4116:
 - a. A copy of Grantee's General Ledger proving expenditure of funds by cost category;
 - b. Attachment A04-1 - Performance Report
 - c. Attachment A04-2 – Expenditure Report; and
 - d. Any other documentation required by this Contract or otherwise requested by HHSC.

E. Grantee shall electronically submit invoices with required or otherwise requested supporting documentation to the Claims Processing Unit at HHSC_AP@hhsc.state.tx.us, MHContracts@hhsc.state.tx.us, the assigned HHSC Contract Manager, and Program Services Liaisons.

F. Grantee shall submit invoices no later than 90 days after the last day of the fiscal year for fiscal year close out.

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V. OUTCOME IF GRANTEE CANNOT COMPLETE REQUIRED PERFORMANCE

Unless otherwise specified in this Statement of Work, if Grantee cannot complete or otherwise comply with a requirement included in this Statement of Work, HHSC, at its sole discretion, may impose remedies outlined under Contract Attachment C, Special Conditions, Article 6 (Disputes and Remedies).

**ATTACHMENT A05
CONSUMER OPERATED SERVICE PROGRAM
STATEMENT OF WORK**

CONTRACT NO. HHS001108400021

**GRANTEE: LAKES REGIONAL MENTAL HEALTH AND MENTAL RETARDATION
CENTER D\B\A LAKES REGIONAL COMMUNITY CENTER**

I. PURPOSE

Enhance and expand peer supported outreach and programming to individuals who currently receive, have received, or are at significant risk of requiring mental health support services. Consumer Operated Service Programs (COSPs) are evidenced-based programs directed, administratively controlled, and managed by individuals with lived mental health experiences. COSPs offer recovery-based and person-centered support services through certified peer specialists in non-clinical settings.

II. GRANTEE RESPONSIBILITIES

Contract Manager for the Consumer Operated Service Program (COSP)

Grantee shall:

1. Renew or enter a subcontract with a peer-run organization (Subcontractor) for the development, maintenance, or expansion of a COSP. This subcontract must specify the services to be provided by the COSP that will supplement services provided by Grantee.
2. Monitor, support and report Subcontractor's provision of programs and services that support and enhance the capacity and impact of peer services related to the addition of Mental Health Block Grant COVID-19 Supplemental funds.
3. Submit Subcontractors activities as documented by Subcontractor on Form N, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.
4. Develop, maintain, and implement written procedures to be utilized in monitoring Subcontractor. Grantee shall collaborate with Subcontractor to revise the procedures as necessary during the term of this Contract.
5. Monitor, support and report In-Kind contributions on Form N, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.
6. Maintain a contract administration system to monitor how Subcontractor performs in accordance with the terms, conditions, and specifications of its subcontract. The system shall include the following services:
 - a. Monitor Subcontractor's governing or advisory board(s) to verify the board members are trained and informed of their responsibilities and obligations under Subcontractor's subcontract; and
 - b. Provide training and technical assistance on establishing a board, if Subcontractor does not have a governing or advisory board.
7. Require Subcontractor to submit monthly expense reports to Grantee to document Subcontractor's allowable costs for the month. The monthly expense reports shall include copies of receipts for Subcontractor's expenses. If requested by HHSC, submit detailed accounting of Subcontractor costs that have been reimbursed by Grantee.
8. Require Subcontractor(s) to participate in any training and technical assistance provided

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CONSUMER OPERATED SERVICE PROGRAM
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by or monitored by HHSC, or its contractors, with relevance to the consumer operated service program providers such as peer training and certification through the state approved training and certification body.

9. On an annual basis, Grantee shall reconcile its advance payments to Subcontractor and require Subcontractor to reimburse Grantee if Subcontractor has received more in advance monthly payments than allowable expenses incurred.

III. PROGRAM REQUIREMENTS FOR SUBCONTRACTOR(S)

Grantee shall provide oversight to subcontractors as outlined in Section II above, and shall ensure the subcontracted COSP adheres as closely as possible to the COSP model as described by SAMHSA in the Consumer Evidence-Based Practices Kit, incorporated by reference and posted at: <https://store.samhsa.gov/product/Consumer-Operated-Services-Evidence-Based-Practices-EBP-KIT/SMA11-4633>. The services the COSP provides shall be based upon peer support principles such as mutuality and shared experience through appropriate and relatable disclosure of the Certified Peer Specialists' own story of recovery. The COSP shall provide a broad range of peer support services to people with mental health conditions, such as one-on-one and group peer support, computer training, supported employment, skills training, and transitional housing. Individuals may access services through referrals from the LMHA or other provider organizations, or as a walk-in to request for services. Mental Health Block Grant COVID-19 Supplemental funds may be used for:

- A. Train COSP staff to support and enhance crisis services:
 1. Trauma Informed Care;
 2. Crisis Services intake and screening;
 3. Crisis outreach to special populations;
 4. Advocacy;
- B. Purchase/develop of member tracking software;
- C. Create transportation vouchers to increase participation in rural and urban areas;
- D. Purchase tablets and smart phones to enhance virtual outreach to program participants; and
- E. Gain certification as a Training Entity to provide Texas Health and Human Services Commission (HHSC) approved Peer Specialist Training for enhancement of the peer workforce.

IV. PERFORMANCE MEASURES

HHSC will use the following performance measures, along with any additional terms within this Statement of Work and any corresponding Notice to Proceed, to assess Grantee's effectiveness in providing the services required.

Grantee shall:

- A. No later than September 23rd of each state fiscal year (beginning September 1st and ending August 31st), submit to HHSC a copy of the executed contract between Grantee and Subcontractor;
- B. On a monthly basis, beginning September 1, 2021 through August 31, 2023, submit Form N, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health->

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[provider-resources/community-mental-health-contracts](https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts), to HHSC's Contract Manager according to the Information Item S, Submission Calendar, incorporated by reference and posted at: <https://www.hhs.texas.gov/doing-business-hhs/provider-portals/behavioral-health-services-providers/behavioral-health-provider-resources/community-mental-health-contracts>.

- C. Within 10 calendar days of execution of the contract between Grantee and Subcontractor, submit to HHSC's Contract Manager a copy of the contract and Grantee's written monitoring procedures. Whenever Grantee deems it necessary to revise the procedures, Grantee shall submit a copy of the revised procedures to HHSC.
- D. Submit all reports electronically to MHContracts@hhsc.state.tx.us, with a copy to the HHSC's Contract Manager.
- E. Within 20 business days of receiving a request from HHSC, Grantee shall submit its detailed accounting of each Subcontractor's reimbursable costs.

V. INVOICE AND PAYMENT

- A. Grantee shall establish and maintain an independent cost center that is accessible and identifies the source and application of funds provided under this Statement of Work and original source documentation substantiating that costs are specifically and solely allocable to this Statement of Work and are traceable from the transaction to the general ledger.
- B. Grantee shall request monthly payments on or before the 15th day of the month after the month of service (e.g., September submission due October 15th), and within the budget period specified in Grantee's NTP using the State of Texas Purchase Voucher Form 4116, which is incorporated by reference and can be downloaded at: <https://hhs.texas.gov/laws-regulations/forms/4000-4999/form-4116-state-texas-purchase-voucher>.
- C. Documentation and data required for invoice submission includes:
 - 1. Name, address, and telephone number of Grantee on the State of Texas Purchase Voucher Form 4116;
 - 2. HHSC Contract Number and/or Purchase Order Number on the State of Texas Purchase Voucher Form 4116;
 - 3. Identification of service(s) provided on the State of Texas Purchase Voucher Form 4116;
 - 4. Dates services/deliverables were delivered on the State of Texas Purchase Voucher Form 4116;
 - 5. Name of the person performing the activities on the State of Texas Purchase Voucher Form 4116;
 - 6. Total invoice amount on the State of Texas Purchase Voucher Form 4116; and
 - 7. Supporting Documentation as attachments to the State of Texas Purchase Voucher Form 4116:
 - a. A copy of Grantee's General Ledger proving expenditure of funds by cost category; and
 - b. Any other documentation required by this Contract or otherwise requested by HHSC.

**ATTACHMENT A05
CONSUMER OPERATED SERVICE PROGRAM
STATEMENT OF WORK**

D. Grantee shall electronically submit all invoices with required or otherwise requested supporting documentation to the Claims Processing Unit at [HHSC AP@hhsc.state.tx.us](mailto:HHSC_AP@hhsc.state.tx.us), with a copy to MHContracts@hhsc.state.tx.us and HHSC's Contract Manager.

VI. OUTCOME IF GRANTEE CANNOT COMPLETE REQUIRED PERFORMANCE

Unless otherwise specified in this Statement of Work, if Grantee cannot complete or otherwise comply with a requirement included in this Statement of Work, HHSC, at its sole discretion, may impose remedies outlined under Contract Attachment C, Special Conditions, Article 6 (Disputes and Remedies).



TEXAS

Health and Human Services

Health and Human Services (HHS)

Uniform Terms and Conditions - Grant

Version 3.0

Published and Effective – August 2021

Responsible Office: Chief Counsel

ABOUT THIS DOCUMENT

In this document, Grantees (also referred to in this document as subrecipients or contractors) will find requirements and conditions applicable to grant funds administered and passed-through by both the Texas Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). These requirements and conditions are incorporated into the Grant Agreement through acceptance by Grantee of any funding award by HHSC or DSHS.

The terms and conditions in this document are in addition to all requirements listed in the RFA, if any, under which applications for this grant award are accepted, as well as all applicable federal and state laws and regulations. Applicable federal and state laws and regulations may include, but are not limited to: 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; requirements of the entity that awarded the funds to HHS; Chapter 783 of the Texas Government Code; Texas Comptroller of Public Accounts' agency rules (including Uniform Grant and Contract Standards set forth in Title 34, Part 1, Chapter 20, Subchapter E, Division 4 of the Texas Administrative Code); the Texas Grant Management Standards (TxGMS) developed by the Texas Comptroller of Public Accounts; and the Funding Announcement, Solicitation, or other instrument/documentation under which HHS was awarded funds. HHS, in its sole discretion, reserves the right to add requirements, terms, or conditions.

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ARTICLE I. DEFINITIONS AND INTERPRETIVE PROVISIONS

1.1 DEFINITIONS

As used in this Grant Agreement, unless a different definition is specified, or the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“Amendment” means a written agreement, signed by the Parties, which documents changes to the Grant Agreement.

“Contract” or “Grant Agreement” means the agreement entered into by the Parties, including the Signature Document, these Uniform Terms and Conditions, along with any attachments and amendments that may be issued by the System Agency.

“Deliverables” means the goods, services, and work product, including all reports and project documentation, required to be provided by Grantee to the System Agency.

“DSHS” means the Department of State Health Services.

“Effective Date” means the date on which the Grant Agreement takes effect.

“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 Grant Agreement. May also be referred to as “subrecipient” or “contractor” in this document.

“HHSC” means the Texas Health and Human Services Commission.

“Health and Human Services” or “HHS” includes HHSC and DSHS.

“Intellectual Property Rights” means the worldwide proprietary rights or interests, including patent, copyright, trade secret, and trademark rights, as such right may be evidenced by or embodied in:

- i. any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement;
- ii. any work of authorship, including any compilation, computer code, website or web page design, literary work, pictorial work, or graphic work;
- iii. any trademark, service mark, trade dress, trade name, branding, or other indicia of source or origin;
- iv. domain name registrations; and
- v. any other proprietary or similar rights. The Intellectual Property Rights of a Party include all worldwide proprietary rights or interests that the Party may have acquired by assignment, by exclusive license, or by license with the right to grant sublicenses.

“Parties” means the System Agency and Grantee, collectively.

“Party” means either the System Agency or Grantee, individually.

“Project” means specific activities of the Grantee that are supported by funds provided under this Grant Agreement.

“Signature Document” means the document executed by all Parties for this Grant Agreement.

“Solicitation,” “Funding Announcement” or “Request for Applications (RFA)” means the document (including all exhibits, attachments, and published addenda), issued by the System Agency under which applications for grant funds were requested, which is incorporated by reference in the Grant Agreement for all purposes in its entirety.

“Solicitation Response” or “Application” means Grantee’s full and complete Solicitation response (including any attachments and addenda), which is incorporated by reference in the Grant Agreement for all purposes in its entirety.

“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 the Texas Comptroller of Public Accounts’ state travel rules, policies, and guidelines.

“Statement of Work” means the description of activities Grantee must perform to complete the Project, as specified in the Grant Agreement and as may be amended.

“System Agency” means HHSC or DSHS, as applicable.

“Work Product” means any and all works, including work papers, notes, materials, approaches, designs, specifications, systems, innovations, improvements, inventions, software, programs, source code, documentation, training materials, audio or audiovisual recordings, methodologies, concepts, studies, reports, whether finished or unfinished, and whether or not included in the deliverables, that are developed, produced, generated or provided by Grantee in connection with Grantee’s performance of its duties under the Grant Agreement or through use of any funding provided under this Grant Agreement.

“Texas Grant Management Standards” or “TxGMS” means uniform grant and contract administration procedures, developed under the authority of Chapter 783 of the Texas Government Code, to promote the efficient use of public funds in local government and in programs requiring cooperation among local, state, and federal agencies. Under this Grant Agreement, TxGMS applies to Grantee except as otherwise provided by applicable law or directed by System Agency. Additionally, except as otherwise provided by applicable law, in the event of a conflict between TxGMS and applicable federal or state law, federal law prevails over state law and state law prevails over TxGMS.

1.2 INTERPRETIVE PROVISIONS

- A. The meanings of defined terms include the singular and plural forms.
- B. The words “hereof,” “herein,” “hereunder,” and similar words refer to this Grant Agreement as a whole and not to any particular provision, section, attachment, or schedule of this Grant Agreement unless otherwise specified.
- C. The term “including” is not limiting and means “including without limitation” and, unless otherwise expressly provided in this Grant Agreement, (i) references to contracts

(including this Grant Agreement) and other contractual instruments shall be deemed to include all subsequent Amendments and other modifications, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Grant Agreement, 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 agreements, contracts, statutes, or administrative rules or regulations in the Grant Agreement are references to these documents as amended, modified, or supplemented during the term of the Grant Agreement.
- E. The captions and headings of this Grant Agreement are for convenience of reference only and do not affect the interpretation of this Grant Agreement.
- F. All attachments, including those incorporated by reference, and any Amendments are considered part of the terms of this Grant Agreement.
- G. This Grant Agreement may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative.
- H. 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.”
- I. Time is of the essence in this Grant Agreement.
- J. Prior to execution of the Grant Agreement, Grantee must notify System Agency’s designated contact in writing of any ambiguity, conflict, discrepancy, omission, or other error. If Grantee fails to notify the System Agency designated contact of any ambiguity, conflict, discrepancy, omission or other error in the Grant Agreement prior to Grantee’s execution of the Grant Agreement, Grantee:
 - i. Shall have waived any claim of error or ambiguity in the Grant Agreement; and
 - ii. Shall not contest the interpretation by the System Agency of such provision(s).

No grantee will be entitled to additional reimbursement, relief, or time by reason of any ambiguity, conflict, discrepancy, exclusionary specification, omission, or other error or its later correction.

ARTICLE II. PAYMENT PROVISIONS

2.1 PROMPT PAYMENT

Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 of the Texas Government Code shall govern remittance of payment and remedies for late payment and non-payment.

2.2 TAXES

Grantee represents and warrants that it shall pay all taxes or similar amounts resulting from the Grant Agreement, including, but not limited to, any federal, State, or local income, sales or excise taxes of Grantee or its employees. System Agency shall not be liable for any taxes resulting from the Grant Agreement.

2.3 ANCILLARY AND TRAVEL EXPENSES

- A. Except as otherwise provided in the Grant Agreement, no ancillary expenses incurred by the Grantee in connection with its provision of the services or deliverables will be reimbursed by the System Agency. Ancillary expenses include, but are not limited to, costs associated with transportation, delivery, and insurance for each deliverable.
- B. Except as otherwise provided in the Grant Agreement, when the reimbursement of travel expenses is authorized by the Grant Agreement, all such expenses will be reimbursed in accordance with the rates set by the Texas Comptroller's *Textravel* guidelines, which can currently be accessed at: <https://fmx.cpa.texas.gov/fmx/travel/textravel/>.

2.4 BILLING

Unless otherwise provided in the Grant Agreement, Grantee shall bill the System Agency in accordance with the Grant Agreement. Unless otherwise specified in the Grant Agreement, 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.

2.5 USE OF FUNDS

Grantee shall expend funds under this Grant Agreement only for approved services and for reasonable and allowable expenses directly related to those services.

2.6 USE FOR MATCH PROHIBITED

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

2.7 PROGRAM INCOME

Program income refers to gross income directly generated by a supporting activity during the period of performance. Unless otherwise required under the Grant Agreement, Grantee shall use Program Income, as provided in TxGMS, to further the Project, and Grantee shall spend the Program Income on the Project. Grantee shall identify and report Program Income in accordance with the Grant Agreement, applicable law, and any programmatic guidance. Grantee shall expend Program Income during the Grant Agreement term, when earned, 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 Program Income for the purposes and under the conditions specified in this Grant Agreement.

2.8 NONSUPPLANTING

Grant funds must be used to supplement existing, new or corresponding programming and related activities. Grant funds may not be used to supplant (replace) existing funds that have been appropriated, allocated, or disbursed for the same purpose. System Agency may conduct Grant monitoring or audits may be conducted to review, among other things, Grantee's compliance with this provision.

2.9 INDIRECT COST RATES

The System Agency may acknowledge an indirect cost rate for Grantees that is utilized for all applicable Grant Agreements. For subrecipients receiving federal funds, indirect cost rates will be determined in accordance with applicable law including, but not limited to, 2 CFR 200.414(f). For recipients receiving state funds, indirect costs will be determined in accordance with applicable law including, but not limited to, TxGMS. Grantees funded with blended federal and state funding will be subject to both state and federal requirements when determining indirect costs. In the event of a conflict between TxGMS and applicable federal law or regulation, the provisions of federal law or regulation will apply. Grantee will provide any necessary financial documents to determine the indirect cost rate in accordance with the Uniform Grant Guidance (UGG) and TxGMS.

ARTICLE III. STATE AND FEDERAL FUNDING

3.1 EXCESS OBLIGATIONS PROHIBITED

This Grant Agreement is subject to termination or cancellation, without penalty to System Agency, either in whole or in part, subject to the availability and actual receipt by System Agency of state or federal funds. System Agency is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If System Agency becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either System Agency's or Grantee's delivery or performance under the Grant Agreement impossible or unnecessary, the Grant Agreement will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Section, System Agency will not be liable to Grantee for any damages that are caused or associated with such termination or cancellation, and System Agency will not be required to give prior notice. Additionally, System Agency will not be liable to Grantee for any remaining unpaid funds under this Grant Agreement at time of termination.

3.2 NO DEBT AGAINST THE STATE

This Grant Agreement will not be construed as creating any debt by or on behalf of the State of Texas.

3.3 DEBTS AND DELINQUENCIES

Grantee agrees that any payments due under the Grant Agreement shall be directly applied towards eliminating any debt or delinquency it has to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support during the entirety of the Grant Agreement term.

3.4 REFUNDS AND OVERPAYMENTS

- A. At its sole discretion, the System Agency may (i) withhold all or part of any payments to Grantee to offset overpayments, unallowable or ineligible costs made to the Grantee, or if any required financial status report(s) is not submitted by the due date(s); or (ii) require Grantee to promptly refund or credit - within thirty (30) calendar days of written notice – to System Agency any funds erroneously paid by System Agency which are not expressly authorized under the Grant Agreement.
- B. "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 Grant Agreement, including any unapproved expenditures. Grantee understands and agrees that it shall be liable to the System Agency for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Grant Agreement. Grantee further understands and agrees that reimbursement of such disallowed costs shall be paid by Grantee from funds which were not provided or otherwise made available to Grantee under this Grant Agreement.

ARTICLE IV. ALLOWABLE COSTS AND AUDIT REQUIREMENTS

4.1 ALLOWABLE COSTS

- A. Allowable Costs are restricted to costs that are authorized under Texas Uniform Grant Management Standards (TxGMS) and applicable state and federal rules and laws. This Grant Agreement is subject to all applicable requirements of TxGMS, including the criteria for Allowable Costs. Additional federal requirements apply if this Grant Agreement is funded, in whole or in part, with federal funds.
- B. System Agency will reimburse Grantee for actual, allowable, and allocable costs incurred by Grantee in performing the Project, provided the costs 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 Grant Agreement. At its sole discretion, the System Agency will determine whether costs submitted by Grantee are allowable and eligible for reimbursement. The System Agency may take repayment (recoup) from remaining funds available under this Grant Agreement in amounts necessary to fulfill Grantee's repayment obligations. Grantee and all payments received by Grantee under this Grant Agreement are subject to applicable cost principles, audit requirements, and administrative requirements including applicable provisions under 2 CFR 200, 48 CFR Part 31, and TxGMS.
- C. OMB Circulars will be applied with the modifications prescribed by TxGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

4.2 AUDITS AND FINANCIAL STATEMENTS

- A. Audits
 - i. Grantee understands and agrees that Grantee is subject to any and all applicable audit requirements found in state or federal law or regulation or added by this Grant Agreement
 - ii. HHS Single Audit Unit will notify Grantee to complete the Single Audit Determination Form. If Grantee fails to complete the form within thirty (30) calendar days after receipt of notice, Grantee maybe subject to sanctions and remedies for non-compliance.
 - iii. If Grantee, within Grantee's fiscal year, expends 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 2 CFR 200. The federal threshold amount includes federal funds passed through by way of state agency awards.

- iv. If Grantee, within Grantee's fiscal year, expends at least SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) in state funds awarded, Grantee shall have a single audit or program-specific audit in accordance with TxGMS. The audit must be conducted by an independent certified public accountant and in accordance with 2 CFR 200, Government Auditing Standards, and TxGMS.
 - v. 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 TxGMS, as applicable, for their program-specific audits.
 - vi. Each Grantee required to obtain a single audit must competitively re-procure single audit services once every six years. Grantee shall procure audit services in compliance with this section, state procurement procedures, as well as with applicable provisions of 2 CFR 200 and TxGMS.
- B. Financial Statements.
Each Grantee that does not meet the expenditure threshold for a single audit or program-specific audit, must provide financial statements for the audit period.

4.3 SUBMISSION OF AUDITS AND FINANCIAL STATEMENTS

- A. Audits.
Due the earlier of 30 days after receipt of the independent certified public accountant's report or nine months after the end of the fiscal year, Grantee shall submit one electronic copy of the single audit or program-specific audit to the System Agency via:
- i. HHS portal at <https://hhsportal.hhs.state.tx.us/heartwebextr/hhscSau> or,
 - ii. Email to: single_audit_report@hhsc.state.tx.us.
- B. Financial Statements.
Due no later than nine months after the Grantee's fiscal year-end, Grantees not required to submit an audit, shall submit one electronic copy of their financial statements via:
- i. HHS portal at <https://hhsportal.hhs.state.tx.us/heartwebextr/hhscSau>; or,
 - ii. Email to: single_audit_report@hhsc.state.tx.us.

ARTICLE V. WARRANTY, AFFIRMATIONS, ASSURANCES AND CERTIFICATIONS

5.1 WARRANTY

Grantee warrants that all work under this Grant Agreement shall be completed in a manner consistent with standards under the terms of this Grant Agreement, in the applicable trade, profession, or industry; shall conform to or exceed the specifications set forth in the Grant Agreement; and all deliverables shall be fit for ordinary use, of good quality, and with no material defects. If System Agency, in its sole discretion, determines Grantee has failed to complete work timely or to perform satisfactorily under conditions required by this Grant Agreement, the System Agency may require Grantee, at its sole expense, to:

- i. Repair or replace all defective or damaged work;
- ii. Refund any payment Grantee received from System Agency for all defective or damaged work and, in conjunction therewith, require Grantee to accept the return of such work; and,
- iii. Take necessary action to ensure that Grantee's future performance and work conform to the Grant Agreement requirements.

5.2 GENERAL AFFIRMATIONS

Grantee certifies that, to the extent affirmations are incorporated into the Grant Agreement, the Grantee has reviewed the affirmations and that Grantee is in compliance with all requirements.

5.3 FEDERAL ASSURANCES

Grantee further certifies that, to the extent federal assurances are incorporated into the Grant Agreement, the Grantee has reviewed the federal assurances and that Grantee is in compliance with all requirements.

5.4 FEDERAL CERTIFICATIONS

Grantee further certifies that, to the extent federal certifications are incorporated into the Grant Agreement, the Grantee has reviewed the federal certifications and that Grantee is in compliance with all requirements. In addition, Grantee certifies that it is in compliance with all applicable federal laws, rules, and regulations, as they may pertain to this Grant Agreement.

5.5 STATE ASSURANCES

Except to the extent of any conflict under applicable law or requirements or guidelines of any federal awarding agency from which funding for this Grant Agreement originated, the Grantee must comply with the applicable state assurances included within the TxGMS which are incorporated here by reference.

ARTICLE VI. INTELLECTUAL PROPERTY

6.1 OWNERSHIP OF WORK PRODUCT

- A. All right, title, and interest in the Work Product, including all Intellectual Property Rights therein, is exclusively owned by System Agency. Grantee and Grantee's employees will have no rights in or ownership of the Work Product or any other property of System Agency.
- B. Any and all Work Product that is copyrightable under United States copyright law is deemed to be "work made for hire" owned by System Agency, as provided by Title 17 of the United States Code. To the extent that Work Product does not qualify as a "work made for hire" under applicable federal law, Grantee hereby irrevocably assigns and transfers to System Agency, its successors and assigns, the entire right, title, and interest in and to the Work Product, including any and all Intellectual Property Rights embodied therein or associated therewith, and in and to all works based upon, derived from, or incorporating the Work Product, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present or future infringement based on the copyrights, and in and to all rights corresponding to the foregoing.
- C. Grantee agrees to execute all papers and to perform such other acts as System Agency may deem necessary to secure for System Agency or its designee the rights herein assigned.
- D. In the event that Grantee has any rights in and to the Work Product that cannot be assigned to System Agency, Grantee hereby grants to System Agency an exclusive, worldwide, royalty-free, transferable, irrevocable, and perpetual license, with the right to

sublicense, to reproduce, distribute, modify, create derivative works of, publicly perform and publicly display, make, have made, use, sell and offer for sale the Work Product and any products developed by practicing such rights.

- E. The foregoing does not apply to Incorporated Pre-existing Works or Third Party IP that are incorporated in the Work Product by Grantee. Grantee shall provide System Agency access during normal business hours to all Grantee materials, premises, and computer files containing the Work Product.

6.2 GRANTEE'S PRE-EXISTING WORKS

- A. To the extent that Grantee incorporates into the Work Product any works of Grantee that were created by Grantee or that Grantee acquired rights in prior to the Effective Date of this Grant Agreement ("**Incorporated Pre-existing Works**"), Grantee retains ownership of such Incorporated Pre-existing Works.
- B. Grantee hereby grants to System Agency an irrevocable, perpetual, non-exclusive, royalty-free, transferable, worldwide right and license, with the right to sublicense, to use, reproduce, modify, copy, create derivative works of, publish, publicly perform and display, sell, offer to sell, make and have made, the Incorporated Pre-existing Works, in any medium, with or without the associated Work Product.
- C. Grantee represents, warrants, and covenants to System Agency that Grantee has all necessary right and authority to grant the foregoing license in the Incorporated Pre-existing Works to System Agency.

6.3 THIRD PARTY IP

- A. To the extent that any Third Party IP is included or incorporated in the Work Product by Grantee, Grantee hereby grants to System Agency, or shall obtain from the applicable third party for System Agency's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for System Agency's internal business or governmental purposes only, to use, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Third Party IP and any derivative works thereof embodied in or delivered to System Agency in conjunction with the Work Product, and to authorize others to do any or all of the foregoing.
- B. Grantee shall obtain System Agency's advance written approval prior to incorporating any Third Party IP into the Work Product, and Grantee shall notify System Agency on delivery of the Work Product if such materials include any Third Party IP.
- C. Grantee shall provide System Agency all supporting documentation demonstrating Grantee's compliance with this Section 6.3, including without limitation documentation indicating a third party's written approval for Grantee to use any Third Party IP that may be incorporated in the Work Product.

6.4 AGREEMENTS WITH EMPLOYEES AND SUBCONTRACTORS

Grantee shall have written, binding agreements with its employees and subcontractors that include provisions sufficient to give effect to and enable Grantee's compliance with Grantee's obligations under this Article VI, Intellectual Property.

6.5 DELIVERY UPON TERMINATION OR EXPIRATION

No later than the first calendar day after the termination or expiration of the Grant Agreement or upon System Agency's request, Grantee shall deliver to System Agency all completed, or

partially completed, Work Product, including any Incorporated Pre-existing Works, and any and all versions thereof. Grantee's failure to timely deliver such Work Product is a material breach of the Grant Agreement. Grantee will not retain any copies of the Work Product or any documentation or other products or results of Grantee's activities under the Grant Agreement without the prior written consent of System Agency.

6.6 SURVIVAL

The provisions and obligations of this Article survive any termination or expiration of the Grant Agreement.

6.7 SYSTEM AGENCY DATA

- A. As between the Parties, all data and information acquired, accessed, or made available to Grantee by, through, or on behalf of System Agency or System Agency contractors, including all electronic data generated, processed, transmitted, or stored by Grantee in the course of providing data processing services in connection with Grantee's performance hereunder (the "System Agency Data"), is owned solely by System Agency.
- B. Grantee has no right or license to use, analyze, aggregate, transmit, create derivatives of, copy, disclose, or process the System Agency Data except as required for Grantee to fulfill its obligations under the Grant Agreement or as authorized in advance in writing by System Agency.
- C. For the avoidance of doubt, Grantee is expressly prohibited from using, and from permitting any third party to use, System Agency Data for marketing, research, or other non-governmental or commercial purposes, without the prior written consent of System Agency.
- D. Grantee shall make System Agency Data available to System Agency, including to System Agency's designated vendors, as directed in writing by System Agency. The foregoing shall be at no cost to System Agency.
- E. Furthermore, the proprietary nature of Grantee's systems that process, store, collect, and/or transmit the System Agency Data shall not excuse Grantee's performance of its obligations hereunder.

ARTICLE VII. PROPERTY

7.1 USE OF STATE PROPERTY

- A. Grantee is prohibited from using State Property for any purpose other than performing Services authorized under the Grant Agreement.
- B. State Property includes, but is not limited to, System Agency's office space, identification badges, System Agency information technology equipment and networks (*e.g.*, laptops, portable printers, cell phones, iPads or tablets, external hard drives, data storage devices, any System Agency-issued software, and the System Agency Virtual Private Network (VPN client)), and any other resources of System Agency.
- C. Grantee shall not remove State Property from the continental United States. In addition, Grantee may not use any computing device to access System Agency's network or e-mail while outside of the continental United States.
- D. Grantee shall not perform any maintenance services on State Property unless the Grant Agreement expressly authorizes such Services.

- E. During the time that State Property is in the possession of Grantee, Grantee shall be responsible for:
 - i. all repair and replacement charges incurred by State Agency that are associated with loss of State Property or damage beyond normal wear and tear, and
 - ii. all charges attributable to Grantee's use of State Property that exceeds the Grant Agreement scope. Grantee shall fully reimburse such charges to System Agency within ten (10) calendar days of Grantee's receipt of System Agency's notice of amount due. Use of State Property for a purpose not authorized by the Grant Agreement shall constitute breach of contract and may result in termination of the Grant Agreement and the pursuit of other remedies available to System Agency under contract, at law, or in equity.

7.2 DAMAGE TO STATE PROPERTY

- A. In the event of loss, destruction, or damage to any System Agency or State of Texas owned, leased, or occupied property or equipment by Grantee or Grantee's employees, agents, Subcontractors, or suppliers, Grantee shall be liable to System Agency and the State of Texas for the full cost of repair, reconstruction, or replacement of the lost, destroyed, or damaged property.
- B. Grantee shall notify System Agency of the loss, destruction, or damage of equipment or property within one (1) business day. Grantee shall reimburse System Agency and the State of Texas for such property damage within ten (10) calendar days after Grantee's receipt of System Agency's notice of amount due.

7.3 PROPERTY RIGHTS UPON TERMINATION OR EXPIRATION OF CONTRACT

In the event the Grant Agreement is terminated for any reason or expires, State Property remains the property of the System Agency and must be returned to the System Agency by the earlier of the end date of the Grant Agreement or upon System Agency's request.

7.4 EQUIPMENT AND PROPERTY

- A. The Grantee must ensure equipment with a per-unit cost of \$5,000 or greater purchased with grant funds under this award is used solely for the purpose of this Grant or is properly pro-rated for use under this Grant. Grantee must have control systems to prevent loss, damage, or theft of property funded under this Grant. Grantee shall maintain equipment management and inventory procedures for equipment, whether acquired in part or whole with grant funds, until disposition occurs.
- B. When equipment acquired by Grantee under this Grant Agreement is no longer needed for the original project or for other activities currently supported by System Agency, the Grantee must properly dispose of the equipment pursuant to 2 CFR and/or TxGMS, as applicable. Upon termination of this Grant Agreement, use and disposal of equipment by the Grantee shall conform with TxGMS requirements.
- C. Grantee shall initiate the purchase of all equipment approved in writing by the System Agency in accordance with the schedule approved by System Agency, as applicable. Failure to timely initiate the purchase of equipment may result in the loss of availability of funds for the purchase of equipment. Requests to purchase previously approved equipment after the first quarter in the Grant Agreement must be submitted to the assigned System Agency contract manager.
- D. Controlled Assets include firearms, regardless of the acquisition cost, and the following

assets with an acquisition cost of \$500 or more, but less than \$5,000: desktop and laptop computers (including notebooks, tablets and similar devices), non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment. Controlled Assets are considered supplies.

- E. System Agency funds must not be used to purchase buildings or real property without prior written approval from System Agency. Any costs related to the initial acquisition of the buildings or real property are not allowable without written pre-approval.

ARTICLE VIII. RECORD RETENTION, AUDIT, AND CONFIDENTIALITY

8.1 RECORD MAINTENANCE AND RETENTION

- A. Grantee shall 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 Grant Agreement and all state and federal rules, regulations, and statutes.
- B. Grantee shall maintain and retain legible copies of this Grant Agreement and all records relating to the performance of the Grant Agreement, including supporting fiscal documents adequate to ensure that claims for grant funds are in accordance with applicable State of Texas requirements. These records shall be maintained and retained by the Grantee for a minimum of seven (7) years after the Grant Agreement expiration date or seven (7) years after all audits, claims, litigation or disputes involving the Grant Agreement are resolved, whichever is later.

8.2 AGENCY'S RIGHT TO AUDIT

- A. Grantee shall make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, supporting documents kept current by Grantee pertaining to the Grant Agreement for purposes of inspecting, monitoring, auditing, or evaluating by System Agency and the State of Texas.
- B. In addition to any right of access arising by operation of law, Grantee and any of Grantee's affiliate or subsidiary organizations, or Subcontractors shall 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 Grant Agreement. If the Grant Agreement includes federal funds, federal agencies that shall 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 shall have a right of access to records as described in this section include: the System Agency, HHS's contracted examiners, the State Auditor's Office, the Office of the Texas Attorney General, and any successor agencies. Each of these entities may be a duly authorized authority.

- C. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Grantee shall produce original documents related to this Grant Agreement.
- D. The System Agency and any duly authorized authority shall have the right to audit billings both before and after payment, and all documentation that substantiates the billings.
- E. Grantee shall include this provision concerning the right of access to, and examination of, sites and information related to this Grant Agreement in any Subcontract it awards.

8.3 RESPONSE/COMPLIANCE WITH AUDIT OR INSPECTION FINDINGS

- A. Grantee must act to ensure its and its Subcontractors' 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 Grant Agreement and the services and Deliverables provided. Any such correction will be at Grantee's or its Subcontractor's sole expense. Whether Grantee's action corrects the noncompliance shall be solely the decision of the System Agency.
- B. As part of the services, Grantee must provide to HHS 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 Grant Agreement.

8.4 STATE AUDITOR'S RIGHT TO AUDIT

The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the Grant Agreement or indirectly through a subcontract under the Grant Agreement. The acceptance of funds directly under the Grant Agreement or indirectly through a subcontract under the Grant Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, 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 state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

8.5 CONFIDENTIALITY

Grantee shall maintain as confidential and shall not disclose to third parties without System Agency's prior written consent, any System Agency information including but not limited to System Agency's business activities, practices, systems, conditions and services. This section will survive termination or expiration of this Grant Agreement. This requirement must be included in all subcontracts awarded by Grantee.

ARTICLE IX. GRANT REMEDIES, TERMINATION AND PROHIBITED ACTIVITIES

9.1 REMEDIES

- A. To ensure Grantee's full performance of the Grant Agreement and compliance with applicable law, System Agency reserves the right to hold Grantee accountable for breach of contract or substandard performance and may take remedial or corrective actions,

including, but not limited to the following:

- i. temporarily withholding cash disbursements or reimbursements pending correction of the deficiency;
 - ii. disallowing or denying use of funds for the activity or action deemed not to be in compliance;
 - iii. disallowing claims for reimbursement that may require a partial or whole return of previous payments or reimbursements;
 - iv. suspending all or part of the Grant Agreement;
 - v. requiring the Grantee to take specific actions in order to remain in compliance with the Grant Agreement;
 - vi. recouping payments made by the System Agency to the Grantee found to be in error;
 - vii. suspending, limiting, or placing conditions on the Grantee's continued performance of the Project;
 - viii. prohibiting the Grantee from receiving additional funds for other grant programs administered by the System Agency until satisfactory compliance resolution is obtained;
 - ix. withholding release of new grant agreements; and
 - x. imposing any other remedies, sanctions or penalties authorized under this Grant Agreement or permitted by federal or state statute, law, regulation or rule.
- B. Unless expressly authorized by System Agency, Grantee may not be entitled to reimbursement for expenses incurred while the Grant Agreement is suspended.
- C. No action taken by System Agency in exercising remedies or imposing sanctions will constitute or operate as a waiver of any other rights or remedies available to System Agency under the Grant Agreement or pursuant to law. Additionally, no action taken by System Agency in exercising remedies or imposing sanctions will constitute or operate as an acceptance, waiver, or cure of Grantee's breach. Unless expressly authorized by System Agency, Grantee may not be entitled to reimbursement for expenses incurred while the Grant Agreement is suspended or after termination.

9.2 TERMINATION FOR CONVENIENCE

The System Agency may terminate the Grant Agreement, in whole or in part, 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 the System Agency's notice of termination.

9.3 TERMINATION FOR CAUSE

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

i. Material Breach

The System Agency may terminate the Grant Agreement, in whole or in part, if the System Agency determines, in its sole discretion, that Grantee has materially breached the Grant Agreement or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, whether or not such violation prevents or substantially impairs performance of Grantee's duties under the Grant Agreement. Grantee's misrepresentation in any aspect including, but not limited to, of Grantee's Solicitation Application, if any, or Grantee's

addition to the SAM exclusion list (identification in SAM as an excluded entity) may also constitute a material breach of the Grant Agreement.

ii. Failure to Maintain Financial Viability

The System Agency may terminate the Grant Agreement if the System Agency, in its sole discretion, determines that Grantee no longer maintains the financial viability required to complete the services and deliverables, or otherwise fully perform its responsibilities under the Grant Agreement.

- B. System Agency will specify the effective date of such termination in the notice to Grantee. If no effective date is specified, the Grant Agreement will terminate on the date of the notification.

9.4 GRANTEE RESPONSIBILITY FOR SYSTEM AGENCY'S TERMINATION COSTS

If the System Agency terminates the Grant Agreement for cause, the Grantee shall be responsible to the System Agency for all costs incurred by the System Agency and the State of Texas to replace the Grantee. These costs include, but are not limited to, the costs of procuring a substitute grantee and the cost of any claim or litigation attributable to Grantee's failure to perform any work in accordance with the terms of the Grant Agreement.

9.5 INHERENTLY RELIGIOUS ACTIVITIES

Grantee may not use grant funding to engage in inherently religious activities, such as proselytizing, scripture study, or worship. Grantees may engage in inherently religious activities; however, these activities must be separate in time or location from the grant-funded program. Moreover, grantees must not compel program beneficiaries to participate in inherently religious activities. These requirements apply to all grantees, not just faith-based organizations.

9.6 POLITICAL ACTIVITIES

Grant funds cannot be used for the following activities:

- A. Grantees and their relevant sub-grantees or subcontractors are prohibited from using grant funds directly or indirectly for political purposes, including lobbying, advocating for legislation, campaigning for, endorsing, contributing to, or otherwise supporting political candidates or parties, and voter registration campaigns. Grantees may use private, or non-System Agency money or contributions for political purposes but may not charge to, or be reimbursed from, System Agency contracts or grants for the costs of such activities.
- B. Grant-funded employees may not use official authority or influence to achieve any political purpose and grant funds cannot be used for the salary, benefits, or any other compensation of an elected official.
- C. Grant funds may not be used to employ, in any capacity, a person who is required by Chapter 305 of the Texas Government Code to register as a lobbyist. Additionally, grant funds cannot be used to pay membership dues to an organization that partially or wholly pays the salary of a person who is required by Chapter 305 of the Texas Government Code to register as a lobbyist.
- D. As applicable, Grantee will comply with 31 USC § 1352, relating to the limitation on use of appropriated funds to influence certain Federal contracting and financial transactions.

ARTICLE X. INDEMNITY

10.1 GENERAL INDEMNITY

- A. **GRANTEE SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS THE STATE OF TEXAS AND SYSTEM AGENCY, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES ARISING OUT OF OR RESULTING FROM ANY ACTS OR OMISSIONS OF GRANTEE OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE GRANT AGREEMENT AND ANY PURCHASE ORDERS ISSUED UNDER THE GRANT AGREEMENT.**
- B. **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 FROM THE NEGLIGENT ACTS OF OMISSIONS OF THE SYSTEM AGENCY OR ITS EMPLOYEES.**
- C. **For the avoidance of doubt, System Agency shall not indemnify Grantee or any other entity under the Grant Agreement.**

10.2 INTELLECTUAL PROPERTY

GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE SYSTEM AGENCY AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM:

- i. **THE PERFORMANCE OR ACTIONS OF GRANTEE PURSUANT TO THIS GRANT AGREEMENT;**
- ii. **ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR**
- iii. **SYSTEM AGENCY'S AND/OR GRANTEE'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO SYSTEM AGENCY BY GRANTEE OR OTHERWISE TO WHICH SYSTEM AGENCY HAS ACCESS AS A RESULT OF GRANTEE'S PERFORMANCE UNDER THE GRANT AGREEMENT.**

10.3 ADDITIONAL INDEMNITY PROVISIONS

- A. **GRANTEE AND SYSTEM AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY INDEMNITY CLAIM. GRANTEE SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES.**
- B. **THE DEFENSE SHALL BE COORDINATED BY THE GRANTEE WITH THE**

OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL.

- C. GRANTEE SHALL REIMBURSE SYSTEM AGENCY AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF THE SYSTEM AGENCY DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF GRANTEE OR IF SYSTEM AGENCY IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, SYSTEM AGENCY WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND GRANTEE SHALL PAY ALL REASONABLE COSTS OF SYSTEM AGENCY'S COUNSEL.**

ARTICLE XI. GENERAL PROVISIONS

11.1 AMENDMENTS

Except as otherwise expressly provided, the Grant Agreement may only be amended by a written Amendment executed by both Parties.

11.2 NO QUANTITY GUARANTEES

The System Agency makes no guarantee of volume or usage of work under this Grant Agreement. All work requested may be on an irregular and as needed basis throughout the Grant Agreement term.

11.3 CHILD ABUSE REPORTING REQUIREMENTS

- A. Grantees shall comply with child abuse and neglect reporting requirements in Texas Family Code Chapter 261. This section is in addition to and does not supersede any other legal obligation of the Grantee to report child abuse.
- B. Grantee shall develop, implement and enforce a written policy that includes at a minimum the System Agency's Child Abuse Screening, Documenting, and Reporting Policy for Grantees/Providers and train all staff on reporting requirements.
- C. Grantee shall use the Texas Abuse Hotline Website located at <https://www.txabusehotline.org/Login/Default.aspx> as required by the System Agency. Grantee shall retain reporting documentation on site and make it available for inspection by the System Agency.

11.4 CERTIFICATION OF MEETING OR EXCEEDING TOBACCO-FREE WORKPLACE POLICY MINIMUM STANDARDS

- A. Grantee certifies that it has adopted and enforces a Tobacco-Free Workplace Policy that meets or exceeds all of the following minimum standards of:
 - i. Prohibiting the use of all forms of tobacco products, including but not limited to cigarettes, cigars, pipes, water pipes (hookah), bidis, kreteks, electronic cigarettes, smokeless tobacco, snuff and chewing tobacco;

- ii. Designating the property to which this Policy applies as a "designated area," which must at least comprise all buildings and structures where activities funded under this Grant Agreement are taking place, as well as Grantee owned, leased, or controlled sidewalks, parking lots, walkways, and attached parking structures immediately adjacent to this designated area;
 - iii. Applying to all employees and visitors in this designated area; and
 - iv. Providing for or referring its employees to tobacco use cessation services.
- B. If Grantee cannot meet these minimum standards, it must obtain a waiver from the System Agency.

11.5 INSURANCE AND BONDS

Unless otherwise specified in this Contract, Grantee shall 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 shall 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 shall 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. In addition, if required by System Agency, Grantee must obtain and have on file a blanket fidelity bond that indemnifies System Agency against the loss or theft of any grant funds, including applicable matching funds. The fidelity bond must cover the entirety of the grant term and any subsequent renewals. The failure of Grantee to comply with these requirements may subject Grantee to remedial or corrective actions detailed in section 10.1, General Indemnity, above.

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

11.6 LIMITATION ON AUTHORITY

- A. Grantee shall not have any authority to act for or on behalf of the System Agency or the State of Texas except as expressly provided for in the Grant Agreement; no other authority, power, or use is granted or implied. Grantee may not incur any debt, obligation, expense, or liability of any kind on behalf of System Agency or the State of Texas.
- B. Grantee may not rely upon implied authority and is not granted authority under the Grant Agreement to:
 - i. Make public policy on behalf of the System Agency;
 - ii. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of a System Agency program; or
 - iii. Unilaterally communicate or negotiate with any federal or state agency or the Texas

Legislature on behalf of the System Agency regarding System Agency programs or the Grant Agreement. However, upon System Agency request and with reasonable notice from System Agency to the Grantee, the Grantee shall assist the System Agency in communications and negotiations regarding the Work under the Grant Agreement with state and federal governments.

11.7 CHANGE IN LAWS AND COMPLIANCE WITH LAWS

Grantee shall comply with all laws, regulations, requirements and guidelines applicable to a Grantee providing services and products required by the Grant Agreement to the State of Texas, as these laws, regulations, requirements and guidelines currently exist and as amended throughout the term of the Grant Agreement. Notwithstanding Section 11.1, Amendments, above, System Agency reserves the right, in its sole discretion, to unilaterally amend the Grant Agreement to incorporate any modifications necessary for System Agency's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements and guidelines.

11.8 SUBCONTRACTORS

Grantee may not subcontract any or all of the Work and/or obligations under the Grant Agreement without prior written approval of the System Agency. Subcontracts, if any, entered into by the Grantee shall be in writing and be subject to the requirements of the Grant Agreement. Should Grantee subcontract any of the services required in the Grant Agreement, Grantee expressly understands and acknowledges System Agency is in no manner liable to any subcontractor(s) of Grantee. In no event shall this provision relieve Grantee of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the Grant Agreement.

11.9 PERMITTING AND LICENSURE

At Grantee's sole expense, Grantee shall procure and maintain for the duration of this Grant Agreement 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 Grant Agreement. Grantee shall be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Grantee shall be responsible for payment of any such government obligations not paid by its Subcontractors during performance of this Grant Agreement.

11.10 INDEPENDENT CONTRACTOR

Grantee and Grantee's employees, representatives, agents, Subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the Grant Agreement. Neither Grantee nor System Agency is an agent of the other and neither may make any commitments on the other party's behalf. The Grantee is not a "governmental body" solely by virtue of this Grant Agreement or receipt of grant funds under this Grant Agreement. Grantee shall have no claim against System Agency for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. The Grant Agreement shall not create any joint venture, partnership, agency, or employment relationship between Grantee and System Agency.

11.11 GOVERNING LAW AND VENUE

The Grant Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the Grant Agreement is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to the System Agency.

11.12 SEVERABILITY

If any provision contained in this Grant Agreement is held to be unenforceable by a court of law or equity, such construction will not affect the legality, validity, or enforceability of any other provision or provisions of this Grant Agreement. It is the intent and agreement of the Parties this Grant Agreement shall be deemed amended by modifying such provision to the extent necessary to render it valid, legal and enforceable while preserving its intent or, if such modification is not possible, by substituting another provision that is valid, legal and enforceable and that achieves the same objective. All other provisions of this Grant Agreement will continue in full force and effect.

11.13 SURVIVABILITY

Expiration or termination of the Grant Agreement for any reason does not release Grantee from any liability or obligation set forth in the Grant Agreement that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the Grant Agreement, including without limitation the provisions regarding return of grant funds, audit requirements, records retention, public information, warranty, indemnification, confidentiality, and rights and remedies upon termination.

11.14 FORCE MAJEURE

Neither Grantee nor System Agency shall be liable to the other for any delay in, or failure of performance, of any requirement included in the Grant Agreement caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.

11.15 NO IMPLIED WAIVER OF PROVISIONS

The failure of the System Agency to object to or to take affirmative action with respect to any conduct of the Grantee which is in violation or breach of the terms of the Grant Agreement shall not be construed as a waiver of the violation or breach, or of any future violation or breach.

11.16 FUNDING DISCLAIMERS AND LABELING

A. Grantee shall not use System Agency's name or refer to System Agency directly or indirectly in any media appearance, public service announcement, or disclosure relating to this Grant Agreement including any promotional material without first obtaining

written consent from System Agency. The foregoing prohibition includes, without limitation, the placement of banners, pop-up ads, or other advertisements promoting Grantee's or a third party's products, services, workshops, trainings, or other commercial offerings on any website portal or internet-based service or software application hosted or managed by Grantee. This does not limit the Grantee's responsibility to comply with obligations related to the Texas Public Information Act or Texas Open Meetings Act.

- B. In general, no publication (including websites, reports, projects, etc.) may convey System Agency's recognition or endorsement of the Grantee's project without prior written approval from System Agency. Publications funded in part or wholly by HHS grant funding must include a statement that "HHS and neither any of its components operate, control, are responsible for, or necessarily endorse, this publication (including, without limitation, its content, technical infrastructure, and policies, and any services or tools provided)" at HHS's request.

11.17 MEDIA RELEASES

- A. Grantee shall not use System Agency's name, logo, or other likeness in any press release, marketing material or other announcement without System Agency's prior written approval. System Agency does not endorse any vendor, commodity, or service. Grantee is not authorized to make or participate in any media releases or public announcements pertaining to this Grant Agreement or the Services to which they relate without System Agency's prior written consent, and then only in accordance with explicit written instruction from System Agency.
- B. Grantee may publish, at its sole expense, results of Grantee performance under the Grant Agreement 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.

11.18 PROHIBITION ON NON-COMPETE RESTRICTIONS

Grantee shall 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.

11.19 SOVEREIGN IMMUNITY

Nothing in the Grant Agreement will be construed as a waiver of the System Agency's or the State's sovereign immunity. This Grant Agreement shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the System Agency or the State of Texas under the Grant Agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. System Agency does not waive any privileges, rights, defenses, or immunities available to System Agency by entering into the Grant Agreement or by its conduct prior to or subsequent to entering into the Grant Agreement.

11.20 ENTIRE CONTRACT AND MODIFICATION

The Grant Agreement 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 Grant Agreement will be harmonized with this Grant Agreement to the extent possible.

11.21 COUNTERPARTS

This Grant Agreement 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 Grant Agreement.

11.22 PROPER AUTHORITY

Each Party represents and warrants that the person executing this Grant Agreement on its behalf has full power and authority to enter into this Grant Agreement.

11.23 E-VERIFY PROGRAM

Grantee certifies that it utilizes and will continue to utilize the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:

- A. all persons employed to perform duties within Texas during the term of the Grant Agreement; and
- B. all persons, (including subcontractors) assigned by the Grantee to perform work pursuant to the Grant Agreement within the United States of America.

11.24 CIVIL RIGHTS

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

- D. 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: <https://hhs.texas.gov/about-hhs/your-rights/civil-rights-office/civil-rights-posters>.
- E. 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.
- F. Upon request, Grantee shall provide HHSC's Civil Rights Office with copies of the Grantee's civil rights policies and procedures.
- G. Grantee must notify HHSC's Civil Rights Office of any complaints of discrimination received relating to its performance under this Grant 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
Fax: (512) 438-5885
Email: HHSCivilRightsOffice@hhsc.state.tx.us.

11.25 ENTERPRISE INFORMATION MANAGEMENT STANDARDS

Grantee shall conform to HHS standards for data management as described by the policies of the HHS Chief Data and Analytics Officer. These include, but are not limited to, standards for documentation and communication of data models, metadata, and other data definition methods that are required by HHS for ongoing data governance, strategic portfolio analysis, interoperability planning, and valuation of HHS System data assets.

11.26 DISCLOSURE OF LITIGATION

- A. The Grantee must disclose in writing to the contract manager assigned to this Grant Agreement any material civil or criminal litigation or indictment either threatened or pending involving the Grantee. "Threatened litigation" as used herein shall include governmental investigations and civil investigative demands. "Litigation" as used herein shall include administrative enforcement actions brought by governmental agencies. The Grantee must also disclose any material litigation threatened or pending involving Subcontractors, consultants, and/or lobbyists. For purposes of this section, "material" refers, but is not limited, to any action or pending action that a reasonable person knowledgeable in the applicable industry would consider relevant to the Work under the Grant Agreement or any development such a person would want to be aware of in order to stay fully apprised of the total mix of information relevant to the Work, together with

any litigation threatened or pending that may result in a substantial change in the Grantee's financial condition.

- B. This is a continuing disclosure requirement; any litigation commencing after Grant Agreement Award must be disclosed in a written statement to the assigned contract manager within seven calendar days of its occurrence.

11.27 NO THIRD PARTY BENEFICIARIES

The Grant Agreement is made solely and specifically among and for the benefit of the Parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the Grant Agreement as a third-party beneficiary or otherwise.

11.28 BINDING EFFECT

The Grant Agreement shall inure to the benefit of, be binding upon, and be enforceable against each Party and their respective permitted successors, assigns, transferees, and delegates.

ATTACHMENT C



TEXAS
Health and Human Services

Health and Human Services Commission
Special Conditions
Version: 1.2
9.1.17

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HHSC SPECIAL CONDITIONS

The terms and conditions of these Special Conditions are incorporated into and made a part of the Contract. Capitalized items used in these Special Conditions and not otherwise defined have the meanings assigned to them in HHSC Uniform Terms and Conditions -Grant- Version 3.0

Article I. Special Definitions

“Conflict of Interest” means a set of facts or circumstances, a relationship, or other situation under which Contractor, a Subcontractor, or individual has past, present, or currently planned personal or financial activities or interests that either directly or indirectly: (1) impairs or diminishes the Contractor's, or Subcontractor's ability to render impartial or objective assistance or advice to the HHSC; or (2) provides the Contractor or Subcontractor an unfair competitive advantage in future HHSC procurements.

“Contractor Agents” means Contractor's representatives, employees, officers, Subcontractors, as well as their employees, contractors, officers, and agents.

“Data Use Agreement” means the agreement incorporated into the Contract to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information.

“Item of Noncompliance” means Contractor's acts or omissions that: (1) violate a provision of the Contract; (2) fail to ensure adequate performance of the Work; (3) represent a failure of Contractor to be responsive to a request of HHSC relating to the Work under the Contract.

“Minor Administrative Change” refers to a change to the Contract that does not increase the fees or term and done in accordance with Section 3.01 of these Special Conditions.

“Confidential System Information” means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor; or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of HHSC or through performance of the Work, which is not designated as Confidential Information in a Data Use Agreement.

“State” means the State of Texas and, unless otherwise indicated or appropriate, will be interpreted to mean HHSC and other agencies of the State of Texas that may participate in the administration of HHSC Programs; provided, however, that no provision will be interpreted to include any entity other than HHSC as the contracting agency.

“UTC” means HHSC's Uniform Terms and Conditions -Grant- Version 3.0

Article II. Contractors Personnel and Subcontractors**2.01 Conduct and Removal**

While performing the Work under the Contract, Contractor Agents must comply with applicable Contract terms, State and federal rules, regulations, HHSC's policies, and HHSC's requests regarding personal and professional conduct; and otherwise conduct themselves in a businesslike and professional manner.

If HHSC determines in good faith that a particular Contractor Agent is not conducting himself or herself in accordance with the terms of the Contract, HHSC may provide Contractor with notice and documentation regarding its concerns. Upon receipt of such notice, Contractor must promptly investigate the matter and,

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at HHSC's election, take appropriate action that may include removing the Contractor Agent from performing any Work under the Contract and replacing the Contractor Agent with a similarly qualified individual acceptable to HHSC as soon as reasonably practicable or as otherwise agreed to by HHSC.

Article III. Amendments and Modifications

3.01 Formal Amendment

Any changes to the Contract that results in a change to either the term, fees, or significantly impacting the obligations of the parties to the Contract must be effectuated by a formal Amendment to the Contract. Such Amendment must be signed by the appropriate and duly authorized representative of each party in order to have any effect.

3.02 Minor Administrative Changes

HHSC's designee, referred to as the Contract Manager, Project Sponsor, or other equivalent, in the Contract, is authorized to provide written approval of mutually agreed upon Minor Administrative Changes to the Work or the Contract that do not increase the fees or term. Changes that increase the fees or term must be accomplished through an Amendment. Upon approval of a Minor Administrative Change, HHSC and Contractor will maintain written notice that the change has been accepted in their Contract files.

Article IV. Payment

4.01 Enhanced Payment Procedures

HHSC will be relieved of its obligation to make any payments to Contractor until such time as any and all set-off amounts have been credited to HHSC. If HHSC disputes payment of all or any portion of an invoice from Contractor, HHSC will notify the Contractor of the dispute and both Parties will attempt in good faith to resolve the dispute in accordance with these Special Conditions. HHSC will not be required to pay any disputed portion of a Contractor invoice unless, and until, the dispute is resolved. Notwithstanding any such dispute, Contractor will continue to perform the Work in compliance with the terms of the Contract pending resolution of such dispute so long as all undisputed amounts continue to be paid to Contractor.

Article V. Confidentiality

5.01 Confidential System Information

HHSC prohibits the unauthorized disclosure of Confidential System Information. Contractor and all Contractor Agents will not disclose or use any Confidential System Information in any manner except as is necessary for the Work or the proper discharge of obligations and securing of rights under the Contract. Contractor will have a system in effect to protect Confidential System Information. Any disclosure or transfer of Confidential System Information by Contractor, including information requested to do so by HHSC, will be in accordance with the Contract. If Contractor receives a request for Confidential System Information, Contractor will immediately notify HHSC of the request, and will make reasonable efforts to protect the Confidential System Information from disclosure until further instructed by the HHSC.

Contractor will notify HHSC promptly of any unauthorized possession, use, knowledge, or attempt thereof, of any Confidential System Information by any person or entity that may become known to Contractor.

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Contractor will furnish to HHSC all known details of the unauthorized possession, use, or knowledge, or attempt thereof, and use reasonable efforts to assist HHSC in investigating or preventing the reoccurrence of any unauthorized possession, use, or knowledge, or attempt thereof, of Confidential System Information.

HHSC will have the right to recover from Contractor all damages and liabilities caused by or arising from Contractor or Contractor Agents' failure to protect HHSC's Confidential Information as required by this section.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE UTC, CONTRACTOR WILL INDEMNIFY, TO THE EXTENT ALLOWABLE AS A GOVERNMENTAL ENTITY, AND HOLD HARMLESS HHSC FROM ALL DAMAGES, COSTS, LIABILITIES, AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COSTS) CAUSED BY OR ARISING FROM CONTRACTOR OR CONTRACTOR AGENTS FAILURE TO PROTECT CONFIDENTIAL SYSTEM INFORMATION. CONTRACTOR WILL FULFILL THIS PROVISION WITH COUNSEL APPROVED BY HHSC.

Article VI. Disputes and Remedies

6.01 Agreement of the Parties

The Parties agree that the interests of fairness, efficiency, and good business practices are best served when the Parties employ all reasonable and informal means to resolve any dispute under the Contract before resorting to formal dispute resolution processes otherwise provided in the Contract. The Parties will use all reasonable and informal means of resolving disputes prior to invoking a remedy provided elsewhere in the Contract, unless HHSC immediately terminates the Contract in accordance with the terms and conditions of the Contract.

Any dispute, that in the judgment of any Party to the Agreement, may materially affect the performance of any Party will be reduced to writing and delivered to the other Party within 10 business days after the dispute arises. The Parties must then negotiate in good faith and use every reasonable effort to resolve the dispute at the managerial or executive levels prior to initiating formal proceedings pursuant to the UTC and Texas Government Code §2260, unless a Party has reasonably determined that a negotiated resolution is not possible and has so notified the other Party. The resolution of any dispute disposed of by agreement between the Parties will be reduced to writing and delivered to all Parties within 10 business days of such resolution.

6.02 Operational Remedies

The remedies described in this section may be used or pursued by HHSC in the context of the routine operation of the Contract and are directed to Contractor's timely and responsive performance of the Work as well as the creation of a flexible and responsive relationship between the Parties. Contractor agrees that HHSC may pursue operational remedies for Items of Noncompliance with the Contract. At any time, and at its sole discretion, HHSC may impose or pursue one or more said remedies for each item of noncompliance. HHSC will determine operational remedies on a case-by-case basis which include, but are not, limited to:

- (a) Requesting a detailed Corrective Action Plan, subject to HHSC approval, to correct and resolve a deficiency or breach of the Contract;

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- (b) Require additional or different corrective action(s) of HHSC's choice;
- (c) Suspension of all or part of the Contract or Work;
- (d) Prohibit Contractor from incurring additional obligations under the Contract;
- (e) Assessment of liquidated damages as provided in the Contract;
- (f) Accelerated or additional monitoring;
- (g) Withholding of payments; and
- (h) Additional and more detailed programmatic and financial reporting.

HHSC's pursuit or non-pursuit of an operational remedy does not constitute a waiver of any other remedy that HHSC may have at law or equity; excuse Contractor's prior substandard performance, relieve Contractor of its duty to comply with performance standards, or prohibit HHSC from assessing additional operational remedies or pursuing other appropriate remedies for continued substandard performance.

HHSC will provide notice to Contractor of the imposition of an operational remedy in accordance with this section, with the exception of accelerated monitoring, which may be unannounced. HHSC may require Contractor to file a written response as part of the operational remedy approach.

6.03 Equitable Remedies

Contractor acknowledges that if, Contractor breaches, attempts, or threatens to breach, any obligation under the Contract, the State will be irreparably harmed. In such a circumstance, the State may proceed directly to court notwithstanding any other provision of the Contract. If a court of competent jurisdiction finds that Contractor breached, attempted, or threatened to breach any such obligations, Contractor will not oppose the entry of an order compelling performance by Contractor and restraining it from any further breaches, attempts, or threats of breach without a further finding of irreparable injury or other conditions to injunctive relief.

6.04 Continuing Duty to Perform

Neither the occurrence of an event constituting an alleged breach of contract, the pending status of any claim for breach of contract, nor the application of an operational remedy, is grounds for the suspension of performance, in whole or in part, by Contractor of the Work or any duty or obligation with respect to the Contract.

Article VII. Damages

7.01 Availability and Assessment

HHSC will be entitled to actual, direct, indirect, incidental, special, and consequential damages resulting from Contractor's failure to comply with any of the terms of the Contract. In some cases, the actual damage to HHSC as a result of Contractor's failure to meet the responsibilities or performance standards of the Contract are difficult or impossible to determine with precise accuracy. Therefore, if provided in the Contract, liquidated damages may be assessed against Contractor for failure to meet any aspect of the Work or responsibilities of the Contractor. HHSC may elect to collect liquidated damages:

- (a) Through direct assessment and demand for payment to Contractor; or
- (b) By deducting the amounts assessed as liquidated damages against payments owed to Contractor for Work performed. In its sole discretion, HHSC may deduct amounts assessed as liquidated damages as a single lump sum payment or as multiple payments until the full amount payable by the Contractor is received by the HHSC.

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7.02 Specific Items of Liability

Contractor bears all risk of loss or damage due to defects in the Work, unfitness or obsolescence of the Work, or the negligence or intentional misconduct of Contractor or Contractor Agents. Contractor will ship all equipment and Software purchased and Third Party Software licensed under the Contract, freight prepaid, FOB HHSC's destination. The method of shipment will be consistent with the nature of the items shipped and applicable hazards of transportation to such items. Regardless of FOB point, Contractor bears all risks of loss, damage, or destruction of the Work, in whole or in part, under the Contract that occurs prior to acceptance by HHSC. After acceptance by HHSC, the risk of loss or damage will be borne by HHSC; however, Contractor remains liable for loss or damage attributable to Contractor's fault or negligence.

Contractor will protect HHSC's real and personal property from damage arising from Contractor or Contractor Agents performance of the Contract, and Contractor will be responsible for any loss, destruction, or damage to HHSC's property that results from or is caused by Contractor or Contractor Agents' negligent or wrongful acts or omissions. Upon the loss of, destruction of, or damage to any property of HHSC, Contractor will notify HHSC thereof and, subject to direction from HHSC or its designee, will take all reasonable steps to protect that property from further damage. Contractor agrees, and will require Contractor Agents, to observe safety measures and proper operating procedures at HHSC sites at all times. Contractor will immediately report to the HHSC any special defect or an unsafe condition it encounters or otherwise learns about.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE UTC, CONTRACTOR WILL BE SOLELY RESPONSIBLE FOR ALL COSTS INCURRED THAT ARE ASSOCIATED WITH INDEMNIFYING, TO THE EXTENT ALLOWABLE AS A GOVERNMENTAL ENTITY, THE STATE OF TEXAS OR HHSC WITH RESPECT TO INTELLECTUAL, REAL AND PERSONAL PROPERTY. ADDITIONALLY, HHSC RESERVES THE RIGHT TO APPROVE COUNSEL SELECTED BY CONTRACTOR TO DEFEND HHSC OR THE STATE OF TEXAS AS REQUIRED UNDER THIS SECTION.

Article VIII. Miscellaneous Provisions

8.01 Conflicts of Interest

Contractor warrants to the best of its knowledge and belief, except to the extent already disclosed to HHSC, there are no facts or circumstances that could give rise to a Conflict of Interest and further that Contractor or Contractor Agents have no interest and will not acquire any direct or indirect interest that would conflict in any manner or degree with their performance under the Contract. Contractor will, and require Contractor Agents, to establish safeguards to prohibit Contract Agents from using their positions for a purpose that constitutes or presents the appearance of personal or organizational Conflict of Interest, or for personal gain. Contractor and Contractor Agents will operate with complete independence and objectivity without actual, potential or apparent Conflict of Interest with respect to the activities conducted under the Contract.

Contractor agrees that, if after Contractor's execution of the Contract, Contractor discovers or is made aware of a Conflict of Interest, Contractor will immediately and fully disclose such interest in writing to HHSC. In addition, Contractor will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Contractor or by HHSC as a potential conflict. HHSC reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Contractor agrees to abide by HHSC's decision.

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If HHSC determines that Contractor was aware of a Conflict of Interest and did not disclose the conflict to HHSC, such nondisclosure will be considered a material breach of the Contract. Furthermore, such breach may be submitted to the Office of the Attorney General, Texas Ethics Commission, or appropriate State or federal law enforcement officials for further action.

8.02 Flow Down Provisions

Contractor must include any applicable provisions of the Contract in all subcontracts based on the scope and magnitude of Work to be performed by such Subcontractor. Any necessary terms will be modified appropriately to preserve the State's rights under the Contract.

Article IX. Legacy Provisions

9.01 Notice of Criminal Activity and Disciplinary Actions

- (a) Contractor shall immediately report in writing to their contract manager when Contractor has knowledge or any reason to believe 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:
 - i. Engaged in any activity that could constitute a criminal offense equal to or greater than a Class A misdemeanor or grounds for disciplinary action by a state or federal regulatory authority; or
 - ii. 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) Contractor 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 the System Agency.

9.02 Consent by Non-Parent or Other State Law to Medical Care of a Minor

Unless a federal law applies, before a Contractor or its subcontractor can provide medical, dental, psychological or surgical treatment to a minor without parental consent, informed consent must be obtained as required by Texas Family Code Chapter 32.

9.03 Services and Information for Persons with Limited English Proficiency

- (a) Contractor 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.
- (a) Contractor 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.
- (b) Contractor 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.

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9.04 HIV/AIDS Model Workplace Guidelines

Contractor shall implement System Agency's policies based on the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome (HIV/AIDS), AIDS Model Workplace Guidelines for Businesses at <http://www.dshs.state.tx.us/hivstd/policy/policies.shtm>, State Agencies and State Contractors Policy No. 090.021.

Contractor 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.

9.05 Medical Records Retention

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

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HEALTH AND HUMAN SERVICES
Contract Number HHS001108400021
Attachment D CONTRACT AFFIRMATIONS

For purposes of these Contract Affirmations, HHS includes both the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). System Agency refers to HHSC, DSHS, or both, that will be a party to this Contract. These Contract Affirmations apply to all Contractors and Grantees (referred to as “Contractor”) regardless of their business form (e.g., individual, partnership, corporation).

By entering into this Contract, Contractor affirms, without exception, understands, and agrees to comply with the following items through the life of the Contract:

1. Contractor represents and warrants that these Contract 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 and any related Solicitation.

2. Complete and Accurate Information

Contractor represents and warrants that all statements and information provided to HHS are current, complete, and accurate. This includes all statements and information in this Contract and any related Solicitation Response.

3. Public Information Act

Contractor understands that HHS will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material prepared and submitted in connection with this Contract or any related Solicitation may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

4. Contracting Information Requirements

Contractor represents and warrants that it will comply with the requirements of Section 552.372(a) of the Texas Government Code. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J (Additional Provisions Related to Contracting Information), Chapter 552 of the Government Code, may apply to the Contract and the Contractor agrees that the Contract can be terminated if the Contractor knowingly or intentionally fails to comply with a requirement of that subchapter.

5. Assignment

- A. Contractor shall not assign its rights under the Contract or delegate the performance of its duties under the Contract without prior written approval from System Agency. Any attempted assignment in violation of this provision is void and without effect.
- B. Contractor understands and agrees the System Agency may in one or more transactions assign, pledge, or transfer the Contract. Upon receipt of System Agency's notice of assignment, pledge, or transfer, Contractor shall cooperate with System Agency in giving effect to such assignment, pledge, or transfer, at no cost to System Agency or to the recipient entity.

6. Terms and Conditions

Contractor accepts the Solicitation terms and conditions unless specifically noted by exceptions advanced in the form and manner directed in the Solicitation, if any, under which this Contract was awarded. Contractor agrees that all exceptions to the Solicitation, as well as terms and conditions advanced by Contractor that differ in any manner from HHS' terms and conditions, if any, are rejected unless expressly accepted by System Agency in writing.

7. HHS Right to Use

Contractor agrees that HHS has the right to use, produce, and distribute copies of and to disclose to HHS employees, agents, and contractors and other governmental entities all or part of this Contract or any related Solicitation Response as HHS deems necessary to complete the procurement process or comply with state or federal laws.

8. Release from Liability

Contractor generally releases from liability and waives all claims against any party providing information about the Contractor at the request of System Agency.

9. Dealings with Public Servants

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 or any related Solicitation, or related Solicitation Response.

10. Financial Participation Prohibited

Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

11. Prior Disaster Relief Contract Violation

Under Sections 2155.006 and 2261.053 of the Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), the Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this Contract

and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

12. Child Support Obligation

Under Section 231.006(d) of the Texas Family Code regarding child support, Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive the specified payment and acknowledges that the Contract may be terminated and payment may be withheld if this certification is inaccurate.

13. Suspension and Debarment

Contractor certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM)* maintained by the General Services Administration. 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 any, if payment in whole or in part is from federal funds.

14. Excluded Parties

Contractor certifies that it is not listed in the prohibited vendors list authorized by Executive Order 13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism,*" published by the United States Department of the Treasury, Office of Foreign Assets Control.'

15. Foreign Terrorist Organizations

Contractor represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.

16. Executive Head of a State Agency

In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of an HHS agency, (2) a person who at any time during the four years before the date of this Contract was the executive head of an HHS agency, or (3) a person who employs a current or former executive head of an HHS agency.

17. Human Trafficking Prohibition

Under Section 2155.0061 of the Texas Government Code, Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.

18. Franchise Tax Status

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.

19. Debts and Delinquencies

Contractor agrees that any payments due under this Contract shall be applied towards any debt or delinquency that is owed to the State of Texas.

20. Lobbying Prohibition

Contractor represents and warrants that payments to Contractor and Contractor's receipt of appropriated or other funds under this Contract or any related Solicitation 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).

21. Buy Texas

Contractor agrees to comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.

22. Disaster Recovery Plan

Contractor agrees that upon request of System Agency, Contractor shall provide copies of its most recent business continuity and disaster recovery plans.

23. Computer Equipment Recycling Program

If this Contract is for the purchase or lease of computer equipment, then Contractor certifies that it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.

24. Television Equipment Recycling Program

If this Contract is for the purchase or lease of covered television equipment, then Contractor certifies that it is compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.

25. Cybersecurity Training

- A. Contractor represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.
- B. Contractor represents and warrants that if Contractor or Subcontractors, officers, or employees of Contractor have access to any state computer system or database, the Contractor, Subcontractors, officers, and employees of Contractor shall complete cybersecurity training pursuant to and in accordance with Government Code, Section 2054.5192.

26. Restricted Employment for Certain State Personnel

Contractor acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving Contractor may not accept employment from Contractor before the second anniversary of the date the Contract is signed or the procurement is terminated or withdrawn.

27. No Conflicts of Interest

- A. Contractor represents and warrants that it has no actual or potential conflicts of interest in providing the requested goods or services to System Agency under this Contract or any related Solicitation and that Contractor's provision of the requested goods and/or services under this Contract and any related Solicitation will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.
- B. Contractor agrees that, if after execution of the Contract, Contractor discovers or is made aware of a Conflict of Interest, Contractor will immediately and fully disclose such interest in writing to System Agency. In addition, Contractor will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Contractor or by System Agency as a potential conflict. System Agency reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Contractor agrees to abide by System Agency's decision.

28. Fraud, Waste, and Abuse

Contractor understands that HHS does not tolerate any type of fraud, waste, or abuse. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. Pursuant to Texas Government Code, Section 321.022, if the administrative head of a department or entity that is subject to audit by the state auditor has reasonable cause to believe that money received from the state by the department or entity or by a client or contractor of the department or entity may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operation of the department or entity, the administrative head shall report the reason and basis for the belief to the Texas State Auditor's Office (SAO). All employees or contractors who have reasonable cause to believe that fraud, waste, or abuse has occurred (including misconduct by any HHS employee, Grantee officer, agent, employee, or subcontractor that would constitute fraud, waste, or abuse) are required to immediately report the questioned activity to the Health and Human Services Commission's Office of Inspector General. Contractor agrees to comply with all applicable laws, rules, regulations, and System Agency policies regarding fraud, waste, and abuse including, but not limited to, HHS Circular C-027.

A report to the SAO must be made through one of the following avenues:

- SAO Toll Free Hotline: 1-800-TX-AUDIT
- SAO website: <http://sao.fraud.state.tx.us/>

All reports made to the OIG must be made through one of the following avenues:

- OIG Toll Free Hotline 1-800-436-6184
- OIG Website: ReportTexasFraud.com
- Internal Affairs Email: InternalAffairsReferral@hhsc.state.tx.us
- OIG Hotline Email: OIGFraudHotline@hhsc.state.tx.us.
- OIG Mailing Address: Office of Inspector General
Attn: Fraud Hotline
MC 1300
P.O. Box 85200
Austin, Texas 78708-5200

29. Antitrust

The undersigned affirms under penalty of perjury of the laws of the State of Texas that:

- A. in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;
- B. in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any federal antitrust law; and
- C. neither I nor any representative of the Contractor has directly or indirectly communicated any of the contents of this Contract and any related Solicitation Response to a competitor of the Contractor or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Contractor.

30. Legal and Regulatory Actions

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 in numbered paragraph 1 of these Contract Affirmations within the five (5) calendar years immediately preceding execution of this Contract or the submission of any related Solicitation Response 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 System 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 System 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 System Agency's consideration of entering into this Contract. In addition, Contractor acknowledges this is a continuing disclosure requirement. Contractor represents and warrants that Contractor shall notify System 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 System Agency shall constitute breach of contract and may result in immediate contract termination.

31. No Felony Criminal Convictions

Contractor represents that neither Contractor nor any of its employees, agents, or representatives, including any subcontractors and employees, agents, or representative of such subcontractors, have been convicted of a felony criminal offense or that if such a conviction has occurred Contractor has fully advised System Agency in writing of the facts and circumstances surrounding the convictions.

32. Unfair Business Practices

Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that Contractor has not been found to be liable for such practices in such proceedings. Contractor certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

33. Entities that Boycott Israel

Contractor represents and warrants that (1) it does not, and shall not for the duration of the Contract, boycott Israel or (2) the verification required by Section 2271.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

34. E-Verify

Contractor certifies that for contracts for services, Contractor shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of this Contract to determine the eligibility of:

1. all persons employed by Contractor to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Contractor to perform work pursuant to this Contract within the United States of America.

35. Former Agency Employees – Certain Contracts

If this Contract is an employment contract, a professional services contract under Chapter 2254 of the Texas Government Code, or a consulting services contract under Chapter 2254 of the Texas Government Code, in accordance with Section 2252.901 of the Texas Government Code, Contractor represents and warrants that neither Contractor nor any of Contractor's employees including, but not limited to, those authorized to provide services under the Contract, were former employees of an HHS Agency during the twelve (12) month period immediately prior to the date of the execution of the Contract.

36. Disclosure of Prior State Employment – Consulting Services

If this Contract is for consulting services,

- A. In accordance with Section 2254.033 of the Texas Government Code, a Contractor providing consulting services who has been employed by, or employs an individual who has been employed by, System Agency or another State of Texas agency at any time during the two years preceding the submission of Contractor's offer to provide services must disclose the following information in its offer to provide services. Contractor hereby certifies that this information was provided and remains true, correct, and complete:
1. Name of individual(s) (Contractor or employee(s));
 2. Status;
 3. The nature of the previous employment with HHSC or the other State of Texas agency;
 4. The date the employment was terminated and the reason for the termination; and
 5. The annual rate of compensation for the employment at the time of its termination.
- B. If no information was provided in response to Section A above, Contractor certifies that neither Contractor nor any individual employed by Contractor was employed by System Agency or any other State of Texas agency at any time during the two years preceding the submission of Contractor's offer to provide services.

37. Abortion Funding Limitation

Contractor understands, acknowledges, and agrees that, pursuant to Article IX of the General Appropriations Act (the Act), to the extent allowed by federal and state law, money appropriated by the Texas Legislature may not be distributed to any individual or entity that, during the period for which funds are appropriated under the Act:

1. performs an abortion procedure that is not reimbursable under the state's Medicaid program;
2. is commonly owned, managed, or controlled by an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program; or
3. is a franchise or affiliate of an entity that performs an abortion procedure that is not reimbursable under the state's Medicaid program.

The provision does not apply to a hospital licensed under Chapter 241, Health and Safety Code, or an office exempt under Section 245.004(2), Health and Safety Code. Contractor represents and warrants that it is not ineligible, nor will it be ineligible during the term of this Contract, to receive appropriated funding pursuant to Article IX.

38. Funding Eligibility

Contractor understands, acknowledges, and agrees that, pursuant to Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code, except as exempted under that Chapter, HHSC cannot contract with an abortion provider or an affiliate of an abortion provider. Contractor certifies that it is not ineligible to contract with HHSC under the terms of Chapter 2272 (eff. Sept. 1, 2021, Ch. 2273) of the Texas Government Code.

39. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (2 CFR 200.216)

Contractor certifies that the individual or business entity named in this Response or Contract is not ineligible to receive the specified Contract or funding pursuant to 2 CFR 200.216.

40. COVID-19 Vaccine Passports

Pursuant to Texas Health and Safety Code, Section 161.0085(c), Contractor certifies that it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from the Contractor's business. Contractor acknowledges that such a vaccine or recovery requirement would make Contractor ineligible for a state-funded contract.

41. Entities that Boycott Energy Companies

In accordance with Senate Bill 13, Acts 2021, 87th Leg., R.S., pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies boycotting certain energy companies), Contractor represents and warrants that: (1) it does not, and will not for the duration of the Contract, boycott energy companies or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

42. Entities that Discriminate Against Firearm and Ammunition Industries

In accordance with Senate Bill 19, Acts 2021, 87th Leg., R.S., pursuant to Section 2274.002 of the Texas Government Code (relating to prohibition on contracts with companies that discriminate against firearm and ammunition industries), Contractor verifies that: (1) it does not, and will not for the duration of the Contract, have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or (2) the verification required by Section 2274.002 of the Texas Government Code does not apply to the Contract. If circumstances relevant to this provision change during the course of the Contract, Contractor shall promptly notify System Agency.

43. Security Controls for State Agency Data

In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.138, Contractor understands, acknowledges, and agrees that if, pursuant to this Contract, Contractor is or will be authorized to access, transmit, use, or store data for System Agency, Contractor is required to meet the security controls the System Agency determines are proportionate with System Agency's risk under the Contract based on the sensitivity of System Agency's data and that Contractor must periodically provide to System Agency evidence that Contractor meets the security controls required under the Contract.

44. Cloud Computing State Risk and Authorization Management Program

In accordance with Senate Bill 475, Acts 2021, 87th Leg., R.S., pursuant to Texas Government Code, Section 2054.0593, Contractor acknowledges and agrees that, if providing cloud computing services for System Agency, Contractor must comply with the requirements of the state risk and authorization management program and that System Agency may not enter or renew a contract with Contractor to purchase cloud computing services for the agency that are subject to the state risk and authorization management program unless Contractor demonstrates compliance with program requirements. If providing cloud computing services for System Agency that are subject to the state risk and authorization management program, Contractor certifies it will maintain program compliance and certification throughout the term of the Contract.

45. Office of Inspector General Investigative Findings Expert Review

In accordance with Senate Bill 799, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 531.102(m-1)(2) is applicable to this Contract, Contractor affirms that it possesses the necessary occupational licenses and experience.

46. Contract for Professional Services of Physicians, Optometrists, and Registered Nurses

In accordance with Senate Bill 799, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 2254.008(a)(2) is applicable to this Contract, Contractor affirms that it possesses the necessary occupational licenses and experience.

47. Foreign-Owned Companies in Connection with Critical Infrastructure

If Texas Government Code, Section 2274.0102(a)(1) (relating to prohibition on contracts with certain foreign-owned companies in connection with critical infrastructure) is applicable to this Contract, pursuant to Government Code Section 2274.0102, Contractor certifies that neither it nor its parent company, nor any affiliate of Contractor or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Government Code Section 2274.0103, or (2) headquartered in any of those countries.

48. Critical Infrastructure Subcontracts

For purposes of this Paragraph, the designated countries are China, Iran, North Korea, Russia, and any countries lawfully designated by the Governor as a threat to critical infrastructure. Pursuant to Section 113.002 of the Business and Commerce Code, Contractor shall not enter into a subcontract that will provide direct or remote access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business and Commerce Code, in this state, other than access specifically allowed for product warranty and support purposes to any subcontractor unless (i) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is majority owned or controlled by citizens or governmental entities of a designated country; and (ii) neither the subcontractor nor its parent company, nor any affiliate of the subcontractor or its parent company, is headquartered in a designated country. Contractor will notify the System Agency before entering into any subcontract that will provide direct or remote

access to or control of critical infrastructure, as defined by Section 113.001 of the Texas Business & Commerce Code, in this state.

49. Enforcement of Certain Federal Firearms Laws Prohibited

In accordance with House Bill 957, Acts 2021, 87th Leg., R.S., if Texas Government Code, Section 2.101 is applicable to Contractor, Contractor certifies that it is not ineligible to receive state grant funds pursuant to Texas Government Code, Section 2.103.

50. Prohibition on Abortions

Contractor understands, acknowledges, and agrees that, pursuant to Article II of the General Appropriations Act, (1) no funds shall be used to pay the direct or indirect costs (including marketing, overhead, rent, phones, and utilities) of abortion procedures provided by contractors of HHSC; and (2) no funds appropriated for Medicaid Family Planning, Healthy Texas Women Program, or the Family Planning Program shall be distributed to individuals or entities that perform elective abortion procedures or that contract with or provide funds to individuals or entities for the performance of elective abortion procedures. Contractor represents and warrants that it is not ineligible, nor will it be ineligible during the term of this Contract, to receive appropriated funding pursuant to Article II.

51. False Representation

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.

52. False Statements

Contractor represents and warrants that all statements and information prepared and submitted by Contractor in this Contract and any related Solicitation Response are current, complete, true, and accurate. Contractor acknowledges any false statement or material misrepresentation made by Contractor during the performance of this Contract or any related Solicitation is a material breach of contract and may void this Contract. Further, 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.

53. Permits and License

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.

54. Drug-Free Workplace

Contractor represents and warrants that it shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (41 U.S.C. §701 et seq.) and maintain a drug-free work environment.

55. Equal Employment Opportunity

Contractor represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.

56. Federal Occupational Safety and Health Law

Contractor represents and warrants that all articles and services shall meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Chapter 15).

57. Signature Authority

Contractor represents and warrants that the individual signing this Contract Affirmations document is authorized to sign on behalf of Contractor and to bind the Contractor.

Signature Page Follows

Authorized representative on behalf of Contractor must complete and sign the following:

Lakes Regional MHMR Center

Legal Name of Contractor

dba, Lakes Regional Community Center

Assumed Business Name of Contractor, if applicable (d/b/a or 'doing business as')

Texas County(s) for Assumed Business Name (d/b/a or 'doing business as')
Attach Assumed Name Certificate(s) filed with the Texas Secretary of State and Assumed Name Certificate(s), if any, for each Texas County Where Assumed Name Certificate(s) has been filed.

DocuSigned by:

AFD6967DAA574EB...
Signature of Authorized Representative

October 25, 2021

Date Signed

John Delaney

Executive Director

**Printed Name of Authorized Representative
First, Middle Name or Initial, and Last Name**

Title of Authorized Representative

400 Airport Rd.

Terrell, TX. 75160

Physical Street Address

City, State, Zip Code

P.O Box 747

Terrell, TX. 75160

Mailing Address, if different

City, State, Zip Code

972-388-2000 ext.1150

Phone Number

Fax Number

johnd@lakesregional.org

112211854

Email Address

DUNS Number

752833823

17528338233

Federal Employer Identification Number

Texas Payee ID No. – 11 digits

7528338233

17528338233000

Texas Franchise Tax Number

Texas Secretary of State Filing Number