

D-360

TEXAS AgriLIFE Extension Service
The Texas A&M University System

MONTHLY SCHEDULE OF TRAVEL

NAME: Mark Arnold

TITLE: County Extension Agent – Agriculture

COUNTY: Ellis

MONTH: January 2014

DATE	SCOPE AND DESCRIPTION OF OFFICIAL TRAVEL	MILES TRAVELED	AMOUNT	
			MEALS	LODGING
1/3	Waxahachie area-Ag Income/Crops PAC Meeting	28		
1/6	Waxahachie area-Adult Leaders Meeting	3		
1/7	Waxahachie area- Master Gardener/Ellis County Youth Expo	26		
1/8	Waxahachie-College Station-State Staff Conference	142		
1/9	College Station-Waxahachie-State Staff Conference	147		
1/13	Waxahachie-Venus area- Producer consultation	48		
1/14	Waxahachie area-Master Gardener Training/Fort Worth Exhibitor Meeting	12		
1/16	Waxahachie area-Beef PAC Meeting	6		
1/21	Waxahachie area-Annual Meeting set up	28		
1/23	Waxahachie-Fort Worth-return-Fort Worth Heifer Show	103		
1/24	Waxahachie-Fort Worth-return-Fort Worth Heifer Show	99		
1/25	Waxahachie-Fort Worth-return-Fort Worth Heifer Show	105		
1/26	Waxahachie-Fort Worth-return-Fort Worth Heifer Show	118		
1/27	Waxahachie-Fort Worth-return-Fort Worth Heifer Show	106		
		976		

Other expenses in field (list)

I hereby certify this is a true and correct report of travel (mileage) and other expenses incurred by me in performance of my official duties for the month shown.

Date: February 10, 2014

Signed: Mark Arnold

EXTENSION ACTIVITY REPORT TO COUNTY COMMISSIONERS COURT

Miles traveled: 976

Selected major activities since last report

January 2014

- 1/3 Annual Agricultural Income Increment Report. Elected officials, community, livestock, crops and other agricultural commodity leaders met to complete survey. For 2013 it is estimated that there were 91,565.10 million in farm receipts.
- 1/3 Row Crop PAC Meeting, 4 Crops PAC members met to discuss 2014 variety and result demonstration needs, ideas, locations and cooperators.
- 1/6 Agent Performance Appraisal with DED. Annual performance review with all agents and supervisor.
- 1/6 Adult Leaders Association and County 4-H Council Meeting. 13 Adult volunteers met to discuss upcoming programs, project training needs and related 4-H program business.
- 1/7 Master Gardener Officer Training 2013/2014 Officer team met to discuss program plans, activities and received training on BMP's of Cash Management.
- 1/7 16 volunteer met to discuss final plans and needs for upcoming Ellis County Youth Expo to be held March 24-29.
- 1/8-9 Statewide Staff Conference in College Station.
- 1/13 Producer consultation, Midlothian area, pasture management, weed and brush control and related items were discussed.
- 1/14 Master Gardener Meeting/Training 63 Master Gardener volunteers met to conduct business and make plans for 2014 educational programs. Training on water conserving plants was presented.
- 1/14 Fort Worth Exhibitor Meeting. 17 4-H members, parents, and leaders met to go over rules, schedules, and to coordinate hauling, travel for Fort Worth Stock Show. More than 30 Ellis County 4-H members will be participating.
- 1/16 Beef Program Area Committee Meeting. 4 Beef and Forage Committee members met to discuss program needs, result demonstration and related topics for 2014.
- 1/21 Leadership Advisory Board Meeting. 125 volunteers, program area committee members, elected officials and Leadership Advisory Board members met to received program highlights, updates and recognize outstanding volunteers.
- 1/23-27 Fort Worth Junior Heifer Show. 10 Ellis County 4-H Beef Project Members exhibited beef heifers during this educational achievement event. Several high placing animals were exhibited by Ellis County 4-H members.

Educational Programming

Programs 9
Participants 272

Educational Contacts

Site Visits 4-H 15
Site Visits Ag 10
Telephone 86
MG/MN Telephone 41
Office Visits 135
E-Mails 1785
Newsletter/Letters 79
E-Gardening Newsletters 1082

Media Outreach:

Website hits 128
News Releases 1
Facebook posts 9
MG/MN new releases 9
MG/MN magazine 2
MG TV/Radio

Major plans for next month

2/3-8 Fort Worth Stock Show-Junior Steers Show-Fort Worth
2/4-5 Blackland Income Growth Conference-Waco
2/4,6,11,13,18,20,25,27 Master Gardener Volunteer Training Class-Waxahachie
2/12 Ellis County Youth Expo Meeting-Waxahachie
2/17-23 San Antonio Livestock Show-Junior Steers & Livestock Judging-San Antonio
2/24 Local Emergency Planning Committee Meeting-Ferris

Mark Arnold
Name

Ellis
County

County Extension Agent - Agriculture
Title

02/10/14
Date

D-843

EXTENSION ACTIVITY REPORT TO COUNTY COMMISSIONERS COURT
January, 2014

Selected major activities since last report

Miles traveled: 604

- 1-6 Performance Review, District Administrator performed annual Performance Review
- 1-6 County Council and Adult Leaders meeting, Conducted by-monthly County Council and Adult leaders Meetings. 22 youth, 18 adults
- 1/7-9 State Conference, College Station, attended the State Agrilife Extension staff conference.
- 1-9 Commercial Heifer Orientation Meeting, Conducted meeting with Commercial Heifer Committee for second orientation for Commercial Heifer show. 12 youth, 15 adults
- 1-14 Fort Worth Stock Show Pass Meeting, conducted meeting to go over health papers and who was hauling, 10 youth, 14 adults
- 1-17 County 4-H Share the Fun, Conducted annual Share the Fun Contest, 10 youth 20 adults
- 1-21 Ellis County Annual Meeting, helped conduct the annual meeting where we recognized all of our volunteers and several elected officials. 3 youth, 192 adults
- 1-27 Commissioners court, Honoring Gold Stars and State Record Book Winners, Presented our 2 gold star winners and our 3 State Recordbook winners to the Court as they read a proclamation in honor of these youth. 15 youth 45 adults

Educational Contacts

Educational Programming:

Programs 7
Participants..... 325

Educational Contacts:

Site Visits 4-H..... 40
Telephone..... 226
Office Visits..... 44
E-mails..... 890
Newsletters/letters..... 271
Faxes 44

Media Outreach:

News Releases..... 1
TV/Radio..... 0
Website Hits..... 1280
Facebook Posts 17
Office Conference: 1/6, 1/13, 1/20, 1/27

Major plans for next month

- 2-4 BIG Conference, Waco
2-5/7 Fort Worth Steer Show
2-10/12 San Antonio Heifer Show
2-12 Ellis County Expo Broiler Order pick up, Cameron

2-13/14 San Antonio Horse Judging, Quiz Bowl,
2-15 County Rabbit Validation
2-16/17 San Angelo Heifer Show
1-24 County Fashion Show Workshop

Name: Page Bishop

Title: County Extension Agent 4-H

Texas A&M AgriLIFE Extension · The Texas A&M University System

County: Ellis

Date 1/3/14

Texas AgriLife Extension
The Texas A&M University System
MONTHLY SCHEDULE OF TRAVEL
TITLE: County Extension Agent - Family & Consumer Sciences

NAME: Rita Hodges

COUNTY: Ellis

MONTH: January 2014

DATE	SCOPE AND DESCRIPTION OF OFFICIAL TRAVEL	MILES TRAVELED	AMOUNT	
			MEALS	LODGING
1 / 2	Waxahachie (Sr. Center, 4-H Clothing, Better Living for Texans)	8		
1 / 3	Waxahachie (Master Wellness Volunteers, 4-H, Better Living for Texans)	6		
1/6	Waxahachie (2013 Performance Appraisal, 4-H, Better Living for Texans)	11		
1/7	Waxahachie (Met with summer intern, Senior Center, 4-H, Newspaper, Better Living for Texans)	13		
1/8	Midlothian, Waxahachie (Manna House, Library, Master Wellness Volunteers, 4-H Clothing, Better Living for Texans)	51		
1/9	Ennis, Waxahachie (Master House Volunteers, Walk Across Texas, 4-H, Golden Circle, Better Living for Texans)	66		
1/10	Waxahachie (4-H, Better Living for Texans, Master Wellness Volunteers, Walk Across Texas)	9		
1/13	Waxahachie (Step Up & Scale Down, Renfro Home, Master Wellness Volunteers, Better Living for Texans)	13		
1/14	Red Oak, Waxahachie (North Ellis County Outreach, Better Living for Texans, Walk Across Texas, 4-H)	21		
1/15	Ferris, Waxahachie (Better Living for Texans Nutrition Program, 4-H Clothing, Master Wellness Volunteers, Walk Across Texas)	65		
1/16	Waxahachie (Master Wellness Volunteer Training, Step Up & Scale Down, Senior Center, 4-H Clothing, Better Living for Texans)	23		
1/17	Waxahachie (Walk Across Texas Training, Better Living for Texans, 4-H)	15		
1/18	Ennis, Waxahachie (Martin Luther King Health Fair, Master Wellness Volunteers, 4-H promotion, Better Living for Texans)	62		
1/19	Waxahachie (4-H Storyboard Training)	10		
1/21	Midlothian, Waxahachie (Annual Meeting, 4-H Clothing, Master Wellness Volunteers, Better Living for Texans, Volunteer Program/Meeting)	67		
1/22	Glenn Heights, Waxahachie (Better Living for Texans program, 4-H, Master Wellness Volunteers)	51		
1/23	Waxahachie (Master Wellness Volunteer Training, 4-H, Better Living for Texans, Step Up & Scale Down, 4-H)	28		
1/24	Midlothian, Waxahachie (Manna House, Better Living for Texans, 4-H)	54		

1/28	Waxahachie (Better Living for Texans, 4-H, Master Wellness Volunteers,	63	
1/29	Waxahachie (4-H, Better Living for Texans, 4-H, Master Wellness Volunteers, Manna House)	54	
1/30	Waxahachie (Master Wellness Volunteers Training, 4-H, Better Living for Texans)	58	
		778	

Other expenses in field (list)

I hereby certify this is a true and correct report of travel (mileage) and other expenses incurred by me in performance of my official duties for the month shown.

Date: February 3, 2014

Signed:

Rita M. Hodges

EXTENSION ACTIVITY REPORT TO COUNTY COMMISSIONERS COURT
Miles traveled: 778

Selected major activities since last report

January 2014

- 1/6 2013 Ellis County Performance Appraisal
- 1/10 Met with Thomas Schaeffer-volunteer opportunities for summer 2014
- 1/13 MyPlate Presentation, Renfro (12)
- 1/15 Better Living for Texans Nutrition Program, Ferris (8)
- 1/16 Master Wellness Volunteer Training-Day 1 (7)
- 1/16 Step Up & Scale Down Program (10)
- 1/18 Martin Luther King Health Fair, Ennis (250)
- 1/20 4-H Storyboard Training (20)
- 1/21 Ellis County Extension Annual Meeting (150)
- 1/23 Master Wellness Volunteer Training-Day 2 (9)
- 1/23 Step Up & Scale Down (11)
- 1/30 Master Wellness Volunteer Training –Day 3
- 1/30 Step Up & Scale Down

Educational Programming:

Programs 9
Participants 96

Educational Contacts:

Site Visits-FCS 7
Telephone 134
Office Visits 44
E-mails 474
Newsletters/Letters 596

Media Outreach:

News Releases 10
Website 128
Facebook 21

Major plans for next month:

- 2/3 Centra Training
- 2/6 Master Wellness Volunteer Training –Day 4
- 2/6 Step Up & Scale Down
- 2/7 Ellis County 4-H Clothing Board Meeting
- 2/11 FCS Committee Meeting
- 2/13 Master Wellness Volunteer Training-Day 5
- 2/19 FCS 4-H Committee Meeting
- 2/20 Step Up & Scale Down
- 2/21 BLT Nutrition Training
- 2/24 4-H Fashion Show Training
- 2/27 District TEAFCS Meeting
- 2/27 Step Up & Scale Down

Rita Hodges

Name

County Extension Agent - Family & Consumer Sciences

Title

Ellis

County

02/03/14

Date



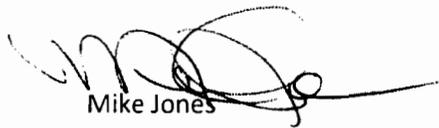
MIKE JONES

Constable, Ellis County, Precinct #4

Telephone (972) 775-2046

Fax (972) 723-8629

The included 5 pages are the reporting requirements for racial profiling for 2013. These are submitted for Commissioner's as required by state law



Mike Jones

TIER 1 REPORTING

PARTIAL EXEMPTION

Our vehicles that conduct motor vehicle stops are equipped with video and audio equipment and we maintain videos for 90-days

or

In accordance with 2.135(a)(2) the agency has requested and not received funds to install the recording equipment

The following four pages must be completed online and sent electronically to TCLEOSE



Partial Exemption Racial Profiling Reporting
(Tier 1)

Department Name

Ellis County Constable 4

Agency Number

972-925-5316

Chief Administrator Name

Michael Jones

Reporting Name

Contact Number

E-mail Address

mike.jones@co.ellis.tx.us

Certification to Report 2.132 (Tier 1) – Partial Exemption

Policy Requirements (2.132(b) CCP):

Each law enforcement agency in this state shall adopt a detailed written policy on racial profiling. The policy must:

- (1) clearly define acts constituting racial profiling;
- (2) strictly prohibit peace officers employed by the agency from engaging in racial profiling;
- (3) implement a process by which an individual may file a complaint with the agency if the individual believes that a peace officer employed by the agency has engaged in racial profiling with respect to the individual;
- (4) provide public education relating to the agency's complaint process;
- (5) require appropriate corrective action to be taken against a peace officer employed by the agency who, after an investigation, is shown to have engaged in racial profiling in violation of the agency's policy adopted under this article;
- (6) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:
 - (A) the race or ethnicity of the individual detained;
 - (B) whether a search was conducted and, if so, whether the individual detained consented to the search; and
 - (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and
- (7) require the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - (A) the Commission on Law Enforcement Officer Standards and Education; and
 - (B) the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

These policies are in effect

Chief Administrator

02/15/2014

Date



**Partial Exemption Racial Profiling Reporting
(Tier 1)**

Video and Audio Equipment Exemption

Partial Exemption Claimed by (2.135(a) CCP):



all cars regularly used for motor vehicle stops are equipped with video camera and transmitter-activated equipment and each motor stop is recorded and the recording of the stop is retained for at least 90 days after the stop.

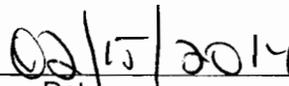
OR



In accordance with 2.135(a)(2) the agency has requested and not received funds to install the recording equipment

I claim this exemption


Chief Administrator


Date



Partial Exemption Racial Profiling Reporting (Tier 1)

(This is the TCLEOSE recommended form. The form is not mandatory. The information contained in this form, however, is mandatory. You may use your form, but all information must be provided.)

If you claim a partial exemption you must submit a report that contains the following data or use this format to report the data.

Instructions: Please fill out all boxes. If zero, use 0.

1. Total on lines 4, 11, 14, and 17 Must be equal
2. Total on line 20 Must equal line 15

Number of motor vehicle stops:

- Mark only 1 category per vehicle stop
1. 85 citation only
 2. arrest only
 3. both

4. 85 Total

Race or Ethnicity:

5. 35 African
6. Asian
7. 40 Caucasian
8. 10 Hispanic
9. Middle Eastern
10. Native American

11. 85 Total

Race or Ethnicity known prior to stop?

12. 0 Yes
13. 85 No

14. 85 Total

Search conducted?

15. 0 Yes
16. 85 No

17. 85 Total

Was search consented?

18. Yes
19. No

20. 0 Total Must equal #15



**Partial Exemption Racial Profiling Reporting
(Tier 1)**

Option to submit required data by utilizing agency report

You must submit your report in PDF format

Electronic Submission of data required by 2.132(b)(6) CCP

(6) require collection of information relating to motor vehicle stops in which a citation is issued and to arrests made as a result of those stops, including information relating to:

- (A) the race or ethnicity of the individual detained;
- (B) whether a search was conducted and, if so, whether the individual detained consented to the search; and
- (C) whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual; and

This report meets the above requirements



Chief Administrator

02/15/2014

Date

Send entire documents electronically to this website

www.tcleose.state.tx.us

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 5-001-038550801	Supplies	1289.12
✓ 5-001-038550802	Equipment	1200.00

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ X-001-038550819	Computer	1689.12


2/6/14
Department
 Signature of Department Head Date Signed

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

- County Judge
- Commissioner Precinct #1
- Commissioner Precinct #2
- Commissioner Precinct #3
- Commissioner Precinct #4

Approved by County Auditor's Office: Hillen 2/10/14
Needs court approval



507 Hwy 77 N Ste 510
Waxahachie, Texas 75165
Phone 972-938-8087
FAX 972-923-1431

INVOICE

DATE 1/14/2014
INVOICE # 355601

BILL TO	SHIP TO
Ellis County Government 101 W. Main Waxahachie, Texas 75165	County Court at Law #2

*Shrunk
all be pd
out of
50819*

QUOTE #	P O #	TERMS	DUE DATE	REP	SHIP DATE	SHIP VIA	TRACKING
221783	S001086	Due on receipt	1/14/2014	AS	1/14/2014	COMPANY ...	
QUANTITY	DESCRIPTION		RATE	AMOUNT			
1	3581454 E1Z84UT#ABA HEWLETT PACKARD SMART BUY 800ED SFF I7-4770 3.4G 4GB 500GB DVDRW W7P 64BIT S/N: 2UA3502SMG		817.397	817.40			
1	3324717 B4U36AT HEWLETT PACKARD SMART BUY 4GB DDR3 1600MHZ DIMM		46.76	46.76			
1	RY4454 D7Q13A8#ABA HEWLETT PACKARD SMART BUY 23IN WS LED 1920X1080 1000:1 Z23I VGA DVI-D BLACK 8MS		226.51	226.51			
1	3401004 T5D-01575 MICROSOFT OFFICE HOME & BUSINESS 2013 32/64BIT MEDIALESS NA ONLY County Court at Law #2		198.45	198.45			
<p>PLEASE RETURN TO PROGRESSIVE</p> <p>5-CO1-C385-2819 = \$600 5-CO1-C385-C302 = \$300 5-CO1-C385-CY01 = \$389.12</p> <p><i>CC</i></p> <p><i>1-28-14</i></p> <p><i>[Signature]</i></p>							

Total \$1,289.12

COMPUTER SOLUTIONS, INC.
507 HWY 77 N, SUITE 510
WAXAHACHIE, TX 75165

INVOICE #	DUE DATE	AMOUNT DUE
355601	January 14, 2014	\$1,289.12

Page: 1 of 1

ADDRESS SERVICE REQUESTED

AMOUNT ENCLOSED \$



ELLIS COUNTY GOVERNMENT
101 W. MAIN
WAXAHACHIE, TX 75165-0405

MAKE CHECKS PAYABLE TO:
COMPUTER SOLUTIONS, INC.
507 HWY 77 N, SUITE 510
WAXAHACHIE, TX 75165-1885

Check box and see reverse for name or address correction

30641-INTU*T240TAJ7N000099

COUNTY COURT AT LAW 2
 109 S. JACKSON ST
 WAXAHACHIE, TX 75165

S001086

972-825-5066

01/10/14

00678 0 01/10/14

DB COMPUTER SOLUTIONS, INC.
 COMPUTER SOLUTIONS, INC
 507 HWY 77 N, STE 510
 WAXAHACHIE, TX 75165
 USA

COUNTY COURT AT LAW 2
 109 S. JACKSON ST
 WAXAHACHIE, TX 75165

COUNTY COURT AT LAW 2

972-825-5066

1	COMPUTER	600.00	600.00
	ACCOUNT DISTRIBUTION:		
	001-0385-50819-00000-000	600.00	
2	EQUIPMENT	300.00	300.00
	ACCOUNT DISTRIBUTION:		
	001-0385-50802-00000-000	300.00	
3	SUPPLIES	389.12	389.12
	QUOTE 221783		
	NET 30 DAYS		
	TAX EXEMPT		
	ACCOUNT DISTRIBUTION:		
	001-0385-50801-00000-000	389.12	

SUB-TOTAL 1289.12

TAX 0.00

SHIPPING AND HANDLING CHARGE 0.00

APEA : ASSISTANT PURCHASING AGENT 1289.12



Kim Gould

COUNTY COURT AT LAW 2
109 S. JACKSON ST
WAXAHACHIE, TX 75165

5001086

972-825-5066

01/10/14

00678 0 01/10/14

DE COMPUTER SOLUTIONS, INC.
COMPUTER SOLUTIONS, INC
507 HWY 77 N, STE 510
WAXAHACHIE, TX 75165
USA

COUNTY COURT AT LAW 2
109 S. JACKSON ST
WAXAHACHIE, TX 75165

COUNTY COURT AT LAW 2

972-825-5066

1	COMPUTER	600.00	600.00
	ACCOUNT DISTRIBUTION:		
	001-0385-50819-00000-000	600.00	
2	EQUIPMENT	300.00	300.00
	ACCOUNT DISTRIBUTION:		
	001-0385-50802-00000-000	300.00	
3	SUPPLIES	389.12	389.12
	QUOTE 221783		
	NET 30 DAYS		
	TAX EXEMPT		
	ACCOUNT DISTRIBUTION:		
	001-0385-50801-00000-000	389.12	

SUB-TOTAL 1289.12

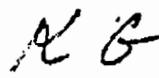
TAX 0.00

SHIPPING AND HANDLING CHARGE 0.00

AREA : ASSISTANT PURCHASING AGENT

1289.12

APPROVAL 
 DEPT. CCL2
 DATE 1-10-14
 LINE ITEM See Attached


 Kim Gould



computer solutions, Inc.

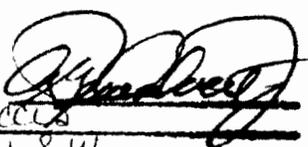
507 Hwy 77 N, Suite 510
Waxahachie, Texas 75165
(972) 938-8087

QUOTE

DATE 11/21/2013

ESTIMATE NO. 221783

NAME / ADDRESS
Ellis County Government
101 W. Main
Waxahachie, Texas 75165

DEAL ID	VENDOR QUOTE #	TERMS	REPRESENTATIVE
		Due on receipt	AS
DESCRIPTION	QTY	COST	TOTAL
RC0615 D8C25UT#ABA HEWLETT PACKARD SMART BUY ELITE 8300 SFF I7-3770 3.4G 4GB 500GB DVDRW W7P 64	1	817.397	817.40
PQ1625 B4U36AT HEWLETT PACKARD SMART BUY 4GB DDR3 1600MHZ DIMM	1	46.76	46.76
RY4454 D7Q13A8#ABA HEWLETT PACKARD SMART BUY 23IN WS LED 1920X1080 1000:1 Z23I VGA DVI-D BLACK 8MS	1	226.51	226.51
QM4340 T5D-01575 MICROSOFT OFFICE HOME & BUSINESS 2013 32/64BIT MEDIALESS NA ONLY	1	198.45	198.45
County Court at Law #2			
		3001088	
APPROVAL 			
DEPT. <u>CCCS</u>			
DATE <u>1-8-14</u>			
LINE ITEM <u>5-001-0385-0819</u>		\$600	
<u>5-001-0385-0802</u>		\$300	
<u>5-001-0385-0801</u>		\$389.12	

Thank you for allowing Computer Solutions, Inc. the opportunity to provide this Quote.
Unless otherwise noted, this estimate will be valid for 30 days.

TOTAL \$1,289.12

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

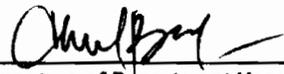
I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 001-0390-50801	Supplies	\$192.31

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 001-0390-50801	Computer	\$192.31
50819		


Signature of Department Head

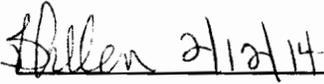
Date Signed

County Judge
Department

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

- County Judge
- Commissioner Precinct #1
- Commissioner Precinct #2
- Commissioner Precinct #3
- Commissioner Precinct #4

Approved by County Auditor's Office: 

Needs court approval



computer solutions, Inc.

507 Hwy 77 N, Suite 510
Waxahachie, Texas 75165
(972) 938-8087

5001119

QUOTE

DATE 2/3/2014

ESTIMATE NO. 222140

NAME / ADDRESS
Ellis County Government 101 W. Main, Suite 304 Waxahachie, TX 75165

DESCRIPTION	QTY	COST	TOTAL	DEAL ID	VENDOR QUOTE #	TERMS	REPRESENTATIVE
						Due on receipt	KH
COUNTY JUDGE DEPARTMENT							
RC0635 D8C84UT#ABA HP-DESKTOP SB P SMART BUY PRO 4300 SFF I3-3220 SYST 3.3G 4GB 500GB DVDRW W7P 64BIT	1	540.50	540.50				
PQ1625 B4U36AT HEWLETT PACKARD SMART BUY 4GB DDR3 1600MHZ DIMM	1	48.10	48.10				
PG2598 A9P21A8#ABA HEWLETT PACKARD SMART BUY COMPAQ 24IN LED 1920X1200 LA2405X VGA/DVI/DP HGT	1	252.74	252.74				
QM4348 269-16094 MICROSOFT OFFICE PRO 2013 32/64BIT MEDIALESS NA ONLY	1	350.97	350.97				
<i>C. Bouch</i>							

Thank you for allowing Computer Solutions, Inc. the opportunity to provide this Quote. Unless otherwise noted, this estimate will be valid for 30 days.

TOTAL \$1,192.31

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
001-0230-50873-00000-000	Maintenance/Repairs	\$900.00 ✓

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
001-0230-50805-00000-000 50819	Computer	\$900.00 ✓

[Signature]
Signature of Department Head

2/11/14
Date Signed

[Signature]
Department

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

- County Judge
- Commissioner Precinct #1
- Commissioner Precinct #2
- Commissioner Precinct #3
- Commissioner Precinct #4

needs court approval

Approved by County Auditor's Office:

[Signature]

F 4 ✓

**ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT**

I am requesting that the Ellis County Commissioners Court make necessary line Item Adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 011-0704-30302	Fund Balance	\$ 50,000.00
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 011-0704-50911	Gravel	\$ 50,000.00
		\$ -
		\$ -
		\$ -
		\$ -
		\$ -


SIGNATURE OF DEPARTMENT HEAD

Farm to Market, Pct. 3
DEPARTMENT

ELLIS COUNTY COMMISSIONERS COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

County Judge

Commissioner Precinct #1

Commissioner Precinct #2

Commissioner Precinct #3

Commissioner Precinct #4

Approved by Co. Auditor's ofc: Allen 8/14/14

Needs court approval

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
009-0602-50908-00000-000	FMI Lumber	\$ 8,000.00

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
009-0602-50914-00000-000	FMI Signs	\$ 8,000.00

DN
Signature of Department Head

2-17-14
Date Signed

R+B Pct. 1
Department

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

- County Judge
- Commissioner Precinct #1
- Commissioner Precinct #2
- Commissioner Precinct #3
- Commissioner Precinct #4

Approved by County Auditor's Office:

[Signature]
[Handwritten notes]

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 047-0947-30302-00000-000	State Seizure	33,761.61

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
✓ 047-0947-50802-00000-000	Equipment	32,261.61
✓ 047-0947-50807-00000-000	General Misc.	1,500.00


Signature of Department Head

18-Feb-14

10 / Sheriff
Department

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

County Judge

Commissioner Precinct #1

Commissioner Precinct #2

Commissioner Precinct #3

Commissioner Precinct #4

Approved by County Auditor's Office:



Needs court approval

ELLIS COUNTY SHERIF'S OFFICE
M e m o r a n d u m

TO: Mike Navarro

FROM: Dennis 

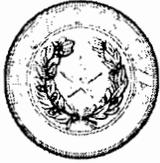
DATE: 18 Feb 14

SUBJECT: Transfer of State Seizure Funds

Sir,

Attached please find a request for line item adjustments. The funds are coming from the state seizure fund and is requested for transfer to a spendable equipment - 50802 and general misc. - 50807.

The funds will be used to pay for the new K-9's and some of their related expenses for collars, lead lines, etc.



ELLIS COUNTY TAX ASSESSOR COLLECTOR

JOHN BRIDGES, RTA, CTA, CSTA
Ellis County Tax Assessor/Collector



P.O. Drawer 188
Waxahachie, TX 75168-0188
(972) 825-5150
Fax (972) 825-5151

E-Mail: john.bridges@publicans.com
Website: www.elliscountytax.com

February 14, 2014

**Request for Approval of Overpayments
Commissioners' Court Date February 24, 2014**

<u>Refund to be issued to:</u>	<u>Account</u>	<u>Refund Amount</u>
✓ Nationstar Mortgage	142093	\$ 5,737.85'
✓ Nationstar Mortgage	201944	\$ 6,226.36
✓ Nationstar Mortgage	202319	\$ 3,897.36
✓ J.P. Morgan Chase Bank NA	207806	\$ 3,704.44
✓ Ocwen Loan Servicing	226412	\$ 2,570.14
✓ Nationstar Mortgage	227736	\$ 3,865.64
✓ Nationstar Mortgage	229277	\$ 3,048.27
✓ Nationstar Mortgage	233599	\$ 4,068.94

*Constant
agenda Tax Refunds
OK*

Miscellaneous Concrete Repair

	J.C. Concrete	J-Arc LLC
Supervisor Hourly Rate	\$38.00	\$35.00
Overtime Hourly Rate	\$38.00	\$52.50
Labor Hourly Rate	\$28.00	\$22.00
Overtime Hourly Rate	\$28.00	\$33.00

Award recommendation

Primary

Primary

*Contract period -February 24, 2014 through March 15, 2015, renewal option for a period of one (1) year. Work will be awarded on individual job requirements based on the hourly rates quoted and the estimated hours required for completion submitted by each vendor.

FY13/14
6 bids sent/2 received

Primary vendor awarded to:

J.C. Concrete
Hermínio Aguilón
214-533-9636

Primary vendor awarded to:

J-Arc LLC
Nicholas Ramirez III
469-258-2095

22



ALPINE

POWER SYSTEMS

A Division of TFI, Inc. est. 1963

1357 N. Glenville Dr.
Richardson, TX 75081

Quote

Quote Number: 22747
Date: 10/16/2013
Sales Person: Ken Roberts
Phone: 972.918.0230
Valid Until: 11/16/2013
Terms: Net 30
Lead Time: N/A Weeks (ARO)
FOB: Origin

Bill To	Ship To
---------	---------

Joe White
Ellis County
101 West Main Street
Waxahachie, Texas 75165
USA

Joe White
Ellis County
County Farm
Waxahachie, TX

Subject: Addition to Generator PM Agreement

Dear Joe,

Alpine Power Systems would like to offer the following proposal for renewal of your existing PM agreement, with the addition of (1) new generator.

Quantity	Product	Unit Price	Ext. Price
4	Maintenance Inspections on (7) emergency generators.	\$3,080.00	\$12,320.00

Subtotal:	\$12,320.00
Tax:	Not Included
Shipping:	Prepaid/Add
Total:	\$12,320.00

Our company has a reputation for delivering quality products and services on time and on budget. Thank you for this opportunity to serve you. Please feel free to contact me at 972.918.0230 or kroberts@alpinepowersystems.com anytime.

Sincerely,
Ken Roberts
Inside Sales



ALPINE POWER SYSTEMS

Repair & Maintenance -Generators

PREVENTIVE MAINTENANCE AGREEMENT

ALPINE POWER SYSTEMS, Inc. (hereafter "ALPINE POWER SYSTEMS") agrees to provide to (hereafter "Customer") and Customer agrees to accept and pay for parts and services necessary for the periodic inspection and repair of the equipment described in Exhibit "A" attached hereto (the "Equipment") in accordance with the following terms and conditions.

1. **Term:** Commencing the date as of which this agreement is executed, this agreement shall be for the term of one (1) year, unless earlier terminated as provided herein below, and shall automatically renew at prices then in effect for successive terms of one (1) year commencing on the last day of the preceding term unless written notice of termination is received by either party at least thirty (30) days prior to the end of the initial term or any subsequent term. Notwithstanding the foregoing, either party may terminate this agreement for any reason or no reason on thirty (30) days' prior written notice to the other party. In the event that notice is given, any outstanding invoices are still considered payable to ALPINE POWER SYSTEMS and must be paid as agreed.
2. **Payment:** Customer agrees to pay ALPINE POWER SYSTEMS a total of ~~\$12,322~~ plus applicable state and local taxes, for ALPINE POWER SYSTEMS' maintenance of (7) emergency generators. Payment as aforesaid shall be made to ALPINE POWER SYSTEMS in ~~four (4)~~ equal payments in the amount of ~~\$3080.00 each~~, plus applicable state and local taxes. Each installment will be due and payable upon receipt of invoice by Customer, with said invoices being sent by ALPINE POWER SYSTEMS upon completion of each periodic inspection called for herein.
3. **Inspections and Repairs:**
 - 3.1 Services included: ALPINE POWER SYSTEMS, during normal business hours, shall periodically inspect the Equipment (check one) two (2), or ~~XX(4)~~ for the duration of this Agreement. Said inspections shall be limited to the following:
 - (a) Engine Lubrication System: Visually check for leaks. Change lube and oil filters every 12 months or 150 operating hours whichever occurs first.
 - (b) Engine Air Cleaner:
 - a. Wet type: Clean and change oil once a year.
 - b. Dry type: Replace as needed (Air filters are above and beyond the contracted pricing).

- (c) Ignition System: Replace spark plugs as needed. Check magneto. Set timing, if needed.
- (d) Engine Cooling System: Check general condition. Check antifreeze and add, if needed. Check coolant level. Pressure test system if leaks are present. Add additives to antifreeze once a year as needed. Check belts and hoses.
- (e) Engine Electric System: Hydrometer test battery. Clean and lubricate battery posts and cables. Check alternator belts. Check battery charger for proper operation.
- (f) Engine Fuel System: Visually check for leaks. Check all visible connections and flexible hoses. Adjust carburetor. Change fuel filters once a year with oil change or as needed. Clean fuel strainers. Replace push on fuel hoses, if needed. Check for water in day fuel tank and main fuel tank.
- (g) Engine Exhaust System: Visually check for leaks or corrosion. Check condensation trap and muffler condensation.
- (h) AC Generator: Visually inspect generator condition. Inspect generator barrel for debris, tightness of connections to disconnect, possible cable wear from vibration. Voltage regulator will be inspected for tightness of connections and overall condition of excitation assembly.
- (i) Engine Driven Flood or Fire Pump: Visually inspect pump and check packing gland.
- (j) Miscellaneous: Check all instruments for proper operation. Check timers and relays for proper operation. Check all connections for tightness. Check safety circuits, shutdowns and alarm systems.
- (k) Inspect ATS or gear
- (l) Operation: Run engine unloaded.
- (m) At Customer's request and in his/her presence, transfer load to generator set and make adjustments as needed. (Test shall be during normal business hours. After hours test will be considered a separate service call and subject to additional charges).

3.2 Parts Included

- (a) In connection with the performance of the foregoing inspections, ALPINE POWER SYSTEMS agrees to furnish at its expense the following parts and supplies: Engine crankcase oil, engine oil filter elements, spark plugs, flexible fuel hoses (excluding woven metal hoses or custom built hoses), fuel filter elements, , antifreeze, Nalcool 3000 additive.
- (b) Except as specifically set forth in paragraph 3.2(a), Customer shall pay for all parts and supplies in connection with the periodic inspections or the operation of the Equipment. Customer shall pay for all parts and supplies, including those described in paragraph 3.2(a), which are needed to repair damages caused by abuse, theft, improper operation, acts of third persons, forces of nature or alteration of the Equipment.

- 4. Additional Repairs:** Any repairs requested by Customer between periodic inspections will be provided at ALPINE POWER SYSTEMS' then current rate for parts, labor and travel expenses from ALPINE POWER SYSTEMS' location to jobsite.

- 5. Reports:** Upon completion of each periodic inspection and/or additional repair ALPINE POWER SYSTEMS shall report its findings and recommendations to the Customer in the form attached hereto as Exhibit "B". ALPINE POWER SYSTEMS shall have no liability for any failure to recommend repairs or modification to the Equipment.
- 6. Warranties and Indemnity:**
- 6.1** ALPINE POWER SYSTEMS warrants that it will promptly redo any work under this Agreement that, within ninety (90) days after such work was originally performed, exhibits any defect in workmanship. The liability of ALPINE POWER SYSTEMS under this provision is limited to the re-performance of such work and the cost of any repairs to the Equipment arising from defective work. ALPINE POWER SYSTEMS makes no warranty regarding and assumes no liability for any defects in materials and workmanship relating to goods and materials used with or incorporated in the Equipment and expressly disclaims any implied warranty or merchantability or fitness for purpose relating to any such goods and materials.
- 6.2** ALPINE POWER SYSTEMS agrees to indemnify and hold Customer harmless of and from any and all losses, damages, claims or causes of action, including costs and attorneys' fees arising out of or in any way connected with
- (a) Injuries to or death of any employee or employees of ALPINE POWER SYSTEMS, its subcontractors or its independent contractors or for any damage whatsoever to the property of ALPINE POWER SYSTEMS, its subcontractors or independent contractors sustained at, around or in connection with work; or
 - (b) Claims by any third party to the extent based upon the negligent act or omission of ALPINE POWER SYSTEMS, its employees, its subcontractors or independent contractors or the employees of its subcontractors or independent contractors.
- 6.3** Customer agrees to indemnify and hold ALPINE POWER SYSTEMS harmless of and from any and all losses, damages, claims or causes of action, including costs of attorneys' fees arising out of or in any way connected with
- (a) Injuries to or death of any employee or employees of the Customer, its contractors other than ALPINE POWER SYSTEMS or any damage whatsoever to the property of the Customer, its contractors other than ALPINE POWER SYSTEMS or any of the employees of the Customer or its contractors other than ALPINE POWER SYSTEMS arising from the negligent act or omission of Customer, its employees, subcontractors, or independent contractors other than ALPINE POWER SYSTEMS; or
 - (b) Claims by any third party to the extent based upon the negligent act or omission of Customer, its employees, its subcontractors or independent contractors (other than ALPINE POWER SYSTEMS) or the employees of its subcontractors or independent contractors (other than ALPINE POWER SYSTEMS)..
- 7. Limitation of Liability:** IN NO EVENT SHALL ALPINE POWER SYSTEMS BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT

LIMITED TO, LOSS OR PROFITS, DOWN TIME, DAMAGES AS PROVIDED IN THE TEXAS DECEPTIVE TRADE PRACTICES-CONSUMER PROTECTION ACT, OR OTHERWISE.

8. Insurance. ALPINE POWER SYSTEMS represents and warrants that, for so long as this agreement remains in effect, ALPINE POWER SYSTEMS will maintain insurance at Provider's sole expense and with coverage amounts of at least \$1,000,000 per occurrence and with an annual aggregate of at least \$2,000,000 to insure against any claims arising from or damages caused by ALPINE POWER SYSTEMS and/or its agents, employees, contractors, subcontractors, or employees of ALPINE POWER SYSTEMS' contractors or subcontractors in the performance of services under this Agreement. All insurance maintained by Provider pursuant to this Agreement shall provide for coverage not only against claims and alleged damages, but, in addition thereto, for the costs (including attorneys' fees) associated with defending against such claims. The insurance required shall be maintained for so long as applicable statutes of limitation have not expired for claims that might be asserted, and the obligation to maintain such insurance shall survive the termination of this agreement. Evidence of coverage as set forth herein shall be given to Customer by ALPINE POWER SYSTEMS prior to the ALPINE POWER SYSTEMS' provision of services under this agreement.

9. Miscellaneous:

9.1 Governing Law: The parties agree that this Agreement has been executed and shall be construed in accordance with the laws of the state in which the ALPINE POWER SYSTEMS branch indicated below is located. Any legal action regarding this Agreement or the obligation of either party shall be brought in courts sitting in Wayne County, Michigan, to the exclusion of all other jurisdictions or venues, the parties hereto agreeing that this Agreement is performable in whole or in part in such jurisdiction and venue.

9.2 Force Majeure: Neither party shall be liable to the other for damage or delay caused directly or indirectly by floods, strikes or other labor disputes, fires, accidents, wars, delays or carriers, restraints of governments or any other cause beyond the reasonable control of such party.

9.3 Entire Agreement: This Agreement constitutes the entire understanding between the parties and supersedes all prior and simultaneous agreements, representations or understanding relating to the same subject matter. The terms hereof may not be amended or supplemented except by a writing signed by both parties. ALPINE POWER SYSTEMS has not authorized any person to make changes or additions to or deletions from this Agreement.

9.4 Waiver: Failure to enforce any provision of this Agreement shall not be deemed as waiver of any provision hereof. Any waiver of any provision hereof shall not constitute a waiver of any other provision or a continuing waiver.

9.5 Assignment: This Agreement may be assigned by either party only on written consent by the other party, which consent shall not be unreasonably withheld.

9.6 Notices: All notices required herein shall be made in writing sent Certified Mail, Return Receipt Requested to the following address:

TO:	ALPINE POWER SYSTEMS	TO:	
	Attn: Eric Light		
	24355 Capitol Avenue	AT:	
	Redford, MI 48239		

IN WITNESS THEREOF, ALPINE POWER SYSTEMS and Customer have caused this Agreement to be executed as of the.

ALPINE POWER SYSTEMS, INC.

By: ***Brian K. Maynor***

(Signature)

Its: **Regional Service Manager**

(Title)

CUSTOMER:

By: _____

(Signature)

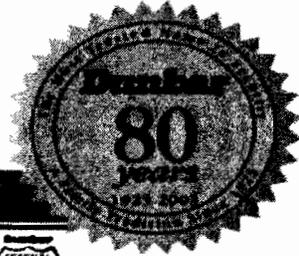
Its: _____

(Title)

2.4

Dunbar

The Most Trusted Name In Security



February 18, 2014

Mr. Ralph McBroom
Ellis County
101 W Main Suite 203
Waxahatchine, TX 75165

Dear Mr. Ralph McBroom:

Thank you for considering Dunbar Armored for your armored car service. Based upon the service specifications that you provided, we are pleased to submit the following proposal for your review:

We will stop at your locations and pickup sealed shipments containing bank deposits for delivery the next day to: Comerica Bank 1508 West Mockingbird Lane, Dallas, TX 75235

Previously mentioned service will be covered by our All-Risk armored car transit and storage insurance through International Insurance Brokers for your maximum liability of \$50,000 for your deposit and \$5,000.00 for your change order. Delivery of change orders will be performed only in conjunction with the pickup of deposit shipments.

Our complete charge for this service, including insurance, will be on a contractual basis at the following rates. Holiday service is available, except for Thanksgiving and Christmas, at the rate of \$75.00 per pickup. Your rate will include Columbus Day service. The proposed is quoted on 6 minutes and 3 bags. Additional minute and additional bags are billed at 2.50 each. Window times for all seven locations pickups are 8:00 am to 5:00pm.

The quote is based on a 19 nineteen month contract. Additional information for the first location and the fifth location are list below.

Price for Deposit bags:

12x16 \$90.00 per box of 250 bags

***Free freight on all orders**

- \$ 420.00 for 5 days week M-F JP1 include fuel
- \$ 420.00 for 5 days week M-F JP2 include fuel
- \$ 420.00 for 5 days week M-F JP3 include fuel
- \$ 420.00 for 5 days week M-F JP4 include fuel
- \$ 420.00for 5 days week M-F Main Tax office include fuel
- \$ 420.00 for 5 days week M-F Midlothian Sub Tax Office include fuel
- \$ 420.00 for 5 days week M-F Red Oak Tax Office include fuel

Total for all 7 locations per month is 2940.00 for armored car service. This is for pickup at all location and next day delivery to the main Treasurer office in Waxahachie.

We appreciate the opportunity to provide this quote for service and look forward to providing you with the most secure, reliable and efficient service available- customized to meet your special needs.

Sincerely,

Scott Temples
Account Executive
Dunbar Armored
503 Industrial Boulevard
Grapevine, TX 76051
Cell 817-401-8890
Office 817-421-2500

ELLIS COUNTY BUDGET
2013/2014 LINE ITEM ADJUSTMENT

I am requesting that the Ellis County Commissioners' Court make necessary Line Item adjustments to my 2013/2014 Budget as follows:

TRANSFER FROM:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
001-0400-50502-00000-000	Salaries	\$ 21,538.00
001-0400-50553-00000-000	Social Security	\$ 1,647.00
001-0400-50554-00000-000	Retirement	\$ 2,319.00
001-0400-50808-00000-000	Auto Gas	\$ 4,300.00
001-0400-50809-00000-000	Auto Repairs	\$ 250.00
001-0400-50810-00000-000	Auto Tires	\$ 500.00
001-0400-50884-00000-000	Auto Insurance	\$ 300.00

TRANSFER TO:

ACCOUNT NO.	ACCOUNT TITLE	AMOUNT
001-0140-50868-00000-000	Contract Services	\$ 30,854.00

Chris Chab
Signature of Department Head

2-19-14
Date Signed

Treasurer
Department

ELLIS COUNTY COMMISSIONERS' COURT FINDS THAT THIS TRANSFER OF FUNDS IS FOR COUNTY PURPOSES AND IS AN APPROPRIATE REQUEST.

APPROVED THIS _____ DAY OF _____, 2013/2014

County Judge
Commissioner Precinct #1
Commissioner Precinct #2
Commissioner Precinct #3
Commissioner Precinct #4

needs court approval 2/19/14

Approved by County Auditor's Office:

[Signature]
funds are available

RESOLUTION # _____

A RESOLUTION OF THE COUNTY OF ELLIS, TEXAS AUTHORIZING DESIGNATED SIGNATORS FOR CONTRACTUAL DOCUMENTS AND ON STATE OF TEXAS DOCUMENTS FOR REQUESTING FUNDS.

WHEREAS, it is necessary to appoint persons to execute contractual documents and documents requesting funds from the Texas Department of Agriculture, and;

WHEREAS, an original signed copy of the TxCDBG *Depository/Authorized Signatories Designation Form (Form A202)* is to be submitted with a copy of this resolution, and;

WHEREAS, the County of Ellis acknowledges that in the event that an authorized signatory of the County changes (elections, illness, resignations, etc.) the County must provide TxCDBG with the following:

- A resolution stating who the new authorized signatory is (*not required if this original resolution names only the title and not the name of the signatory*); and
- A revised TxCDBG *Depository/Authorized Signatories Designation Form (Form A202)*.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONERS COURT OF THE COUNTY OF ELLIS, TEXAS, AS FOLLOWS:

That County Judge, County Engineer and /or Purchasing Agent be authorized to execute contractual documents between the Texas Department of Agriculture and the County for the Texas Community Development Block Grant Program.

The County Judge, County Engineer and/or County Purchasing Agent be authorized to execute the State of Texas *Request for Payment Form and Purchase Voucher* documents required for requesting funds from the Texas Community Development Block Grant Program.

PASSED AND APPROVED BY THE COMMISSIONERS COURT OF THE COUNTY OF ELLIS, TEXAS ON THIS _____ DAY OF _____ 2014.

County Judge

Attest:



Sep 30, 2013

Mr. Michael Navarro
County Auditor
Ellis County
101 West Main Street
Waxahachie, TX 75165

Re: Engagement Letter for GASB OPEB Valuation for Ellis County

Dear Mr. Navarro,

You have requested a pricing quote for a GASB 45 actuarial valuation under the Shared Services arrangement provided by Gabriel, Roeder, Smith & Co (GRS) and North Central Texas Council of Governments (NCTCOG).

Based on the information you provided, the estimated cost of services for Ellis County is \$5,900. The total fee including the \$125 NCTCOG administration fee will equal \$6,025. This price is based on receiving data in the standard GRS format and using the following assumptions:

Number of Participants	500 - 999
Claims Analysis Required	No*
Retirement Plans	1. TCDRS
Health Plans	1. BCBS
Annual, Biennial, or Triennial	Biennial
Pricing Discount	Eligible

* An additional fee of \$2,000 will be added if claims experience is required.

Additional fees may also apply if the data is not received in the requested GRS data format.

If other assumptions are identified, a revised proposal letter will be prepared by GRS.

Basic Services

Basic services provided through the Shared Services program will include:

- Actuarial valuation of employer OPEB in compliance with the requirements of paragraphs 11-27 of GASB 45. Valuations can be performed annually or biennially and will include:

- > A measurement of the actuarial liability, present value of projected benefits and normal cost as of the valuation date
 - > The estimated actuarially determined contribution for the applicable fiscal years
 - > The estimated annual required contribution and accounting expense for the applicable fiscal years as required under GASB Statement Nos. 43 and 45
 - > Information needed to complete the “Notes to the Financial Statement” and “Required Supplementary Information” as defined in paragraphs 30 and 31 of GASB No. 43
 - > Information needed to complete the “Notes to the Financial Statement” and “Required Supplementary Information” as defined in paragraphs 24, 25 and 26 of GASB No. 45
 - > Sensitivity analysis for health care trend rates, providing valuation results based on a higher and a lower health care trend
 - > A hypothetical set of actuarial results using an alternative discount rate based on pre-funding
- Two in person or conference call meetings as mutually agreed upon by Ellis County and GRS. Out of pocket travel expenses for governments located 100 miles or more from DFW Airport will be charged to the government.

Billing Schedule

GRS pricing assumes 20% paid upon acceptance by the government of the engagement, 50% upon receipt of the draft report and 30% upon acceptance of the final report. For Biennial or Triennial valuations, GRS will provide the OPEB cost for the off year(s) and will walk forward the Net OPEB Obligation.

The GRS prices discussed above will be adjusted annually in January based on changes in the Consumer Price Index, All Urban Consumers, on a December over December basis.

GRS billing will also include an administrative fee of \$125 per valuation cycle payable to the NCTCOG.

Options Study

It is anticipated that Ellis County may want to consider what the options are for mitigating their OPEB liability. These Options studies would include alternative discount rates, alternative healthcare trend rates, benefit capitations, and changes in retiree cost sharing. The cost for a basic Options study will be \$1,200 per study.

Mr. Michael Navarro
Sep 30, 2013
Page 3

More complicated studies may not be covered under the fixed fee amount above. If a study is not included in the fixed fee pricing, the hourly rates shown in "Additional Services" below will apply or fixed fee amounts will be negotiated. GRS will provide written documentation of our understanding of the service(s) requested, the estimated number of hours by employee class, total costs and project timeline.

Additional Services

Fees for additional consulting services not included under Basic Services or included in the fixed fee Options studies will be priced separately upon request and will be based on the following hourly rates:

<i>GRS Resource Classification</i>	<i>Hourly Rates</i>
Senior Consultant	\$395
Consultants	\$310
Senior Analysts	\$200
Actuarial Analysts	\$170
Systems Analysts and Programmers	\$230
Administrative Support Staff	\$125

A copy of this engagement letter will be made a part of the master agreement between Ellis County and GRS.

If you have any questions or need additional information please don't hesitate to e mail us at NCTCOG.sharedservices@gabrielroeder.com or call either Mehdi Riazi at 469-524-1343 or Brad Stewart at 469-524-1805.

Thank you for your interest in the Shared Services program.

Gabriel, Roeder, Smith & Company

MASTER AGREEMENT

Pursuant to the award of Joint Actuarial Services by the North Central Texas Council of Governments (NCTCOG), this agreement confirms the terms under which the

_____ (name of government) hereinafter referred to as "CONTRACTING GOVERNMENT" has engaged Gabriel, Roeder, Smith & Co. hereinafter referred to as "GRS" to perform actuarial consulting services. In as much as this relationship will involve several actuarial reviews and other services that will be governed by the Request for Proposal issued by NCTCOG on May 31, 2006 and our subsequent response to that proposal, we have agreed to establish this "master agreement" defining the general terms and conditions for all work performed.

This agreement will not, by itself, authorize the performance of any services. Rather specific services will be authorized through a separate engagement letter that references this master agreement and details the services to be provided and the timeframe and fees required. In the event of an inconsistency between this master agreement and an individual engagement letter, the master agreement will be followed.

As described in the above referenced Request for Proposal the following terms apply:

- A. **Tax Exempt Entities.** CONTRACTING GOVERNMENT is exempt from manufacturer's federal excise tax and states sales tax. Tax exemption certificates will be issued upon request.
- B. **Role of NCTCOG.** NCTCOG has served as a facilitator to the RFP and award process but the contractual relationship is between GRS and the CONTRACTING GOVERNMENT.
- C. **Aggregate Information.** GRS agrees to supply NCTCOG with the specified results from the valuations and to aggregate that information with that of other governments for the purpose of benchmarking.
- D. **Fees.** GRS agrees to follow the attached pricing schedule ("Attachment A") for pricing of its services.
- E. **Review of Charges.** CONTRACTING GOVERNMENT has the right to review the supporting documentation for any hourly charges or out of pocket expenses assessed to the CONTRACTING GOVERNMENT under the fee schedule.
- F. **Termination.** Both CONTRACTING GOVERNMENT and GRS will have the right to terminate this agreement through written notice. CONTRACTING GOVERNMENT will pay any charges or prorate fees incurred to the date the termination notice is received and actuary will cease any in progress work unless specific stopping points are provided in the letter.

- G. **Work Product.** The final work product will be the property of the CONTRACTING GOVERNMENT to be used as stated in the specific engagement letter. Ancillary use of the product is permitted but GRS is not responsible for the reliability of those projections. It is understood that all reports are subject to the open records laws of the State of Texas and the contracting jurisdiction.
- H. **Independent Contractor.** All the services provided by GRS will be as an independent contractor. None of the terms in the engagement letter will be interpreted to create an agency or employment relationship.
- I. **Term.** The term of this master agreement will be governed by the afore referenced NCTCOG RFP and will expire on September 30, 2014.
- J. **Complete Agreement.** This letter combined with the specific engagement letter and as clarified by the RFP and Proposal set forth the entire agreement between the CONTRACTING GOVERNMENT and GRS.
- K. **Indemnification.** GRS covenants and agrees to indemnify and hold harmless and defend and does hereby indemnify, hold harmless, and defend CONTRACTING GOVERNMENT, its officers and employees, from and against any and all suits or claims for damages or injuries, including death, to persons or property, whether real or asserted, arising out of any negligent act or omission on the part of the contractor, its officers, agents, servants, employees, or subcontractors, and the contractor does hereby assume all liability for injuries, claims or suits for damages to persons, property, or whatever kind of character, whether real or asserted, occurring during or arising out of the performance of this contract as a result of any negligent act or omission on the part of the contractor, its officers, agents, servants, employees, or subcontractors to the extent permitted by law. Please review this master agreement letter and the attached schedules and indicate your acceptance by having an official of CONTRACTING GOVERNMENT sign below.
- L. **Force Majeure.** A force majeure event shall be defined to include governmental decrees or restraints, acts of God (except that rain, wind, flood or other natural phenomena normally expected for the locality, shall not be construed as an act of God), work stoppages due to labor disputes or strikes, fires, explosions, epidemics, riots, war, rebellion, and sabotage. If a delay or failure of performance by either party to this contract results from the occurrence of a force majeure event, the delay shall be excused and the time fixed for completion of the work extended by a period equivalent to the time lost because of the event.

M. **Professional Standards.** GRS will provide qualified personnel for each engagement and follow all professional standards ascribed by the American Academy of Actuaries and the Governmental Accounting Standards Board.

GABRIEL, ROEDER, SMITH & CO.

By: _____

Date: _____

Title: _____

CONTRACTING GOVERNMENT

By _____

Date: _____

Title: _____

Attachment A

Pricing of Services – Calendar Year 2013*

The price of the valuation is based on the following components:

a) Number of participants:

Participant Count	Base Fee
Less than 100	\$4,500
100 – 199	\$4,500
200 – 499	\$5,200
500 – 999	\$5,500
1,000 – 2,499	\$6,400
Over 2,500	\$7,000

b) Number of retirement plans:

There is no additional charge if the employees participate in only one retirement plan. For each additional retirement plan, the valuation fee is increased by **\$1,600**.

c) Number of health plans:

There is no additional charge if the participants are covered under only one health plan. For each additional health plan, the valuation fee is increased by **\$1,000**.

d) Annual, biennial or triennial valuation:

The valuation fee is increased by **\$1,200** for valuations which are intended to be used for two fiscal years and by **\$2,400** for valuations which are intended to be used for three fiscal years.

e) Claims analysis:

The valuation fee is increased by **\$2,000** if claims experience is required.

f) Pricing discount:

Employers with very simple plans may be eligible for an **\$800** price reduction. The engagement agreement will specify whether the pricing discount applies.

- ❖ Pricing assumes 20% paid upon acceptance by the government of the engagement, 50% upon receipt of the draft report and 30% upon acceptance of the final report.
- ❖ Fees for additional services and optional services that are not determined as 'basic' will be based on the following rates:

GRS Position Title	Hourly Rates
Senior Consultant	\$395
Consultants	\$310
Senior Analysts	\$200
Actuarial Analysts	\$170
Systems Analysts and Programmers	\$230
Administrative Support Staff	\$125

*Prices will be adjusted annually beginning in January 2014 based on changes in the Consumer Price Index, All Urban Consumers, on a December over December basis. Current rates for your plan are reflected in the engagement agreement sent with this document.

**INTERLOCAL COOPERATION CONTRACT
BETWEEN
COUNTY OF ELLIS AND CITY OF OAK LEAF**

WHEREAS, the hereinafter below described government entities desire to increase their efficiency and effectiveness by entering into this contract one with the other; and

WHEREAS, such contracts are authorized under Chapter 791 of the Government Code of the State of Texas, said law cited as the Interlocal Cooperation Act of the State of Texas; and

WHEREAS, the function or service contracted for and to be provided by this agreement is with the definition of "Governmental function and services" as defined by Section 791.003 of the Government Code; and

WHEREAS, the function or service contracted to be provided is a function or service that each party to the contract is authorized to perform individually;

NOW, THEREFORE, the parties agree and covenant one with the other as follows:

- A) The County of Ellis (hereinafter COUNTY) shall be the party providing the function or service which shall include the maintenance, repair and / or construction of streets, roads, alleys, bridges, and parking areas, as well as the maintenance and construction of waterways and ditches. The COUNTY shall be further authorized to sell to the CITY goods and services.
- B) The City of Oak Leaf (hereinafter CITY) shall be the party receiving the function, goods, or service and providing payment for such function, goods and / or services.
- C) CITY, as paying party, acknowledges and certifies, as required by the Interlocal Cooperation Act, that all payments shall be made from current revenues available to CITY.
- D) The term of this agreement shall be from January 1, 2014 to October 1, 2014.

- E) Both parties acknowledge and understand, in reference to any project undertaken under this contract involving the construction, improvement, or the repair of a road, building or other facility, the following:
- 1) That prior to beginning said project, a work order in the form similar to Exhibit A attached hereto shall be adopted describing the project to be undertaken and identifying the project's location, and
 - 2) That the payment and penalty provisions set out in Section 791.014 (c) and (d) of the Government Code Interlocal Cooperation Act shall apply to this contract.
- F) CITY agrees to pay to COUNTY within thirty (30) days of billing by COUNTY for the goods, governmental function, and / or services provided in an amount that fairly compensates COUNTY for service or functions performed by COUNTY under this Contract.

EXECUTED in duplicate this the _____ day of _____, 20____.

COUNTY JUDGE
ELLIS COUNTY, TEXAS

Attest:

Ellis County Clerk

Craig Miller

MAYOR
City of Oak Leaf

Attest:

Linda Quintana

City Secretary



EXHIBIT A

WORK ORDER UNDER INTERLOCAL AGREEMENT

Service Provider: Ellis County, Texas

Department to Provide Service: _____

Basis of Authority to Provide Service: *Interlocal Agreement dated:* _____

per Commissioners Count Minute Order _____

Local Government Requesting Service: _____

Description of Project to be Undertaken: _____

Location of Project to be Undertaken: _____

Requested by: _____

Ron Brown

Department: *Ellis County Commissioner, Pct. 4*

APPROVED in Open Commissioners Court per Minute Order No. _____ on the
_____ day of _____, 20_____.

Carol Bush

County Judge, Ellis County, Texas

ACCEPTED AND AGREED TO this _____ day of _____, 20_____.

Signature: _____

Title: _____

On Behalf of: _____

51

RESOLUTION NO. 14-002R

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RED OAK, TEXAS APPROVING THE
TERMS OF AND AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL
COOPERATION CONTRACT BETWEEN ELLIS COUNTY AND THE CITY OF RED OAK; AND
PROVIDING AND EFFECTIVE DATE.**

WHEREAS, the City of Red Oak has identified the need to make various improvements to streets and drainage, throughout the City of Red Oak, and

WHEREAS, Ellis County Government agrees to contract with the City of Red Oak under Chapter 791 of the Government Code of the State of Texas said law cited as the Interlocal Cooperation Act of the State of Texas for authorized street and drainage projects as identified by the City, according to its capacity; and,

WHEREAS, the City of Red Oak and Ellis County have successfully completed projects to the benefit of both parties, and desire to continue this relationship through the renewal of this agreement.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RED OAK, TEXAS:

SECTION 1

That the City Council for the City of Red Oak hereby approves the renewal of the proposed interlocal Cooperation Contract between Ellis County and The City of Red Oak, and authorizes the Mayor to execute said agreement (Attachment "A")

SECTION 2

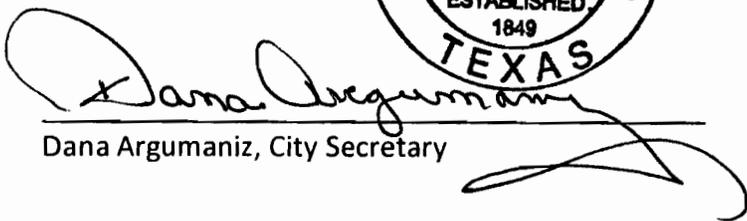
That this resolution shall take effect immediately from and after its adoption and it is so resolved.

PASSED AND APPROVED AND ADOPTED at the Regular Meeting of the Red Oak City Council on the 13th day of January, 2014.

ATTEST:




ALAN HUGLEY, MAYOR


Dana Argumaniz, City Secretary

INTERLOCAL COOPERATION CONTRACT
BETWEEN
COUNTY OF ELLIS AND CITY OF RED OAK

WHEREAS, the hereinafter below described government entities desire to increase their efficiency and effectiveness by entering into this contract one with the other; and

WHEREAS, such contracts are authorized under Chapter 791 of the Government Code of the State of Texas, said law cited as the Interlocal Cooperation Act of the State of Texas; and

WHEREAS, the function or service contracted for and to be provided by this agreement is with the definition of “Governmental function and services” as defined by Section 791.003 of the Government Code; and

WHEREAS, the function or service contracted to be provided is a function or service that each party to the contract is authorized to perform individually;

NOW, THEREFORE, the parties agree and covenant one with the other as follows:

- A) The County of Ellis (hereinafter COUNTY) shall be the party providing the function or service which shall include the maintenance, repair and / or construction of streets, roads, alleys, bridges, and parking areas, as well as the maintenance and construction of waterways and ditches. The COUNTY shall be further authorized to sell to the CITY goods and services.
- B) The City of Red Oak (hereinafter CITY) shall be the party receiving the function, goods, or service and providing payment for such function, goods and / or services.
- C) CITY, as paying party, acknowledges and certifies, as required by the Interlocal Cooperation Act, that all payments shall be made from current revenues available to CITY.
- D) The term of this agreement shall be from January 1, 2014 to October 1, 2014.

E) Both parties acknowledge and understand, in reference to any project undertaken under this contract involving the construction, improvement, or the repair of a road, building or other facility, the following:

1) That prior to beginning said project, a work order in the form similar to Exhibit A attached hereto shall be adopted describing the project to be undertaken and identifying the project's location, and

2) That the payment and penalty provisions set out in Section 791.014 (c) and (d) of the Government Code Interlocal Cooperation Act shall apply to this contract.

F) CITY agrees to pay to COUNTY within thirty (30) days of billing by COUNTY for the goods, governmental function, and / or services provided in an amount that fairly compensates COUNTY for service or functions performed by COUNTY under this Contract.

EXECUTED in duplicate this the _____ day of _____, 20_____.

COUNTY JUDGE

ELLIS COUNTY, TEXAS

Attest:

Ellis County Clerk



Allen Hylly

MAYOR
City of Red Oak

Attest:

Dana Duggins

City Secretary

EXHIBIT A

WORK ORDER UNDER INTERLOCAL AGREEMENT

Service Provider: Ellis County, Texas

Department to Provide Service: _____

Basis of Authority to Provide Service: *Interlocal Agreement dated:* _____

per Commissioners Count Minute Order _____

Local Government Requesting Service: _____

Description of Project to be Undertaken: _____

Location of Project to be Undertaken: _____

Requested by: _____
Ron Brown

Department: Ellis County Commissioner, Pct. 4

APPROVED in Open Commissioners Court per Minute Order No. _____ on the
_____ day of _____, 20____.

Carol Bush
County Judge, Ellis County, Texas

ACCEPTED AND AGREED TO this ___ day of _____, 20____.

Signature: _____

Title: _____

On Behalf of: _____

39

INTERLOCAL COOPERATION CONTRACT
BETWEEN
COUNTY OF ELLIS AND CITY OF MIDLOTHIAN

WHEREAS, the hereinafter below described government entities desire to increase their efficiency and effectiveness by entering into this contract one with the other; and

WHEREAS, such contracts are authorized under Chapter 791 of the Government Code of the State of Texas, said law cited as the Interlocal Cooperation Act of the State of Texas; and

WHEREAS, the function or service contracted for and to be provided by this agreement is with the definition of "Governmental function and services" as defined by Section 791.003 of the Government Code; and

WHEREAS, the function or service contracted to be provided is a function or service that each party to the contract is authorized to perform individually;

NOW, THEREFORE, the parties agree and covenant one with the other as follows:

- A) The County of Ellis (hereinafter COUNTY) shall be the party providing the function or service which shall include the maintenance, repair and / or construction of streets, roads, alleys, bridges, and parking areas, as well as the maintenance and construction of waterways and ditches. The COUNTY shall be further authorized to sell to the CITY goods and services.
- B) The City of Midlothian (hereinafter CITY) shall be the party receiving the function, goods, or service and providing payment for such function, goods and / or services.
- C) CITY, as paying party, acknowledges and certifies, as required by the Interlocal Cooperation Act, that all payments shall be made from current revenues available to CITY.
- D) The term of this agreement shall be from January 1, 2014 to October 1, 2014.

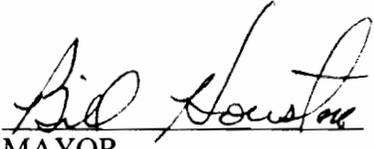
- E) Both parties acknowledge and understand, in reference to any project undertaken under this contract involving the construction, improvement, or the repair of a road, building or other facility, the following:
- 1) That prior to beginning said project, a work order in the form similar to Exhibit A attached hereto shall be adopted describing the project to be undertaken and identifying the project's location, and
 - 2) That the payment and penalty provisions set out in Section 791.014 (c) and (d) of the Government Code Interlocal Cooperation Act shall apply to this contract.
- F) CITY agrees to pay to COUNTY within thirty (30) days of billing by COUNTY for the goods, governmental function, and / or services provided in an amount that fairly compensates COUNTY for service or functions performed by COUNTY under this Contract.

EXECUTED in duplicate this the _____ day of _____, 201_____.

COUNTY JUDGE
ELLIS COUNTY, TEXAS

Attest:

Ellis County Clerk



MAYOR
City of Midlothian

Attest:



City Secretary



EXHIBIT A

WORK ORDER UNDER INTERLOCAL AGREEMENT

Service Provider: Ellis County, Texas

Department to Provide Service: _____

Basis of Authority to Provide Service: *Interlocal Agreement dated:* _____

per Commissioners Count Minute Order _____

Local Government Requesting Service: _____

Description of Project to be Undertaken: _____

Location of Project to be Undertaken: _____

Requested by: _____

Ron Brown

Department: *Ellis County Commissioner, Pct. 4*

APPROVED in Open Commissioners Court per Minute Order No. _____ on the
_____ day of _____, 20____.

Carol Bush

County Judge, Ellis County, Texas

ACCEPTED AND AGREED TO this ____ day of _____, 20____.

Signature: _____

Title: _____

On Behalf of: _____

**INTERLOCAL COOPERATION CONTRACT
BETWEEN
COUNTY OF ELLIS AND CITY OF OVILLA**

WHEREAS, the hereinafter below described government entities desire to increase their efficiency and effectiveness by entering into this contract one with the other; and

WHEREAS, such contracts are authorized under Chapter 791 of the Government Code of the State of Texas, said law cited as the Interlocal Cooperation Act of the State of Texas; and

WHEREAS, the function or service contracted for and to be provided by this agreement is with the definition of "Governmental function and services" as defined by Section 791.003 of the Government Code; and

WHEREAS, the function or service contracted to be provided is a function or service that each party to the contract is authorized to perform individually;

NOW, THEREFORE, the parties agree and covenant one with the other as follows:

- A) The County of Ellis (hereinafter COUNTY) shall be the party providing the function or service which shall include the maintenance, repair and / or construction of streets, roads, alleys, bridges, and parking areas, as well as the maintenance and construction of waterways and ditches. The COUNTY shall be further authorized to sell to the CITY goods and services.
- B) The City of Ovilla (hereinafter CITY) shall be the party receiving the function, goods, or service and providing payment for such function, goods and / or services.
- C) CITY, as paying party, acknowledges and certifies, as required by the Interlocal Cooperation Act, that all payments shall be made from current revenues available to CITY.
- D) The term of this agreement shall be from January 1, 2014 to October 1, 2014.

- E) Both parties acknowledge and understand, in reference to any project undertaken under this contract involving the construction, improvement, or the repair of a road, building or other facility, the following:
- 1) That prior to beginning said project, a work order in the form similar to Exhibit A attached hereto shall be adopted describing the project to be undertaken and identifying the project's location, and
 - 2) That the payment and penalty provisions set out in Section 791.014 (c) and (d) of the Government Code Interlocal Cooperation Act shall apply to this contract.
- F) CITY agrees to pay to COUNTY within thirty (30) days of billing by COUNTY for the goods, governmental function, and / or services provided in an amount that fairly compensates COUNTY for service or functions performed by COUNTY under this Contract.

EXECUTED in duplicate this the _____ day of _____, 20_____.

 COUNTY JUDGE
 ELLIS COUNTY, TEXAS

Attest:

 Ellis County Clerk

[Signature]

 MAYOR
 City of Ovilla



Attest:

[Signature]

 City Secretary
*Approved by the Ovilla Community Board
 01-13-2014*

EXHIBIT A

WORK ORDER UNDER INTERLOCAL AGREEMENT

Service Provider: Ellis County, Texas

Department to Provide Service: _____

Basis of Authority to Provide Service: *Interlocal Agreement dated:* _____

per Commissioners Count Minute Order _____

Local Government Requesting Service: _____

Description of Project to be Undertaken: _____

Location of Project to be Undertaken: _____

Requested by: _____
Ron Brown

Department: *Ellis County Commissioner, Pct. 4*

APPROVED in Open Commissioners Court per Minute Order No. _____ on the
_____ day of _____, 20____.

Carol Bush
County Judge, Ellis County, Texas

ACCEPTED AND AGREED TO this _____ day of _____, 20____.

Signature: _____

Title: _____

On Behalf of: _____

DOCUMENT NO. 2014-045402
PROGRAM ATTACHMENT NO. 001
PURCHASE ORDER NO. 0000401293

CONTRACTOR: ELLIS COUNTY

DSHS PROGRAM: Preparedness and Prevention Community Preparedness Section /
Bioterrorism Discre

TERM: 01/01/2014 THRU: 06/30/2014

SECTION I. STATEMENT OF WORK:

A. Contractor will complete the Public Health Emergency Preparedness (PHEP) Emergency Communications and Notifications Project by performing activities for this project that support of the Public Health Emergency Preparedness Cooperative Agreement (Funding Opportunity Number CDC-RFA-TP12-120102CONT13) from the Centers for Disease Control and Prevention (CDC). CDC's new five-year PHEP – Hospital Preparedness Program (HPP) Cooperative Agreement seeks to align PHEP and HPP programs by advancing public health and healthcare preparedness.

B. Dependent of the type of project that the Contractor is performing under this Program Attachment, the Contractor will address the following CDC PHEP Capabilities that are specific to their project.

1. **Capability 1 – Community Preparedness** is the ability of communities to prepare for, withstand, and recover – in both the short and long terms – from public health incidents.
2. **Capability 2 – Community Recovery** is the ability to collaborate with community partners, e.g., healthcare organizations, business, education, and emergency management) to plan and advocate for the rebuilding of public health, medical, and mental/behavioral health systems to at least a level of functioning comparable to pre-incident levels and improved levels where possible.
3. **Capability 3 – Emergency Operations Center Coordination** is ability to direct and support an event or incident with public health or medical implications by establishing a standardized, scalable system of oversight, organization, and supervision consistent with jurisdictional standards and practices with the National Incident Management System.
4. **Capability 4 – Emergency Public Information and Warning** is the ability to develop, coordinate, and disseminate information, alerts, warnings, and notifications to the public and incident management responders.

5. **Capability 5 – Fatality Management** is the ability coordinate with other organizations (e.g., law enforcement, healthcare, emergency management, and medical examiner/coroner) to ensure the proper recovery, handling, identification, transportation, tracking, storage, and disposal of human remains and personal effects; certify cause of death, and facilitate access to mental/behavioral health services to the family members, responders, and survivors of an incident.
6. **Capability 6 – Information Sharing** is the ability to conduct multijurisdictional, multidisciplinary exchange of health-related information and situational awareness data among federal, state, local, territorial, and tribal levels of government, and the private sector. This capability includes the routine sharing of information as well as issuing of public health alerts to federal, state, local, territorial, and tribal levels of government and the private sector in preparation for and in response to events or incidents of public health significance.
7. **Capability 7 – Mass Care** is the ability to coordinate with partner agencies to address the public health, medical, and mental/behavioral health needs of those impacted by an incident at a congregate location. This capability includes the coordination of ongoing surveillance and assessment to ensure that local health needs to continue to be met as the incident evolves.
8. **Capability 8 – Medical Countermeasure Dispensing** is the ability to provide medical countermeasures (including vaccines, antiviral drugs, antibiotics, antitoxin, etc.) in support of treatment or prophylaxis (oral or vaccination) to the identified population in accordance with public health guidelines and/or recommendations.
9. **Capability 9 – Medical Material Management and Distribution** is the ability to acquire, maintain (e.g., cold chain storage or other storage protocol), transport distribute, and track medical material (e.g., pharmaceuticals, gloves, masks, and ventilators) during an incident and to recover and account for unused medical material, as necessary, after an incident.
10. **Capability 10 – Medical Surge** is the ability to provide adequate medical evaluation and care during events that exceed the limits of the normal medical infrastructure of an affected community. It encompasses the ability of the healthcare system to survive a hazard impact and maintain or rapidly recover operations that were compromised.
11. **Capability 11 – Non-Pharmaceutical Interventions** is the ability to recommend to the applicable lead agency (if not public health) and implement, if applicable, strategies for disease, injury, and exposure control. Strategies include the following: isolation and quarantine; restrictions on movement and travel advisory/warnings; social distancing; external decontamination; hygiene; and precautionary behaviors.
12. **Capability 12 – Public Health Laboratory Testing** is the ability to conduct rapid and conventional detection, characterization, confirmatory testing, data reporting,

investigative support, and laboratory networking to address actual or potential exposure to all-hazards. Hazards include chemical, radiological, and biological, and biological agents in multiple matrices that may include clinical samples, food, and environmental samples (e.g., water, air, and soil). This capability supports routine surveillance, including pre-event incident and post-exposure activities.

13. Capability 13 – Public Health Surveillance and Epidemiological Investigations is the ability to create, maintain, support and strengthen routine surveillance and detection systems and epidemiological investigation processes, as well as to expand these systems and processes in response to incidents of public health significance.

14. Capability 14 – Responder Safety and Health describes the ability to protect public health agency staff responding to an incident and the ability to support the health and safety needs of hospital and medical facility personnel, if requested.

15. Capability 15 – Volunteer Management is the ability to coordinate the identification, recruitment, registration, credential verification, training and engagement of volunteers to support the jurisdictional public health agency's response to incidents of public health significance.

C. The Contractor will complete the Emergency Communications and Notifications Project BP2-LHD-73 by purchasing a mass notification communication program that will allow for faster, safer and more cost-effective response in times of a health and safety emergency.

D. If this Contract is for more than one project, then Contractor will request and receive approval to move funds between projects from their assigned contract manager and project manager before these funds can be moved.

E. Contractor will not exceed the total amount of this Contract without DSHS prior approval, which will be evidenced by the Parties executing a written amendment.

F. Contractor will comply with all applicable federal and state laws, rules, and regulations including, but not limited to, the following:

1. Public Law 107-188, Public Health Security and Bioterrorism Preparedness and Response Act of 2002;
2. Public Law 109-417, Pandemic and All Hazards Preparedness Act of 2006; and
3. Texas Health and Safety Code Chapter 81.

G. Contractor will comply with all applicable regulations, standards and guidelines in effect on the beginning date of the Term of this Contract.

H. The Parties have the authority under Texas Government Code Chapter 791 to enter into this Interlocal Cooperation Contract.

I. Texas Government Code § 421.062 provides that since this Contract is for a homeland security service that neither party is responsible for any civil liability that may arise from this Contract.

J. The following documents and resources are incorporated by reference and made a part of this Contract:

1. DSHS and CDC Public Health Emergency Preparedness Cooperative Agreement, Funding Opportunity Number: CDC-RFA-TP12-120102CONT13;
2. Public Health Preparedness Capabilities: National Standards for State and Local Planning, March 2011:
http://www.cdc.gov/phpr/capabilities/DSLRCapabilities_July.pdf;
3. Presidential Policy Directive 8/PPD-8, March 30, 2011:
<http://www.hlswatch.com/wp-content/uploads/2011/04/PPD-8-Preparedness.pdf>;
4. Homeland Security Exercise and Evaluation Plan (HSEEP) Documents:
https://hseep.dhs.gov/pages/1001_HSEEP7.aspx;
5. Ready or Not? Have a Plan; Surviving Disaster: How Texans Prepare (videos):
<http://www.texasprepares.org/survivingdisaster.htm>; and
6. Preparedness Program Guidance(s) as provided by DSHS and CDC.

K. Funds awarded for this Contract must be matched by costs or third party contributions that are not paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching. The non-federal contributions (match) may be provided directly or through donations from public or private entities and may be in cash or in-kind donations, fairly evaluated, including plant, equipment, or services. The costs that the Contractor incurs in fulfilling the matching or cost-sharing requirement are subject to the same requirements, including the cost principles, that are applicable to the use of Federal funds, including prior approval requirements and other rules for allowable costs as described in 45 CFR 74.23 and 45 CFR 92.24.

L. The Contractor is required to provide matching funds for this Program Attachment not less than ten-percent of total costs. Refer to the DSHS Contractor's Financial Procedures Manual, Chapter 9 (<http://www.dshs.state.tx.us/contracts/cfpm.shtm>) for additional guidance on match requirements, including descriptions of acceptable match resources. Documentation of match, including methods and sources must be included in the Contractor's Contract budget and Contractor must follow procedures for generally accepted accounting practices as well as meet audit requirements.

M. In the event of a public health emergency involving a portion of the state, Contractor will mobilize and dispatch staff or equipment purchased with funds from the previous PHEP cooperative agreement and that are not performing critical duties in the jurisdiction served to the affected area of the state upon receipt of a written request from DSHS. This provision is not applicable if the Contractor is a poison control center.

N. Contractor will inform DSHS in writing if Contractor will not continue performance under this Program Attachment within thirty days of receipt of an amended standard(s) or

guideline(s). DSHS may terminate this Contract immediately or within a reasonable period of time as determined by DSHS.

O. If applicable, Contractor will develop, implement and maintain a timekeeping system for accurately documenting staff time and salary expenditures for all staff funded through this Contract, including partial full-time employees and temporary staff.

P. DSHS reserves the right, where allowed by legal authority, to redirect funds in the event of financial shortfalls. DSHS will monitor Contractor's expenditures on a quarterly basis. If expenditures are below that projected in Contractor's total Contract amount, Contractor's budget may be subject to a decrease for the remainder of the Term of the Contract. If applicable, vacant positions existing after ninety days may result in a decrease in funds.

Q. The Contractor will submit:

1. Programmatic reports as directed by DSHS in a format specified by DSHS. Contractor will provide DSHS other reports, including financial reports, and any other reports that DSHS determines necessary to accomplish the objectives of this contract and to monitor compliance;
2. An annual inventory report of equipment purchases from January 1, 2014-June 30, 2014 in a format prescribed by DSHS no later than August 14, 2014;
3. An end-of-year performance report in a format specified by DSHS no later than August 14, 2014; and
4. Reports as requested by DSHS to satisfy information-sharing Requirements set forth in Texas Government Code, Sections 421.071 and 421.072 (b) and (c).

If Contractor is legally prohibited from providing such reports, Contractor will immediately notify DSHS in writing.

R. In the event of a local, state, or federal emergency the Contractor has the authority to utilize approximately five percent of the Contractor's staff's time supporting this Program Attachment for response efforts. DSHS shall reimburse Contractor up to five percent of this Program Attachments funded by Center for Disease Control and Prevention (CDC) for personnel costs responding to an emergency event. Contractor shall maintain records to document the time spent on response efforts for auditing purposes. Allowable activities also include participation of drills and exercises in the pre-event time period. Contractor shall notify the Assigned Contract Manager in writing when this provision is implemented.

S. For the purposes of this Contract, the Contractor may not use funds for fundraising activities, lobbying, research, construction, major renovations and reimbursement of pre-award costs, clinical care, purchase of vehicles of any kind, funding an award to another party or provider who is ineligible, backfilling costs for staff or the purchase of incentive items.

SECTION II. PERFORMANCE MEASURES:

A. Contractor will meet and report performance measures based on milestones that are developed in coordination with DSHS for the Contractor's project as provided in the Section I.

B. Contractor will report the expenditure breakdown and provide an update of progress and activities as outlined in PHEP Discretionary Monthly Project Report. Contractor will submit the PHEP Discretionary Monthly Project Report for each project that is outlined in Section 1, Statement of Work. Each report will be submitted to PHP.VoucherSupport@dshs.state.tx.us and PHEP@dshs.state.tx.us.

The PHEP Discretionary Monthly Project Report is due in accordance to the table below:

January 1-January 31, 2014	February 5, 2014
February 1-February 28, 2014	March 5, 2014
March 1-March 31, 2014	April 7, 2014
April 1-April 30, 2014	May 5, 2014
May 1-May 31, 2014	June 5, 2014
June 1-June 30, 2014	July 7, 2014

Contractor shall provide services in the following counties: **Ellis**

SECTION III. SOLICITATION DOCUMENT:

Exempt - Governmental Entity

SECTION IV. RENEWALS:

DSHS may renew this Contract at DSHS's sole discretion by executing either a written amendment renewing this Contract or entering into a new agreement with the Contractor.

SECTION V. PAYMENT METHOD:

- A.** DSHS will pay the Contractor on a cost reimbursement basis as provided for in the attached Categorical Budget and, if applicable to this project, Equipment List.
- B.** DSHS will make payments for services it receives under this Contract to the Contractor from its current revenues.
- C.** If applicable, the Contractor will liquidate or return unused portions of the working capital advance to the DSHS prior to the end of the contract period of June 30, 2014

SECTION VI. BILLING INSTRUCTIONS:

Contractor will request payment using the State of Texas Purchase Voucher (Form B-13) on a monthly basis and acceptable supporting documentation for reimbursement of the required services/deliverables. Additionally, the Contractor will submit the Financial Status Report (FSR-269A) on a quarterly basis. Vouchers, supporting documentation and the Financial Status Report should be mailed or submitted by fax or email to the addresses/number below.

Claims Processing Unit, MC1940
Texas Department of State Health Services
1100 West 49th Street
PO Box 149347
Austin, TX 78714-9347
Fax: (512) 458-7442
Email: invoices@dshs.state.tx.us

SECTION VII. BUDGET:

SOURCE OF FUNDS: CFDA # 93.069

DUNS NUMBER: 121836055

SECTION VIII. SPECIAL PROVISIONS:

A. Contractor will submit final close-out bill or revisions to previous reimbursement request(s) no later than August 14, 2014, for costs incurred between the services dates of January 1, 2013 and June 30, 2014. No expenditures with service dates from January 1, 2013 to June 30, 2014 will be paid after August 14, 2014 from the Budget Period 2 (BP2) allocation. This Subsection supersedes Section 4.03 of the Fiscal Year 2014 Department of State of Health Services General Provisions (Core/Sub Recipient).

B. As provided for in Section 6 of the Contract, the following Fiscal Year 2014 Department of State of Health Services General Provisions (Core/Sub Recipient) are amended.

1. Section 4.02 (Billing Submission) is modified by adding the following language
“DSHS will monitor Contractor’s billing activity and expenditure reporting on a quarterly basis. Based on these reviews, DSHS may reallocate funding between contracts to maximize use of available funding.”
2. Section 13.15 (Amendment) is modified by adding the following language
“Contractor must submit all amendment and revision requests in writing to the Division Contract Management Unit at least 90 days prior to the end of the term of this Program Attachment.”
3. Section 13.16 (Contractor’s Notification of Change to Certain Contract Provisions) is modified by deleting in its entirety Subsection (d) of this Section.

DEPARTMENT OF STATE HEALTH SERVICES



This contract, number 2014-045402 (Contract), is entered into by and between the Department of State Health Services (DSHS or the Department), an agency of the State of Texas, and ELLIS COUNTY (Contractor), a Government Entity, (collectively, the Parties).

1. **Purpose of the Contract.** DSHS agrees to purchase, and Contractor agrees to provide, services or goods to the eligible populations as described in the Program Attachments.

2. **Total Amount of the Contract and Payment Method(s).** The total amount of this Contract is \$18,798.00, and the payment method(s) shall be as specified in the Program Attachments.

3. **Funding Obligation.** This Contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment to the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, DSHS may restrict, reduce, or terminate funding under this Contract.

4. **Term of the Contract.** This Contract begins on 01/01/2014 and ends on 06/30/2014. DSHS has the option, in its sole discretion, to renew the Contract as provided in each Program Attachment. DSHS is not responsible for payment under this Contract before both parties have signed the Contract or before the start date of the Contract, whichever is later.

5. **Authority.** DSHS enters into this Contract under the authority of Health and Safety Code, Chapter 1001.

6. **Documents Forming Contract.** The Contract consists of the following:

- a. Core Contract (this document)
- b. Program Attachments:

2014-045402-001 Preparedness and Prevention Community Preparedness Section /
Bioterrorism Discre

- c. General Provisions (Sub-recipient)
- d. Solicitation Document(s) (NA)
- e. Contractor's response(s) to the Solicitation Document(s) (NA).
- f. Exhibits (NA)

Any changes made to the Contract, whether by edit or attachment, do not form part of the Contract unless expressly agreed to in writing by DSHS and Contractor and incorporated herein.

7. **Conflicting Terms.** In the event of conflicting terms among the documents forming this Contract, the order of control is first the Core Contract, then the Program Attachment(s), then the General Provisions, then the Solicitation Document, if any, and then Contractor's response to the Solicitation Document, if any.

8. **Payee.** The Parties agree that the following payee is entitled to receive payment for services rendered by Contractor or goods received under this Contract:

Name: ELLIS COUNTY CLERKS OFFICE
Address: PO BOX 250
WAXAHACHIE, TX 75168-0000
Vendor Identification Number: 17560009353032

9. **Entire Agreement.** The Parties acknowledge that this Contract is the entire agreement of the Parties and that there are no agreements or understandings, written or oral, between them with respect to the subject matter of this Contract, other than as set forth in this Contract.

By signing below, the Parties acknowledge that they have read the Contract and agree to its terms, and that the persons whose signatures appear below have the requisite authority to execute this Contract on behalf of the named party.

DEPARTMENT OF STATE HEALTH SERVICES

ELLIS COUNTY

By: _____
Signature of Authorized Official

By: _____
Signature

Date

Date

David Gruber

Printed Name and Title

Assistant Commissioner for Regional and
Local Health Services

Address

1100 WEST 49TH STREET
AUSTIN, TEXAS 78756

City, State, Zip

512.776.7111

Telephone Number

david.gruber@dshs.state.tx.us

E-mail Address for Official Correspondence

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General Provisions
(Core/Subrecipient)**

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ARTICLE I COMPLIANCE AND REPORTING

Section 1.01 **Compliance with Statutes and Rules.** Contractor shall comply, and shall require its subcontractor(s) to comply, with the requirements of the Department's rules of general applicability and other applicable state and federal statutes, regulations, rules, and executive orders, as such statutes, regulations, rules, and executive orders currently exist and as they may be lawfully amended. The Department rules are located in the Texas Administrative Code, Title 25 (Rules). To the extent this Contract imposes a higher standard, or additional requirements beyond those required by applicable statutes, regulations, rules or executive orders, the terms of this Contract will control. Contractor further agrees that, upon notification from DSHS, Contractor shall comply with the terms of any contract provisions DSHS is required to include in its contracts under legislation effective at the time of the effective date of this Contract or during the term of this Contract.

Section 1.02 **Compliance with Requirements of Solicitation Document.** Except as specified in these General Provisions or the Program Attachment(s), Contractor shall comply with the requirements, eligibility conditions, assurances, certifications and program requirements of the Solicitation Document, if any, (including any revised or additional terms agreed to in writing by Contractor and DSHS prior to execution of this Contract) for the duration of this Contract or any subsequent renewals. The Parties agree that the Department has relied upon Contractor's response to the Solicitation Document. The Parties agree that any misrepresentation contained in Contractor's response to the Solicitation Document constitutes a breach of this Contract.

Section 1.03 **Reporting.** Contractor shall submit reports in accordance with the reporting requirements established by the Department and shall provide any other information requested by the Department in the format required by DSHS. Failure to submit any required report or additional requested information by the due date specified in the Program Attachment(s) or upon request constitutes a breach of contract, may result in delayed payment and/or the imposition of sanctions and remedies, and, if appropriate, emergency action; and may adversely affect evaluation of Contractor's future contracting opportunities with the Department.

Section 1.04 **Client Financial Eligibility.** Where applicable, Contractor shall use financial eligibility criteria, financial assessment procedures and standards developed by the Department to determine client eligibility.

Section 1.05 **Applicable Contracts Law and Venue for Disputes.** Regarding all issues related to contract formation, performance, interpretation, and any issues that may arise in any dispute between the Parties, this Contract will be governed by, and construed in accordance with, the laws of the State of Texas. In the event of a dispute between the Parties, venue for any suit will be Travis County, Texas.

Section 1.06 **Applicable Laws and Regulations Regarding Funding Sources.** Where applicable, federal statutes and regulations, including federal grant requirements applicable to funding sources, will apply to this Contract. Contractor agrees to comply with applicable laws, executive orders, regulations and policies, as well as Office of Management and Budget (OMB) Circulars (as codified in Title 2 of the Code of Federal Regulations), the Uniform Grant and Contract Management Act of 1981 (UGMA), Tex. Gov. Code Chapter 783, and Uniform Grant Management Standards (UGMS), as revised by federal circulars and incorporated in UGMS by the Comptroller of Public Accounts, Texas Procurement and Support Services Division. UGMA and UGMS can be located through web links on the DSHS website at <http://www.dshs.state.tx.us/contracts/links.shtm>. Contractor also shall comply with all applicable federal and state assurances contained in UGMS, Part III, State Uniform Administrative Requirements for Grants and Cooperative Agreements §__.14. If applicable, Contractor shall comply with the Federal awarding agency's Common Rule, and the U.S. Health and Human Services Grants Policy Statement, both of which may be

located through web links on the DSHS website at <http://www.dshs.state.tx.us/contracts/links.shtm>. For contracts funded by block grants, Contractor shall comply with Tex. Gov. Code Chapter 2105.

Section 1.07 Statutes and Standards of General Applicability. Contractor is responsible for reviewing and complying with all applicable statutes, rules, regulations, executive orders and policies. To the extent applicable to Contractor, Contractor shall comply with the following:

- a) the following statutes, rules, regulations, and DSHS policy (and any of their subsequent amendments) that collectively prohibit discrimination, exclusion from or limitation of participation in programs, benefits or activities or denial of any aid, care, service or other benefit on the basis of race, color, national origin, limited English proficiency, sex, sexual orientation (where applicable), disabilities, age, substance abuse, political belief or religion: 1) Title VI of the Civil Rights Act of 1964, 42 USC §§ 2000d et seq.; 2) Title IX of the Education Amendments of 1972, 20 USC §§ 1681-1683, and 1685-1686; 3) Section 504 of the Rehabilitation Act of 1973, 29 USC § 794(a); 4) the Americans with Disabilities Act of 1990, 42 USC §§ 12101 et seq.; 5) Age Discrimination Act of 1975, 42 USC §§ 6101-6107; 6) Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, 42 USC § 290dd (b)(1); 7) 45 CFR Parts 80, 84, 86 and 91; 8) U.S. Department of Labor, Equal Employment Opportunity E.O. 11246; 9) Tex. Lab. Code Chapter 21; 10) Food Stamp Act of 1977 (7 USC § 200 et seq.; 11) Executive Order 13279, 45 CFR Part 87 or 7 CFR Part 16 regarding equal treatment and opportunity for religious organizations; 12) Drug Abuse Office and Treatment Act of 1972, 21 USC §§ 1101 et seq., relating to drug abuse; 13) Public Health Service Act of 1912, §§ 523 and 527, 42 USC § 290dd-2, and 42 CFR Part 2, relating to confidentiality of alcohol and drug abuse patient records; 14) Title VIII of the Civil Rights Act of 1968, 42 USC §§ 3601 et seq., relating to nondiscrimination in housing; and 15) DSHS Policy AA-5018, Non-discrimination Policy for DSHS Programs;
- b) Immigration Reform and Control Act of 1986, 8 USC § 1324a, and Immigration Act of 1990, 8 USC 1101 et seq., regarding employment verification; and Illegal Immigration Reform and Immigrant Responsibility Act of 1996;
- c) Pro-Children Act of 1994, 20 USC §§ 6081-6084, and the Pro-Children Act of 2001, 20 USC § 7183, regarding the non-use of all tobacco products;
- d) National Research Service Award Act of 1971, 42 USC §§ 289a-1 et seq., and 6601 (PL 93-348 and PL 103-43), regarding human subjects involved in research;
- e) Hatch Political Activity Act, 5 USC §§ 1501-1508 and 7324-28, which limits the political activity of employees whose employment is funded with federal funds;
- f) Fair Labor Standards Act, 29 USC §§ 201 et seq., and the Intergovernmental Personnel Act of 1970, 42 USC §§ 4701 et seq., as applicable, concerning minimum wage and maximum hours;
- g) Tex. Gov. Code Chapter 469, pertaining to eliminating architectural barriers for persons with disabilities;
- h) Texas Workers' Compensation Act, Tex. Lab. Code Chapters 401-406 and 28 Tex. Admin. Code Part 2, regarding compensation for employees' injuries;
- i) The Clinical Laboratory Improvement Amendments of 1988, 42 USC § 263a, regarding the regulation and certification of clinical laboratories;
- j) The Occupational Safety and Health Administration Regulations on Blood Borne Pathogens, 29 CFR § 1910.1030, or Title 25 Tex. Admin. Code Chapter 96 regarding safety standards for handling blood borne pathogens;
- k) Laboratory Animal Welfare Act of 1966, 7 USC §§ 2131 et seq., pertaining to the treatment of laboratory animals;
- l) environmental standards pursuant to the following: 1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969, 42 USC §§ 4321-4347 and Executive Order 11514 (35 Fed. Reg. 4247), "Protection and Enhancement of Environmental Quality;" 2)

Notification of violating facilities pursuant to Executive Order 11738 (40 CFR Part 32), "Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal Contracts, Grants, or Loans;" 3) Protection of wetlands pursuant to Executive Order 11990, 42 Fed. Reg. 26961; 4) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988, 42 Fed. Reg. 26951 and, if applicable, flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (PL 93-234); 5) Assurance of project consistency with the approved State Management program developed under the Coastal Zone Management Act of 1972, 16 USC §§ 1451 et seq.; 6) Federal Water Pollution Control Act, 33 USC §1251 et seq.; 7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, 42 USC §§ 300f-300j; 8) Protection of endangered species under the Endangered Species Act of 1973, 16 USC §§ 1531 et seq.; 9) Conformity of federal actions to state clean air implementation plans under the Clean Air Act of 1955, 42 USC §§7401 et seq.; 10) Wild and Scenic Rivers Act of 1968 (16 USC §§ 1271 et seq.) related to protecting certain rivers system; and 11) Lead-Based Paint Poisoning Prevention Act (42 USC §§ 4801 et seq.) prohibiting the use of lead-based paint in residential construction or rehabilitation;

- m) Intergovernmental Personnel Act of 1970 (42 USC §§4278-4763) regarding personnel merit systems for programs specified in Appendix A of the federal Office of Program Management's Standards for a Merit System of Personnel Administration (5 CFR Part 900, Subpart F);
- n) Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646), relating to fair treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs;
- o) Davis-Bacon Act (40 USC §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 USC § 874), and the Contract Work Hours and Safety Standards Act (40 USC §§ 327-333), regarding labor standards for federally-assisted construction subagreements;
- p) National Historic Preservation Act of 1966, §106 (16 USC § 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1974 (16 USC §§ 469a-1 et seq.) regarding historic property to the extent necessary to assist DSHS in complying with the Acts;
- q) financial and compliance audits in accordance with Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations;"
- r) Trafficking Victims Protection Act of 2000, Section 106(g) (22 USC § 7104);
- s) Executive Order, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, if required by a federal funding source of the Contract; and
- t) requirements of any other applicable state and federal statutes, executive orders, regulations, rules and policies.

If this Contract is funded by a federal grant or cooperative agreement, additional state or federal requirements found in the Notice of Grant Award are imposed on Contractor and incorporated herein by reference. Contractor may obtain a copy of any applicable Notice of Grant Award from the contract manager assigned to the Program Attachment.

Section 1.08 Applicability of General Provisions to Interagency and Interlocal Contracts. Certain sections or portions of sections of these General Provisions will not apply to Contractors that are State agencies or units of local government; and certain additional provisions will apply to such Contractors.

- a) The following sections or portions of sections of these General Provisions will not apply to interagency or interlocal contracts:
 - 1) Hold Harmless and Indemnification, Section 13.19;
 - 2) Independent Contractor, Section 12.15 (delete the third sentence in its entirety; delete the word "employees" in the fourth sentence; the remainder of the section applies);
 - 3) Insurance, Section 12.03;
 - 4) Liability Coverage, Section 12.05;
 - 5) Fidelity Bond, Section 12.04;

- 6) Historically Underutilized Businesses, Section 12.10 (Contractor, however, shall comply with HUB requirements of other statutes and rules specifically applicable to that entity);
 - 7) Debt to State and Corporate Status, Section 3.01;
 - 8) Application of Payment Due, Section 3.02; and
 - 9) Article XV Claims against the Department (This Article is inapplicable to interagency contracts only).
- b) The following additional provisions will apply to interagency contracts:
 - 1) This Contract is entered into pursuant to the authority granted and in compliance with the provisions of the Interagency Cooperation Act, Tex. Gov. Code Chapter 771;
 - 2) The Parties hereby certify that (1) the services specified are necessary and essential for the activities that are properly within the statutory functions and programs of the affected agencies of State government; (2) the proposed arrangements serve the interest of efficient and economical administration of the State government; and (3) the services, supplies or materials contracted for are not required by Section 21 of Article 16 of the Constitution of the State of Texas to be supplied under contract given to the lowest responsible bidder; and
 - 3) DSHS certifies that it has the authority to enter into this Contract granted in Tex. Health & Safety Code Chapter 1001, and Contractor certifies that it has specific statutory authority to enter into and perform this Contract.
 - c) The following additional provisions will apply to interlocal contracts:
 - 1) This Contract is entered into pursuant to the authority granted and in compliance with the provisions of the Interlocal Cooperation Act, Tex. Gov. Code Chapter 791;
 - 2) Payments made by DSHS to Contractor will be from current revenues available to DSHS; and
 - 3) Each Party represents that it has been authorized to enter into this Contract.
 - d) Contractor agrees that Contract Revision Requests (pursuant to the Contractor's Request for Revision to Certain Contract Provisions section), when signed by a duly authorized representative of Contractor, will be effective as of the effective date specified by the Department, whether that date is prior to or after the date of any ratification by Contractor's governing body.

Section 1.09 Civil Rights Policies and Complaints. Upon request, Contactor shall provide the Health and Human Services Commission (HHSC) Civil Rights Office with copies of all Contractor's civil rights policies and procedures. Contractor shall notify HHSC's Office of Civil Rights of any civil rights complaints received relating to performance under this Contract no more than ten (10) calendar days after Contractor's receipt of the claim. Notice must be directed to –

Civil Rights Office
 Health and Human Services Commission
 701 W. 51st St., Mail Code W206
 Austin, Texas 78751
 (888) 388-6332 or (512) 438-4313
 TTY Toll-free (877) 432-7232
 HHSCivilRightsOffice@hhsc.state.tx.us

Section 1.10 Licenses, Certifications, Permits, Registrations and Approvals. Contractor shall obtain and maintain all applicable licenses, certifications, permits, registrations and approvals to conduct its business and to perform the services under this Contract. Failure to obtain or any revocation, surrender, expiration, non-renewal, inactivation or suspension of any such license, certification, permit, registration or approval constitutes grounds for termination of this Contract or other remedies the Department deems appropriate. Contractor shall ensure that all its employees, staff and volunteers obtain and maintain in active status all licenses, certifications, permits, registrations and approvals required to perform their duties under this Contract

and shall prohibit any person who does not hold a current, active required license, certification, permit, registration or approval from performing services under this Contract.

Section 1.11 **Funding Obligation.** This Contract is contingent upon the availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment of the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, DSHS may restrict, reduce or terminate funding under this Contract. Notice of any restriction or reduction will include instructions and detailed information on how DSHS will fund the services and/or goods to be procured with the restricted or reduced funds.

ARTICLE II SERVICES

Section 2.01 **Education to Persons in Residential Facilities.** If applicable, Contractor shall ensure that all persons, who are housed in Department-licensed and/or -funded residential facilities and who are twenty-two (22) years of age or younger, have access to educational services as required by Tex. Educ. Code § 29.012. Contractor shall notify the local education agency or local early intervention program as prescribed by Tex. Educ. Code § 29.012 not later than the third calendar day after the date a person who is twenty-two (22) years of age or younger is placed in Contractor's residential facility.

Section 2.02 **Disaster Services.** In the event of a local, state, or federal emergency, including natural, man-made, criminal, terrorist, and/or bioterrorism events, declared as a state disaster by the Governor, or as a federal disaster by the appropriate federal official, Contractor may be called upon to assist DSHS in providing services, as appropriate, in the following areas: community evacuation; health and medical assistance; assessment of health and medical needs; health surveillance; medical care personnel; health and medical equipment and supplies; patient evacuation; in-hospital care and hospital facility status; food, drug, and medical device safety; worker health and safety; mental health and substance abuse; public health information; vector control and veterinary services; and victim identification and mortuary services. Contractor shall carry out disaster services in the manner most responsive to the needs of the emergency, be cost-effective, and be least intrusive on Contractor's primary services.

Section 2.03 **Consent to Medical Care of a Minor.** If Contractor provides medical, dental, psychological or surgical treatment to a minor under this Contract, either directly or through contracts with subcontractors, Contractor shall not provide treatment of a minor unless informed consent to treatment is obtained pursuant to Tex. Fam. Code Chapter 32, relating to consent to treatment of a child by a non-parent or child or pursuant to other state law. If requirements of federal law relating to consent directly conflict with Tex. Fam. Code Chapter 32, federal law supersedes state law.

Section 2.04 **Telemedicine Medical Services.** Contractor shall ensure that if Contractor or its subcontractor uses telemedicine/telepsychiatry that the services are implemented in accordance with written procedures and using a protocol approved by Contractor's medical director and using equipment that complies with the equipment standards as required by the Department. Procedures for providing telemedicine service must include the following requirements:

- a) clinical oversight by Contractor's medical director or designated physician responsible for medical leadership;
- b) contraindication considerations for telemedicine use;
- c) qualified staff members to ensure the safety of the individual being served by telemedicine at the remote site;
- d) safeguards to ensure confidentiality and privacy in accordance with state and federal laws;
- e) use by credentialed licensed providers providing clinical care within the scope of their licenses;

- f) demonstrated competency in the operations of the system by all staff members who are involved in the operation of the system and provision of the services prior to initiating the protocol;
- g) priority in scheduling the system for clinical care of individuals;
- h) quality oversight and monitoring of satisfaction of the individuals served; and
- i) management of information and documentation for telemedicine services that ensures timely access to accurate information between the two sites.

Telemedicine Medical Services does not include chemical dependency treatment services provided by electronic means under Rule § 448.911.

Section 2.05 Fees for Personal Health Services. Contractor may develop a system and schedule of fees for personal health services in accordance with the provisions of Tex. Health & Safety Code § 12.032, DSHS Rule §1.91 covering Fees for Personal Health Services, and other applicable laws or grant requirements. The amount of a fee must not exceed the actual cost of providing the services. No client may be denied a service due to inability to pay. Any charges assessed to individuals for screenings must be accounted for as Program Income in accordance with the DSHS Contractor's Financial Procedure Manual. The Contractor shall not charge for screening if an individual becomes a DSHS client.

Section 2.06 Cost Effective Purchasing of Medications. If medications are funded under this Contract, Contractor shall make needed medications available to clients at the lowest possible prices and use the most cost effective medications purchasing arrangement possible.

Section 2.07 Services and Information for Persons with Limited English Proficiency. 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. 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. Contractor shall make every effort to avoid use of any persons under the age of eighteen (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.

ARTICLE III FUNDING

Section 3.01 Debt to State and Corporate Status. Pursuant to Tex. Gov. Code § 403.055, the Department will not approve and the State Comptroller will not issue payment to Contractor if Contractor is indebted to the State for any reason, including a tax delinquency. Contractor, if a corporation, certifies by execution of this Contract that it is current and will remain current in its payment of franchise taxes to the State of Texas or that it is exempt from payment of franchise taxes under Texas law (Tex. Tax Code §§ 171.001 et seq.). Contractor, if a corporation, further certifies that it is and will remain in good standing with the Secretary of State's office. A false statement regarding franchise tax or corporate status is a material breach of this Contract. If franchise tax payments become delinquent during the Contract term, all or part of the payments under this Contract may be withheld until Contractor's delinquent franchise tax is paid in full.

Section 3.02 Application of Payment Due. Contractor agrees that any payments due under this Contract will be applied towards any debt of Contractor, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

Section 3.03 **Use of Funds.** Contractor shall expend Department funds only for the provision of approved services and for reasonable and allowable expenses directly related to those services.

Section 3.04 **Use for Match Prohibited.** Contractor shall not use funds provided through this Contract for matching purposes in securing other funding unless directed or approved by the Department in writing.

Section 3.05 **Program Income.** Gross income directly generated from Department funds through a project or activity performed under a Program Attachment and/or earned only as a result of a Program Attachment during the term of the Program Attachment are considered program income. Unless otherwise required under the terms of the grant funding this Contract, Contractor shall use the addition alternative, as provided in UGMS § __.25(g)(2), for the use of program income to further the program objectives of the state or federal statute under which the Program Attachment was made, and Contractor shall spend the program income on the same Program Attachment project in which it was generated. Contractor shall identify and report this income in accordance with the Compliance and Reporting Article of these General Provisions, the Contractor's Financial Procedures Manual located at <http://www.dshs.state.tx.us/contracts/cfpm.shtm> and the provisions of the Program Attachment(s). Contractor shall expend program income during the Program Attachment term and may not carry forward to any succeeding term. Contractor shall refund program income not expended in the term in which it is earned to DSHS. DSHS may base future funding levels, in part, upon Contractor's proficiency in identifying, billing, collecting, and reporting program income, and in using it for the purposes and under the conditions specified in this Contract.

Section 3.06 **Nonsupplanting.** Contractor shall not supplant (i.e., use funds from this Contract to replace or substitute existing funding from other sources that also supports the activities that are the subject of this Contract) but rather shall use funds from this Contract to supplement existing state or local funds currently available for a particular activity. Contractor shall make a good faith effort to maintain its current level of support. Contractor may be required to submit documentation substantiating that a reduction in state or local funding, if any, resulted for reasons other than receipt or expected receipt of funding under this Contract.

ARTICLE IV PAYMENT METHODS AND RESTRICTIONS

Section 4.01 **Payment Methods.** Except as otherwise provided by the provisions of the Program Attachment(s), the payment method for each Program Attachment will be one of the following methods:

- a) cost reimbursement. This payment method is based on an approved budget in the Program Attachment(s) and acceptable submission of a request for reimbursement; or
- b) unit rate/fee-for-service. This payment method is based on a fixed price or a specified rate(s) or fee(s) for delivery of a specified unit(s) of service, as stated in the Program Attachment(s) and acceptable submission of all required documentation, forms and/or reports.

Section 4.02 **Billing Submission.** Contractors shall bill the Department in accordance with the Program Attachment(s) in the form and format prescribed by DSHS. Unless otherwise specified in the Program Attachment(s) or permitted under the Third Party Payors section of this Article, Contractor shall submit requests for reimbursement or payment monthly by the last business day of the month following the end of the month covered by the bill. Contractor shall maintain all documentation that substantiates billing submissions and make the documentation available to DSHS upon request.

Section 4.03 **Final Billing Submission.** Unless otherwise provided by the Department, Contractor shall submit a reimbursement or payment request as a final close-out bill not later than sixty (60) calendar days following the end of the term of the Program Attachment for goods received and services rendered during the term. If necessary to meet this deadline, Contractor may submit reimbursement or payment requests by facsimile transmission. Reimbursement or payment requests received in DSHS's offices more than sixty (60)

calendar days following the end of the applicable term will not be paid. Consideration of requests for an exception will be made on a case-by-case basis, subject to the availability of funding, and only for an extenuating circumstance, such as a catastrophic event, natural disaster, or criminal activity that substantially interferes with normal business operations or causes damage or destruction of a place of business and/or records. A written statement describing the extenuating circumstance and the last request for reimbursement must be submitted for review and approval to the DSHS Accounting Section.

Section 4.04 Working Capital Advance. If allowed under this Contract, a single one-time working capital advance per term of the Program Attachment may be granted at the Department's discretion. Contractor must submit documentation to the contract manager assigned to the Program Attachment to justify the need for a working capital advance. Contractor shall liquidate the working capital advance as directed by the Department. The requirements for the documentation justifying the need for an advance and the directions for liquidating the advance are found in the Contractor's Financial Procedures Manual located at <http://www.dshs.state.tx.us/contracts/cfpm.shtm>.

Section 4.05 Third Party Payors. A third party payor is any person or entity who has the legal responsibility for paying for all or part of the services provided. Third party payors include, but are not limited to, commercial health or liability insurance carriers, Medicaid, or other federal, state, local, and private funding sources. Except as provided in this Contract, Contractor shall screen all clients and shall not bill the Department for services eligible for reimbursement from third party payors. Contractor shall (a) enroll as a provider in Children's Health Insurance Program and Medicaid if providing approved services authorized under this Contract that may be covered by those programs, and bill those programs for the covered services; (b) provide assistance to individuals to enroll in such programs when the screening process indicates possible eligibility for such programs; (c) allow clients who are otherwise eligible for Department services, but cannot pay a deductible required by a third party payor, to receive services up to the amount of the deductible and to bill the Department for the deductible; (d) not bill the Department for any services eligible for third party reimbursement until all appeals to third party payors have been exhausted, in which case the thirty (30)-day requirement in the Billing Submission section will be extended until all such appeals have been exhausted; (e) maintain appropriate documentation from the third party payor reflecting attempts to obtain reimbursement; (f) bill all third party payors for services provided under this Contract before submitting any request for reimbursement to Department; and (g) provide third party billing functions at no cost to the client.

ARTICLE V TERMS AND CONDITIONS OF PAYMENT

Section 5.01 Prompt Payment. Upon receipt of a timely, undisputed invoice pursuant to this Contract, Department will pay Contractor. Payments and reimbursements are contingent upon a signed Contract and will not exceed the total amount of authorized funds under this Contract. Contractor is entitled to payment or reimbursement only if the service, work, and/or product has been authorized by the Department and performed or provided pursuant to this Contract. If those conditions are met, Department will make payment in accordance with the Texas prompt payment law (Tex. Gov. Code Chapter 2251). Contractor shall comply with Tex. Gov. Code Chapter 2251 regarding its prompt payment obligations to subcontractors. Payment of invoices by the Department will not constitute acceptance or approval of Contractor's performance, and all invoices and Contractor's performance are subject to audit or review by the Department.

Section 5.02 Withholding Payments. Department may withhold all or part of any payments to Contractor to offset reimbursement for any ineligible expenditures, disallowed costs, or overpayments that Contractor has not refunded to Department, or if financial status report(s) required by the Department are not submitted by the date(s) due. Department may take repayment (recoup) from funds available under this Contract in amounts necessary to fulfill Contractor's repayment obligations.

Section 5.03 **Condition Precedent to Requesting Payment.** Contractor shall disburse program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting cash payments including any advance payments from Department.

Section 5.04 **Acceptance as Payment in Full.** Except as permitted in the Fees for Personal Health Services section of the Services Article of these General Provisions or under 25 Tex. Admin. Code § 444.413, Contractor shall accept reimbursement or payment from DSHS as payment in full for services or goods provided to clients or participants, and Contractor shall not seek additional reimbursement or payment for services or goods from clients or participants or charge a fee or make a profit with respect to the Contract. A fee or profit is considered to be an amount in excess of actual allowable costs that are incurred in conducting an assistance program.

ARTICLE VI ALLOWABLE COSTS AND AUDIT REQUIREMENTS

Section 6.01 **Allowable Costs.** For services satisfactorily performed, and sufficiently documented, pursuant to this Contract, DSHS will reimburse Contractor for allowable costs. Contractor must have incurred a cost prior to claiming reimbursement and within the applicable term to be eligible for reimbursement under this Contract. DSHS will determine whether costs submitted by Contractor are allowable and eligible for reimbursement. If DSHS has paid funds to Contractor for unallowable or ineligible costs, DSHS will notify Contractor in writing, and Contractor shall return the funds to DSHS within thirty (30) calendar days of the date of this written notice. DSHS may withhold all or part of any payments to Contractor to offset reimbursement for any unallowable or ineligible expenditures that Contractor has not refunded to DSHS, or if financial status report(s) required under the Financial Status Reports section are not submitted by the due date(s). DSHS may take repayment (recoup) from funds available under this Contract in amounts necessary to fulfill Contractor’s repayment obligations. Applicable cost principles, audit requirements, and administrative requirements include-

Applicable Entity	Applicable Cost Principles	Audit Requirements	Administrative Requirements
State, Local and Tribal Governments	OMB Circular A-87 (2 CFR, Part 225)	OMB Circular A-133 and UGMS	UGMS, OMB Circular A-102, and applicable Federal awarding agency common rule
Educational Institutions	OMB Circular A-21 (2 CFR, Part 220)	OMB Circular A-133	OMB Circular A-110 (2 CFR, Part 215) and applicable Federal awarding agency common rule; and UGMS, as applicable
Non-Profit Organizations	OMB Circular A-122 (2 CFR, Part 230)	OMB Circular A-133 and UGMS	UGMS; OMB Circular A-110 (2 CFR, Part 215) and applicable Federal awarding agency common rule
For-profit Organization other than a hospital and an organization named in OMB Circular A-122 (2 CFR Part, 230) as not subject to that circular.	48 CFR Part 31, Contract Cost Principles Procedures, or uniform cost accounting standards	OMB Circular A-133 and UGMS	UGMS and applicable Federal awarding agency common rule

	that comply with cost principles acceptable to the federal or state awarding agency		
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A chart of applicable Federal awarding agency common rules is located through a weblink on the DSHS website at <http://www.dshs.state.tx.us/contracts/links.shtm>. OMB Circulars will be applied with the modifications prescribed by UGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

Section 6.02 Independent Single or Program-Specific Audit. If Contractor within Contractor’s fiscal year expends a total amount of at least \$500,000 in federal funds awarded, Contractor shall have a single audit or program-specific audit in accordance with the Office of Management and Budget (OMB) Circ. No. A-133, the Single Audit Act of 1984, P L 98-502, 98 Stat. 2327, and the Single Audit Act Amendments of 1996, P L 104-156, 110 Stat. 1396. The \$500,000 federal threshold amount includes federal funds passed through by way of state agency awards. If Contractor within Contractor’s fiscal year expends a total amount of at least \$500,000 in state funds awarded, Contractor must have a single audit or program-specific audit in accordance with UGMS, State of Texas Single Audit Circular. For-profit Contractors whose expenditures meet or exceed the federal and/or state expenditure thresholds stated above shall follow the guidelines in OMB Circular A-133 or UGMS, as applicable, for their program-specific audits. The HHSC Office of Inspector General (OIG) will notify Contractor to complete the Single Audit Status Registration Form. If Contractor fails to complete the Single Audit Status Form within thirty (30) calendar days after notification by OIG to do so, Contractor shall be subject to DSHS sanctions and remedies for non-compliance with this Contract. The audit must be conducted by an independent certified public accountant and in accordance with applicable OMB Circulars, Government Auditing Standards, and UGMS, which is accessible through a web link on the DSHS website at <http://www.dshs.state.tx.us/contracts/links.shtm>. Contractor shall procure audit services in compliance with this section, state procurement procedures, as well as with the provisions of UGMS. Contractor, unless Contractor is a state governmental entity, shall competitively re-procure independent single audit services at least every six (6) years.

Section 6.03 Submission of Audit. Within thirty (30) calendar days of receipt of the audit reports required by the Independent Single or Program-Specific Audit section, Contractor shall submit one copy to the Department’s Contract Oversight and Support Section, and one copy to the OIG, at the following addresses:

Department of State Health Services
Contract Oversight and Support, Mail Code 1326
P.O. Box 149347
Austin, Texas 78714-9347

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

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

ARTICLE VII CONFIDENTIALITY

Section 7.01 Maintenance of Confidentiality. Contractor must maintain the privacy and confidentiality of information and records received during or related to the performance of this Contract, including patient and

client records that contain protected health information (PHI), and any other information that discloses confidential personal information or identifies any client served by DSHS, in accordance with applicable federal and state laws, rules and regulations, including but not limited to 7 CFR Part 246; 42 CFR Part 2; 45 CFR Parts 160 and 164 (Health Insurance Portability and Accountability Act [HIPAA]); Tex. Health & Safety Code Chapters 12, 47, 81, 82, 85, 88, 92, 161, 181, 241, 245, 251, 534, 576, 577, 596, 611, and 773; and Tex. Occ. Code Chapters 56 and 159 and all applicable rules and regulations.

Section 7.02 Department Access to PHI and Other Confidential Information. Contractor shall cooperate with Department to allow Department to request, collect and receive PHI and other confidential information under this Contract, without the consent of the individual to whom the PHI relates, for funding, payment and administration of the grant program, and for purposes permitted under applicable state and federal confidentiality and privacy laws.

Section 7.03 Exchange of Client-Identifying Information. Except as prohibited by other law, Contractor and DSHS shall exchange PHI without the consent of clients in accordance with 45 CFR § 164.504(e)(3)(i)(B), Tex. Health & Safety Code § 533.009 and Rule Chapter 414, Subchapter A or other applicable laws or rules. Contractor shall disclose information described in Tex. Health & Safety Code § 614.017(a)(2) relating to special needs offenders, to an agency described in Tex. Health & Safety Code § 614.017(c) upon request of that agency, unless Contractor documents that the information is not allowed to be disclosed under 45 CFR Part 164 or other applicable law.

Section 7.04 Security of Patient or Client Records. Contractor shall maintain patient and client records in compliance with state and federal law relating to security and retention of medical or mental health and substance abuse patient and client records. Department may require Contractor to transfer original or copies of patient and client records to Department, without the consent or authorization of the patient or client, upon termination of this Contract or a Program Attachment to this Contract, as applicable, or if the care and treatment of the individual patient or client is transferred to another entity. Prior to providing services funded under this Contract to a patient or client, Contractor shall attempt to obtain consent from the patient or client to transfer copies of patient or client records to another entity funded by DSHS upon termination of this Contract or a Program Attachment to this Contract, as applicable, or if care or treatment is transferred to another DSHS-funded contractor.

Section 7.05 HIV/AIDS Model Workplace Guidelines. If providing direct client care, services, or programs, Contractor shall implement Department's policies based on the HIV/AIDS (human immunodeficiency virus/acquired immunodeficiency syndrome) Model Workplace Guidelines for Businesses, State Agencies, and State Contractors, Policy No. 090.021, and Contractor shall educate employees and clients concerning HIV and its related conditions, including AIDS, in accordance with the Tex. Health & Safety Code § 85.112-114. A link to the Model Workplace Guidelines can be found at <http://www.dshs.state.tx.us/hivstd/policy/policies.shtm>.

ARTICLE VIII RECORDS RETENTION

Section 8.01 Retention. Contractor shall retain records in accordance with applicable state and federal statutes, rules and regulations. At a minimum, Contractor shall retain and preserve all other records, including financial records that are generated or collected by Contractor under the provisions of this Contract, for a period of four (4) years after the termination of this Contract. If services are funded through Medicaid, the federal retention period, if more than four (4) years, will apply. Contractor shall retain all records pertaining to this Contract that are the subject of litigation or an audit until the litigation has ended or all questions pertaining to the audit are resolved. Legal requirements for Contractor may extend beyond the retention schedules established in this section. Contractor shall retain medical records in accordance with Tex. Admin.

Code Title 22, Part 9, § 165.1(b) and (c) or other applicable statutes, rules and regulations governing medical information. Contractor shall include this provision concerning records retention in any subcontract it awards. If Contractor ceases business operations, it shall ensure that records relating to this Contract are securely stored and are accessible by the Department upon Department's request for at least four (4) years from the date Contractor ceases business or from the date this Contract terminates, whichever is sooner. Contractor shall provide, and update as necessary, the name and address of the party responsible for storage of records to the contract manager assigned to the Program Attachment.

ARTICLE IX ACCESS AND INSPECTION

Section 9.01 Access. In addition to any right of access arising by operation of law, Contractor, and any of Contractor's affiliate or subsidiary organizations or subcontractors shall permit the Department or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, including the Comptroller General of the United States, OIG, and the State Auditor's Office (SAO), unrestricted access to and the right to examine any site where business is conducted or client services are performed, and all records (including financial records, client and patient records, if any, and Contractor's personnel records and governing body personnel records), books, papers or documents related to this Contract; and the right to interview members of Contractor's governing body, staff, volunteers, participants and clients concerning the Contract, Contractor's business and client services. If deemed necessary by the Department or the OIG, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract. The Department and HHSC will have the right to audit billings both before and after payment, and all documentation that substantiates the billings. Payments will not foreclose the right of Department and HHSC to recover excessive or illegal payments. Contractor shall make available to the Department information collected, assembled or maintained by Contractor relative to this Contract for the Department to respond to requests that it receives under the Public Information Act. Contractor shall include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any subcontract it awards.

Section 9.02 State Auditor's Office. Contractor shall, upon request, make all records, books, papers, documents, or recordings related to this Contract available for inspection, audit, or reproduction during normal business hours to any authorized representative of the SAO. Contractor understands that the acceptance of funds under this Contract acts as acceptance of the authority of the SAO, or any successor agency, to conduct an audit or investigation in connection with those funds. Contractor shall cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested, and providing access to any information the SAO considers relevant to the investigation or audit. The SAO's authority to audit funds will apply to Contract funds disbursed by Contractor to its subcontractors, and Contractor shall include this provision concerning the SAO's authority to audit and the requirement to cooperate, in any subcontract Contractor awards.

Section 9.03 Responding to Deficiencies. Any deficiencies identified by DSHS or HHSC upon examination of Contractor's records or during an inspection of Contractor's site(s) will be conveyed in writing to Contractor. Contractor shall submit, by the date prescribed by DSHS, a resolution to the deficiency identified in a site inspection, program or management review or financial audit to the satisfaction of DSHS or, if directed by DSHS, a corrective action plan to resolve the deficiency. A DSHS or HHSC determination of either an inadequate or inappropriate resolution of the findings may result in contract remedies or sanctions under the Breach of Contract and Remedies for Non-Compliance Article of these General Provisions.

ARTICLE X NOTICE REQUIREMENTS

Section 10.01 Child Abuse Reporting Requirement. This section applies to mental health and substance abuse contractors and contractors for the following public health programs: Human Immunodeficiency Virus/Sexually Transmitted Diseases (HIV/STD); Family Planning (Titles V, X and XX); Primary Health Care; Maternal and Child Health; and Women, Infants and Children (WIC) Nutrition Services. Contractor shall make a good faith effort to comply with child abuse reporting guidelines and requirements in Tex. Fam. Code Chapter 261 relating to investigations of reports of child abuse and neglect. Contractor shall develop, implement and enforce a written policy that includes at a minimum the Department's Child Abuse Screening, Documenting, and Reporting Policy for Contractors/Providers and train all staff on reporting requirements. Contractor shall use the DSHS Child Abuse Reporting Form as required by the Department located at www.dshs.state.tx.us/childabusereporting. Contractor shall retain reporting documentation on site and make it available for inspection by DSHS.

Section 10.02 Significant Incidents. In addition to notifying the appropriate authorities, Contractor shall report to the contract manager assigned to the Program Attachment significant incidents involving substantial disruption of Contractor's program operation, or affecting or potentially affecting the health, safety or welfare of Department-funded clients or participants within seventy-two (72) hours of discovery.

Section 10.03 Litigation. Contractor shall notify the contract manager assigned to the Program Attachment of litigation related to or affecting this Contract and to which Contractor is a party within seven (7) calendar days of becoming aware of such a proceeding. This includes, but is not limited to an action, suit or proceeding before any court or governmental body, including environmental and civil rights matters, professional liability, and employee litigation. Notification must include the names of the parties, nature of the litigation and remedy sought, including amount of damages, if any.

Section 10.04 Action Against the Contractor. Contractor shall notify the contract manager assigned to the Program Attachment if Contractor has had a contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within three (3) working days of the suspension or termination. Such notification must include the reason for such action; the name and contact information of the local, state or federal department or agency or entity; the date of the contract; and the contract or case reference number. If Contractor, as an organization, has surrendered its license or has had its license suspended or revoked by any local, state or federal department or agency or non-profit entity, it shall disclose this information within three (3) working days of the surrender, suspension or revocation to the contract manager assigned to the Program Attachment by submitting a one-page description that includes the reason(s) for such action; the name and contact information of the local, state or federal department or agency or entity; the date of the license action; and a license or case reference number.

Section 10.05 Insolvency. Contractor shall notify in writing the contract manager assigned to the Program Attachment of Contractor's insolvency, incapacity, or outstanding unpaid obligations to the Internal Revenue Service (IRS) or Texas Workforce Commission (TWC) within three (3) working days of the date of determination that Contractor is insolvent or incapacitated, or the date Contractor discovered an unpaid obligation to the IRS or TWC. Contractor shall notify in writing the contract manager assigned to the Program Attachment of its plan to seek bankruptcy protection within three (3) working days of such action by Contractor's governing body.

Section 10.06 Misuse of Funds and Performance Malfeasance. Contractor shall report to the contract manager assigned to the Program Attachment, any knowledge of debarment, suspected fraud, program abuse, possible illegal expenditures, unlawful activity, or violation of financial laws, rules, policies, and procedures

related to performance under this Contract. Contractor shall make such report no later than three (3) working days from the date that Contractor has knowledge or reason to believe such activity has taken place. Additionally, if this Contract is federally funded by the Department of Health and Human Services (HHS), Contractor shall report any credible evidence that a principal, employee, subcontractor or agent of Contractor, or any other person, has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Contractor shall make this report to the SAO at <http://sao.fraud.state.tx.us>, and to the HHS Office of Inspector General at <http://www.oig.hhs.gov/fraud/hotline/> no later than three (3) working days from the date that Contractor has knowledge or reason to believe such activity has taken place.

Section 10.07 Criminal Activity and Disciplinary Action. Contractor affirms that no person who has an ownership or controlling interest in the organization or who is an agent or managing employee of the organization has been placed on community supervision, received deferred adjudication, is presently indicted for or has been convicted of a criminal offense related to any financial matter, federal or state program or felony sex crime. Contractor shall notify in writing the contract manager assigned to the Program Attachment if it has reason to believe Contractor, or a person with ownership or controlling interest in the organization or who is an agent or managing employee of the organization, an employee or volunteer of Contractor, or a subcontractor providing services under this Contract has engaged in any activity that would constitute a criminal offense equal to or greater than a Class A misdemeanor or if such activity would reasonably constitute grounds for disciplinary action by a state or federal regulatory authority, or has been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime. Contractor shall make the reports required by this section no later than three (3) working days from the date that Contractor has knowledge or reason to believe such activity has taken place. Contractor shall not permit any person who engaged, or was alleged to have engaged, in an activity subject to reporting under this section to perform direct client services or have direct contact with clients, unless otherwise directed by DSHS.

Section 10.08 Retaliation Prohibited. Contractor shall not retaliate against any person who reports a violation of, or cooperates with an investigation regarding, any applicable law, rule, regulation or standard to the Department, another state agency, or any federal, state or local law enforcement official.

Section 10.09 Documentation. Contractor shall maintain appropriate documentation of all notices required under these General Provisions.

ARTICLE XI ASSURANCES AND CERTIFICATIONS

Section 11.01 Certification. Contractor certifies by execution of this Contract to the following:

- a) it is not disqualified under 2 CFR §376.935 or ineligible for participation in federal or state assistance programs;
- b) neither it, nor its principals, are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal or state department or agency in accordance with 2 CFR Parts 376 and 180 (parts A-I), 45 CFR Part 76 (or comparable federal regulations);
- c) it has not knowingly failed to pay a single substantial debt or a number of outstanding debts to a federal or state agency;
- d) it is not subject to an outstanding judgment in a suit against Contractor for collection of the balance of a debt;
- e) it is in good standing with all state and/or federal agencies that have a contracting or regulatory relationship with Contractor;

- f) that no person who has an ownership or controlling interest in Contractor or who is an agent or managing employee of Contractor has been convicted of a criminal offense related to involvement in any program established under Medicare, Medicaid, or a federal block grant;
- g) neither it, nor its principals have within the three(3)-year period preceding this Contract, has been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a private or public (federal, state or local) transaction or contract under a private or public transaction, violation of federal or state antitrust statutes (including those proscribing price-fixing between competitors, allocation of customers between competitors and bid-rigging), or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or false claims, tax evasion, obstruction of justice, receiving stolen property or any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of Contractor or its principals;
- h) neither it, nor its principals is presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with the commission of any of the offenses enumerated in subsection g) of this section; and
- i) neither it, nor its principals within a three(3)-year period preceding this Contract has had one or more public transaction (federal, state or local) terminated for cause or default.

Contractor shall include the certifications in this Article, without modification (except as required to make applicable to the subcontractor), in all subcontracts and solicitations for subcontracts. Where Contractor is unable to certify to any of the statements in this Article, Contractor shall submit an explanation to the contract manager assigned to the Program Attachment. If Contractor's status with respect to the items certified in this Article changes during the term of this Contract, Contractor shall immediately notify the contract manager assigned to the Program Attachment.

Section 11.02 Child Support Delinquencies. As required by Tex. Fam. Code § 231.006, a child support obligor who is more than thirty (30) calendar days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least twenty-five percent (25%) is not eligible to receive payments from state funds under a contract to provide property, materials, or services or receive a state-funded grant or loan. If applicable, Contractor shall maintain its eligibility to receive payments under this Contract, certifies that it is not ineligible to receive the payments specified in this Contract, and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.

Section 11.03 Authorization. Contractor certifies that it possesses legal authority to contract for the services described in this Contract and that a resolution, motion or similar action has been duly adopted or passed as an official act of Contractor's governing body, authorizing the binding of the organization under this Contract including all understandings and assurances contained in this Contract, and directing and authorizing the person identified as the authorized representative of Contractor to act in connection with this Contract and to provide such additional information as may be required.

Section 11.04 Gifts and Benefits Prohibited. Contractor certifies that it has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, present or future employment, gift, loan, gratuity, special discount, trip, favor, service or anything of monetary value to a DSHS or HHSC official or employee in connection with this Contract.

Section 11.05 Ineligibility to Receive the Contract. (a) Pursuant to Tex. Gov. Code § 2155.004 and federal law, Contractor is ineligible to receive this Contract if this Contract includes financial participation by a person who received compensation from DSHS to participate in developing, drafting or preparing the specifications,

requirements, statement(s) of work or Solicitation Document on which this Contract is based. Contractor certifies that neither Contractor, nor its employees, nor anyone acting for Contractor has received compensation from DSHS for participation in the development, drafting or preparation of specifications, requirements or statement(s) of work for this Contract or in the Solicitation Document on which this Contract is based; (b) pursuant to Tex. Gov. Code §§ 2155.006 and 2261.053, Contractor is ineligible to receive this Contract, if Contractor or any person who would have financial participation in this Contract has been convicted of violating federal law, or been assessed a federal civil or administrative penalty, in connection with a contract awarded by the federal government for relief, recovery or reconstruction efforts as a result of Hurricanes Rita or Katrina or any other disaster occurring after September 24, 2005; (c) Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified Contract under Tex. Gov. Code §§ 2155.004, 2155.006 or 2261.053, and acknowledges that this Contract may be terminated and payment withheld if these certifications are inaccurate.

Section 11.06 Antitrust. Pursuant to 15 USC § 1, et seq. and Tex. Bus. & Comm. Code § 15.01, et seq. Contractor certifies that neither Contractor, nor anyone acting for Contractor has violated the antitrust laws of this state or federal antitrust laws, nor communicated directly or indirectly regarding a bid with any competitor or any other person engaged in Contractor's line of business for the purpose of substantially lessening competition in such line of business.

Section 11.07 Initiation and Completion of Work. Contractor certifies that it shall initiate and complete the work under this Contract within the applicable time frame prescribed in this Contract.

ARTICLE XII GENERAL BUSINESS OPERATIONS OF CONTRACTOR

Section 12.01 Responsibilities and Restrictions Concerning Governing Body, Officers and Employees. Contractor and its governing body shall bear full responsibility for the integrity of the fiscal and programmatic management of the organization. This provision applies to all organizations, including Section 501(c)(3) organizations as defined in the Internal Revenue Service Code as not-for-profit organizations. Each member of Contractor's governing body shall be accountable for all funds and materials received from Department. The responsibility of Contractor's governing body shall also include accountability for compliance with Department Rules, policies, procedures, and applicable federal and state laws and regulations; and correction of fiscal and program deficiencies identified through self-evaluation and Department's monitoring processes. Further, Contractor's governing body shall ensure separation of powers, duties, and functions of governing body members and staff. Staff members, including the executive director, shall not serve as voting members of Contractor's governing body. No member of Contractor's governing body, or officer or employee of Contractor shall vote for, confirm or act to influence the employment, compensation or change in status of any person related within the second degree of affinity or the third degree of consanguinity (as defined in Tex. Gov. Code Chapter 573) to the member of the governing body or the officer or any employee authorized to employ or supervise such person. This prohibition does not prohibit the continued employment of a person who has been continuously employed for a period of two (2) years prior to the election, appointment or employment of the officer, employee, or governing body member related to such person in the prohibited degree. These restrictions also apply to the governing body, officers and employees of Contractor's subcontractors. Ignorance of any Contract provisions or other requirements contained or referred to in this Contract will not constitute a defense or basis for waiving or appealing such provisions or requirements.

Section 12.02 Management and Control Systems. Contractor shall comply with all the requirements of the Department's Contractor's Financial Procedures Manual, and any of its subsequent amendments, which is available at the Department's web site: <http://www.dshs.state.tx.us/contracts/cfpm.shtm>. Contractor shall maintain an appropriate contract administration system to ensure that all terms, conditions, and specifications

are met during the term of the contract through the completion of the closeout procedures. Contractor shall develop, implement, and maintain financial management and control systems that meet or exceed the requirements of UGMS and adhere to procedures detailed in Department's Contractor's Financial Procedures Manual. Those requirements and procedures include, at a minimum, the following:

- a) financial planning, including the development of budgets that adequately reflect all functions and resources necessary to carry out authorized activities and the adequate determination of costs;
- b) financial management systems that include accurate accounting records that are accessible and identify the source and application of funds provided under each Program Attachment of this Contract, and original source documentation substantiating that costs are specifically and solely allocable to the Program Attachment and are traceable from the transaction to the general ledger; and
- c) effective internal and budgetary controls; comparison of actual costs to budget; determination of reasonableness, allowableness, and allocability of costs; timely and appropriate audits and resolution of any findings; billing and collection policies; and a mechanism capable of billing and making reasonable efforts to collect from clients and third parties.

Section 12.03 Insurance. Contractor shall maintain insurance or other means of repairing or replacing assets purchased with Department funds. Contractor shall repair or replace with comparable equipment any such equipment not covered by insurance that is lost, stolen, damaged or destroyed. If any insured equipment purchased with DSHS funds is lost, stolen, damaged or destroyed, Contractor shall notify the contract manager assigned to the Program Attachment to obtain instructions whether to submit and pursue an insurance claim. Contractor shall use any insurance proceeds to repair the equipment or replace the equipment with comparable equipment or remit the insurance proceeds to DSHS.

Section 12.04 Fidelity Bond. For the benefit of DSHS, Contractor is required to carry a fidelity bond or insurance coverage equal to the amount of funding provided under this Contract up to \$100,000 that covers each employee of Contractor handling funds under this Contract, including person(s) authorizing payment of such funds. The fidelity bond or insurance must provide for indemnification of losses occasioned by (1) any fraudulent or dishonest act or acts committed by any of Contractor's employees, either individually or in concert with others, and/or (2) failure of Contractor or any of its employees to perform faithfully his/her duties or to account properly for all monies and property received by virtue of his/her position or employment. The bond or insurance acquired under this section must include coverage for third party property. Contractor shall notify, and obtain prior approval from, the DSHS Contract Oversight and Support Section before settling a claim on the fidelity bond or insurance.

Section 12.05 Liability Coverage. For the benefit of DSHS, Contractor shall at all times maintain liability insurance coverage, referred to in Tex. Gov. Code § 2261.102, as "director and officer liability coverage" or similar coverage for all persons in management or governing positions within Contractor's organization or with management or governing authority over Contractor's organization (collectively "responsible persons"). Contractor shall maintain copies of liability policies on site for inspection by DSHS and shall submit copies of policies to DSHS upon request. This section applies to entities that are organized as non-profit corporations under the Texas Non-Profit Corporation Act; for-profit corporations organized under the Texas Business Corporations Act; and any other legal entity. Contractor shall maintain liability insurance coverage in an amount not less than the total value of this Contract and that is sufficient to protect the interests of Department in the event an actionable act or omission by a responsible person damages Department's interests. Contractor shall notify, and obtain prior approval from, the DSHS Contract Oversight and Support Section before settling a claim on the insurance.

Section 12.06 Overtime Compensation. Except as provided in this section, Contractor shall be responsible for any obligations of premium overtime pay due employees. Premium overtime pay is defined as any

compensation paid to an individual in addition to the employee's normal rate of pay for hours worked in excess of normal working hours. Funds provided under this Contract may be used to pay the premium portion of overtime only under the following conditions: 1) with the prior written approval of DSHS; 2) temporarily, in the case of an emergency or an occasional operational bottleneck; 3) when employees are performing indirect functions, such as administration, maintenance, or accounting; 4) in performance of tests, laboratory procedures, or similar operations that are continuous in nature and cannot reasonably be interrupted or otherwise completed; or 5) when lower overall cost to DSHS will result.

Section 12.07 Program Site. Contractor shall provide services only in locations that are in compliance with all applicable local, state and federal zoning, building, health, fire, and safety standards.

Section 12.08 Cost Allocation Plan. Contractor shall submit a Cost Allocation Plan in the format provided in the Department's Contractor's Financial Procedures Manual to the Department's Contract Oversight and Support Section, at Mail Code 1326, P.O. Box 149347, Austin, Texas 78714-9347, or by email to <mailto:coscap@dshs.state.tx.us> no later than the 60th calendar day after the effective date of the Contract, except when a Contractor has a current Cost Allocation Plan on file with the Department. Contractor shall implement and follow the applicable Cost Allocation Plan. If Contractor's plan is the same as the plan previously submitted to DSHS, by signing this Contract, Contractor certifies that its current Cost Allocation Plan for the current year is the same as the plan previously submitted. If the Cost Allocation Plan changes during the Contract term, Contractor shall submit a new Cost Allocation Plan to the Contract Oversight and Support Section within thirty (30) calendar days after the effective date of the change. Cost Allocation Plans must comply with the guidelines provided in the Department's Contractor's Financial Procedures Manual located at <http://www.dshs.state.tx.us/contracts/cfpm.shtm>.

Section 12.09 No Endorsement. Other than stating the fact that Contractor has a contract with DSHS, Contractor and its subcontractors are prohibited from publicizing the contractual relationship between Contractor and DSHS, and from using the Department's name, logo or website link in any manner that is intended, or that could be perceived, as an endorsement or sponsorship by DSHS or the State of Texas of Contractor's organization, program, services or product, without the express written consent of DSHS.

Section 12.10 Historically Underutilized Businesses (HUBs). If Contractor was not required to submit a HUB subcontracting plan and if subcontracting is permitted under this Program Attachment, Contractor is encouraged to make a good faith effort to consider subcontracting with HUBs in accordance with Tex. Gov. Code Chapter 2161 and 34 Tex. Admin. Code § 20.10 et seq. Contractors may obtain a list of HUBs at <http://www.window.state.tx.us/procurement/prog/hub>. If Contractor has filed a HUB subcontracting plan, the plan is incorporated by reference in this Contract. If Contractor desires to make a change in the plan, Contractor must obtain prior approval from the Department's HUB Coordinator of the revised plan before proposed changes will be effective under this Contract. Contractor shall make a good faith effort to subcontract with HUBs during the performance of this Contract and shall report HUB subcontract activity to the Department's HUB Coordinator by the 15th day of each month for the prior month's activity, if there was any such activity, in accordance with 34 Tex. Admin. Code § 20.16(b).

Section 12.11 Buy Texas. Contractor shall purchase products and materials produced in Texas when the products and materials are available at a price and time comparable to products and materials produced outside of Texas as required by Tex. Gov. Code § 2155.4441.

Section 12.12 Contracts with Subrecipient and Vendor Subcontractors. Contractor may enter into contracts with subrecipient subcontractors unless restricted or otherwise prohibited in a specific Program Attachment(s). Prior to entering into a subrecipient agreement equaling or exceeding \$100,000, Contractor shall obtain written approval from DSHS. Contractor shall establish written policies and procedures for competitive procurement and monitoring of subcontracts and shall produce a subcontracting monitoring plan.

Contractor shall monitor subrecipient subcontractors for both financial and programmatic performance and shall maintain pertinent records that must be available for inspection by DSHS. Contractor shall ensure that subcontractors are fully aware of the requirements placed upon them by state/federal statutes, rules, and regulations and by the provisions of this Contract.

Contracts with all subcontractors, whether vendor or subrecipient, must be in writing and include the following:

- a) name and address of all parties and the subcontractor's Vendor Identification Number (VIN) or Employee Identification Number (EIN);
- b) a detailed description of the services to be provided;
- c) measurable method and rate of payment and total not-to-exceed amount of the contract;
- d) clearly defined and executable termination clause; and
- e) beginning and ending dates that coincide with the dates of the applicable Program Attachment(s) or that cover a term within the beginning and ending dates of the applicable Program Attachment(s).

Contractor is responsible to DSHS for the performance of any subcontractor. Contractor shall not contract with a subcontractor, at any tier, that is debarred, suspended, or excluded from or ineligible for participation in federal assistance programs; or if the subcontractor would be ineligible under the following sections of these General Provisions: Ineligibility to Receive the Contract section (Assurances and Certifications Article); or the Conflict of Interest or Transactions Between Related Parties sections (General Terms Article).

Section 12.13 Status of Subcontractors. Contractor shall require all subcontractors to certify that they are not delinquent on any repayment agreements; have not had a required license or certification revoked; and have not had a contract terminated by the Department. Contractors shall further require that subcontractors certify that they have not voluntarily surrendered within the past three (3) years any license issued by the Department.

Section 12.14 Incorporation of Terms in Subrecipient Subcontracts. Contractor shall include in all its contracts with subrecipient subcontractors and solicitations for subrecipient subcontracts, without modification (except as required to make applicable to the subcontractor), (1) the certifications stated in the Assurances and Certifications Article; (2) the requirements in the Conflicts of Interest section and the Transaction Between Related Parties section of the General Terms Article; and (3) a provision granting to DSHS, SAO, OIG, and the Comptroller General of the United States, and any of their representatives, the right of access to inspect the work and the premises on which any work is performed, and the right to audit the subcontractor in accordance with the Access and Inspection Article in these General Provisions. Each subrecipient subcontract contract must also include a copy of these General Provisions and a copy of the Statement of Work and any other provisions in the Program Attachment(s) applicable to the subcontract. Contractor shall ensure that all written agreements with subrecipient subcontractors incorporate the terms of this Contract so that all terms, conditions, provisions, requirements, duties and liabilities under this Contract applicable to the services provided or activities conducted by a subcontractor are passed down to that subcontractor. No provision of this Contract creates privity of contract between DSHS and any subcontractor of Contractor. If a subcontractor is unable to certify to any of the statements in Section 12.13 or any of the certifications stated in the Assurances and Certifications Article, Contractor shall submit an explanation to the contract manager assigned to the Program Attachment. If the subcontractor's status with respect to the items certified in Section 12.13 or the assurances stated in the Assurances and Certifications Article changes during the term of this Contract, Contractor shall immediately notify the contract manager assigned to the Program Attachment.

Section 12.15 Independent Contractor. Contractor is an independent contractor. Contractor shall direct and be responsible for the performance of its employees, subcontractors, joint venture participants or agents. Contractor is not an agent or employee of the Department or the State of Texas for any purpose whatsoever. For purposes of this Contract, Contractor acknowledges that its employees, subcontractors, joint venture

participants or agents will not be eligible for unemployment compensation from the Department or the State of Texas.

Section 12.16 Authority to Bind. The person or persons signing this Contract on behalf of Contractor, or representing themselves as signing this Contract on behalf of Contractor, warrant and guarantee that they have been duly authorized by Contractor to execute this Contract for Contractor and to validly and legally bind Contractor to all of its terms.

Section 12.17 Tax Liability. Contractor shall comply with all state and federal tax laws and is solely responsible for filing all required state and federal tax forms and making all tax payments. If the Department discovers that Contractor has failed to remain current on a liability to the IRS, this Contract will be subject to remedies and sanctions under this Contract, including immediate termination at the Department's discretion. If the Contract is terminated under this section, the Department will not enter into a contract with Contractor for three (3) years from the date of termination.

Section 12.18 Notice of Organizational Change. Contractor shall submit written notice to the contract manager assigned to the Program Attachment within ten (10) business days of any change to the Contractor's name; contact information; key personnel, officer, director or partner; organizational structure, such as merger, acquisition or change in form of business; legal standing; or authority to do business in Texas. A change in Contractor's name and certain changes in organizational structure require an amendment to this Contract in accordance with the Amendments section of these General Provisions.

Section 12.19 Quality Management. Contractor shall comply with quality management requirements as directed by the Department.

Section 12.20 Equipment. Equipment means an article of nonexpendable, tangible personal property having a useful lifetime of more than one year and an acquisition cost of \$5,000 or more. Contractors shall inventory all equipment, and report the inventory on the Contractors Property Inventory Form or Form GC-11 as required under Section 12.23. Contractor shall initiate the purchase of all equipment approved in writing by DSHS, in the first quarter of the Contract or Program Attachment term, 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 of the Program Attachment must be submitted to the contract manager assigned to the Program Attachment.

Section 12.21 Supplies. Supplies are defined as consumable items necessary to carry out the services under this Contract including medical supplies, drugs, janitorial supplies, office supplies, patient educational supplies, software, and any items of tangible personal property other than those defined as equipment above. Tangible personal property includes controlled assets, including 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 are also considered Supplies. Prior approval by DSHS of the purchase of controlled assets is not required, but such purchases must be reported on the Contractors Property Inventory Form or Form GC-11 as detailed under Section 12.23.

Section 12.22 Changes to Equipment List. All items of equipment to be purchased with funds under this Contract must be itemized in Contractor's equipment list as finally approved by the Department in the executed Contract. Any changes to the approved equipment list in the executed Contract must be approved in writing by Department prior to the purchase of equipment. Contractor shall submit to the contract manager assigned to the Program Attachment, a written description including complete product specifications and need justification prior to purchasing any item of unapproved equipment. If approved, Department will

acknowledge its approval by means of a written amendment or by written acceptance of Contractor's Contract Revision Request, as appropriate; or, in the case of minor changes to Contractor's approved equipment list, by email in accordance with the Contractor's Financial Procedures Manual.

Section 12.23 Property Inventory and Protection of Assets. Contractor shall maintain an inventory of equipment, supplies defined as controlled assets, and property described in the Other Intangible Property section of Article XIII and submit an annual cumulative report of the equipment and other property on Form GC-11 (Contractor's Property Inventory Report) to the Department's Contract Oversight and Support Section, Mail Code 1326, P.O. Box 149347, Austin, Texas 78714-9347, no later than October 15th of each year. The report is located on the DSHS website at <http://www.dshs.state.tx.us/contracts/forms.shtm>. Contractor shall maintain, repair, and protect assets under this Contract to assure their full availability and usefulness. If Contractor is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assets provided or obtained under this Contract, Contractor shall use the proceeds to repair or replace those assets.

Section 12.24 Bankruptcy. In the event of bankruptcy, Contractor shall sever Department property, equipment, and supplies in possession of Contractor from the bankruptcy, and title must revert to Department. If directed by DSHS, Contractor shall return all such property, equipment and supplies to DSHS. Contractor shall ensure that its subcontracts, if any, contain a specific provision requiring that in the event the subcontractor's bankruptcy, the subcontractor must sever Department property, equipment, and supplies in possession of the subcontractor from the bankruptcy, and title must revert to Department, who may require that the property, equipment and supplies be returned to DSHS.

Section 12.25 Title to Property. At the conclusion of the contractual relationship between the Department and Contractor, for any reason, title to any remaining equipment and supplies purchased with funds under this Contract reverts to Department. Title may be transferred to any other party designated by Department. The Department may, at its option and to the extent allowed by law, transfer the reversionary interest to such property to Contractor.

Section 12.26 Property Acquisitions. Department funds must not be used to purchase buildings or real property. Any costs related to the initial acquisition of the buildings or real property are not allowable.

Section 12.27 Disposition of Property. Contractor shall follow the procedures in the American Hospital Association's (AHA's) "Estimated Useful Lives of Depreciable Hospital Assets" in disposing, at any time during or after the Contract term, of equipment purchased with the Department funds, except when federal or state statutory requirements supersede or when the equipment requires licensure or registration by the state, or when the acquisition price of the equipment is equal to or greater than \$5,000. All other equipment not listed in the AHA reference (other than equipment that requires licensure or registration or that has an acquisition cost equal to or greater than \$5,000) will be controlled by the requirements of UGMS. If, prior to the end of the useful life, any item of equipment is no longer needed to perform services under this Contract, or becomes inoperable, or if the equipment requires licensure or registration or had an acquisition price equal to or greater than \$5,000, Contractor shall request disposition approval and instructions in writing from the contract manager assigned to the Program Attachment. After an item reaches the end of its useful life, Contractor shall

ensure that disposition of any equipment is in accordance with Generally Accepted Accounting Principles, and any applicable federal guidance.

Section 12.28 Closeout of Equipment. At the end of the term of a Program Attachment that has no additional renewals or that will not be renewed (Closeout) or when a Program Attachment is otherwise terminated, Contractor shall submit to the contract manager assigned to the Program Attachment, an inventory of equipment purchased with Department funds and request disposition instructions for such equipment. All

equipment purchased with Department funds must be secured by Contractor at the time of Closeout or termination of the Program Attachment and must be disposed of according to the Department's disposition instructions, which may include return of the equipment to DSHS or transfer of possession to another DSHS contractor, at Contractor's expense.

Section 12.29 **Assets as Collateral Prohibited.** Contractors on a cost reimbursement payment method shall not encumber equipment purchased with Department funds without prior written approval from the Department.

ARTICLE XIII GENERAL TERMS

Section 13.01 **Assignment.** Contractor shall not transfer, assign, or sell its interest, in whole or in part, in this Contract, or in any equipment purchased with funds from this Contract, without the prior written consent of the Department.

Section 13.02 **Lobbying.** Contractor shall comply with Tex. Gov. Code § 556.0055, which prohibits contractors who receive state funds from using those funds to pay lobbying expenses. Further, Contractor shall not use funds paid under this Contract, either directly or indirectly, to support the enactment, repeal, modification, or adoption of any law, regulation or policy at any level of government, or to pay the salary or expenses of any person related to any activity designed to influence legislation, regulation, policy or appropriations pending before Congress or the state legislature, or for influencing or attempting to influence an officer or employee of any federal or state agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any contract or the extension, continuation, renewal, amendment, or modification of any contract (31 USC § 1352 and UGMS). If at any time this Contract exceeds \$100,000 of federal funds, Contractor shall file with the contract manager assigned to the Program Attachment a declaration containing the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on behalf of Contractor in connection with this Contract, a certification that none of the funds provided by Department have been or will be used for payment to lobbyists, and disclosure of the names of any and all registered lobbyists with whom Contractor has an agreement. Contractor shall file the declaration, certification, and disclosure at the time of application for this Contract; upon execution of this Contract unless Contractor previously filed a declaration, certification, or disclosure form in connection with the award; and at the end of each calendar quarter in which any event occurs that materially affects the accuracy of the information contained in any declaration, certification, or disclosure previously filed. Contractor shall require any person who requests or receives a subcontract to file the same declaration, certification, and disclosure with the contract manager assigned to the Program Attachment. Contractor shall also comply, as applicable, with the lobbying restrictions and requirements in 2 CFR Part 230 (OMB Circulars A-122), Appendix B paragraph 25; 2 CFR Part 225 (A-87) Appendix B section 24; 2 CFR §215.27 (A-110) and 2 CFR Part 220 (A-21) Appendix A, subsection J.17 and J.28. Contractor shall include this provision in any subcontracts.

Section 13.03 **Conflict of Interest.** Contractor represents to the Department that it and its -subcontractors, if any, do not have nor shall Contractor or its subcontractors knowingly acquire or retain, any financial or other interest that would conflict in any manner with the performance of their obligations under this Contract. Potential conflicts of interest include, but are not limited to, an existing or potential business or personal relationship between Contractor (or subcontractor), its principal (or a member of the principal's immediate family), or any affiliate or subcontractor and the Department or HHSC, their commissioners or employees, or any other entity or person involved in any way in any project that is the subject of this Contract. Contractor shall establish safeguards to prohibit employees and subcontractors and their employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain. If, at any time during the term of this Contract, Contractor or any of its

subcontractors has a conflict of interest or potential conflict of interest, Contractor shall disclose the actual or potential conflict of interest to the contract manager assigned to the Program Attachment within ten (10) days of when Contractor becomes aware of the existence of the actual or potential conflict of interest. Contractor shall require each of its subcontractors to report to Contractor any conflict of interest or potential conflict of interest the subcontractor has or may have within ten (10) days of when the subcontractor becomes aware of the actual or potential conflict of interest.

Section 13.04 Transactions Between Related Parties. Contractor shall identify and report to DSHS any transactions between Contractor and a related party that is part of the work that the Department is purchasing under this Contract before entering into the transaction or immediately upon discovery. Contractor shall submit to the contract manager assigned to the Program Attachment the name, address and telephone number of the related party, how the party is related to Contractor and the work the related party will perform under this Contract. A related party is a person or entity related to Contractor by blood or marriage, common ownership or any association that permits either to significantly influence or direct the actions or policies of the other. Contractor, for purposes of reporting transactions between related parties, includes the entity contracting with the Department under this Contract as well as the chief executive officer, chief financial officer and program director of Contractor. Contractor shall comply with Tex. Gov. Code Chapter 573. Contractor shall maintain records and supply any additional information requested by the Department, regarding a transaction between related parties, needed to enable the Department to determine the appropriateness of the transaction pursuant to applicable state or federal law, regulations or circulars, which may include 45 CFR part 74, OMB Circ. No. A-110, 2 CFR § 215.42, and UGMS.

Section 13.05 Intellectual Property. Tex. Health & Safety Code § 12.020 authorizes DSHS to protect intellectual property developed as a result of this Contract.

- a) "Intellectual property" means created property that may be protected under copyright, patent, or trademark/service mark law.
- b) For purposes of this Contract intellectual property prepared for DSHS use, or a work specially ordered or commissioned through a contract for DSHS use is "work made for hire." DSHS owns works made for hire unless it agrees otherwise by contract. To the extent that title and interest to any such work may not, by operation of law, vest in DSHS, or such work may not be considered a work made for hire, Contractor irrevocably assigns the rights, title and interest therein to DSHS. DSHS has the right to obtain and hold in its name any and all patents, copyrights, registrations or other such protections as may be appropriate to the subject matter, and any extensions and renewals thereof. Contractor shall give DSHS and the State of Texas, as well as any person designated by DSHS and the State of Texas, all assistance required to perfect the rights defined herein without charge or expense beyond those amounts payable to Contractor for goods provided or services rendered under this Contract.
- c) If federal funds are used to finance activities supported by this Contract that result in the production of intellectual property, the federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes (1) the copyright in any intellectual property developed under this Contract, including any subcontract; and (2) any rights of copyright to which a Contractor purchases ownership with contract funds. Contractor shall place an acknowledgment of federal awarding agency grant support and a disclaimer, as appropriate, on any publication written or published with such support and, if feasible, on any publication reporting the results of or describing a grant-supported activity. An acknowledgment must be to the effect that "This publication was made possible by grant number _____ from (federal awarding agency)" or "The project described was supported by grant number _____ from (federal awarding agency)" and "Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the (federal awarding agency)."
- d) If the terms of a federal grant award the copyright to Contractor, DSHS reserves a royalty-free, nonexclusive, worldwide and irrevocable license to reproduce, publish or otherwise use, and to

authorize others to use, for DSHS, public health, and state governmental noncommercial purposes (1) the copyright, trademark, service mark, and/or patent on an invention, discovery, or improvement to any process, machine, manufacture, or composition of matter; products; technology; scientific information; trade secrets; and computer software, in any work developed under a grant, subgrant, or contract under a grant or subgrant; and (2) any rights of copyright, service or trade marks or patents to which a grantee, subgrantee or a Contractor purchases ownership with contract funds.

- e) If the results of the contract performance are subject to copyright law, Contractor cannot publish those results without prior review and approval of DSHS. Contractor shall submit requests for review and approval to the contract manager assigned to the Program Attachment.

Section 13.06 Other Intangible Property. At the conclusion of the contractual relationship between Department and Contractor, for any reason, Department shall have the sole ownership rights and interest in all non-copyrightable intangible property that was developed, produced or obtained by Contractor as a specific requirement under this Contract or under any grant that funds this Contract, such as domain names, URLs, software licenses with a value of \$500 or more, etc. Contractor shall inventory all such non-copyrightable intangible property. Contractor shall cooperate with Department and perform all actions necessary to transfer ownership of such property to the Department or its designee, or otherwise affirm Department's ownership rights and interest in such property. This provision will survive the termination or expiration of this Contract.

Section 13.07 Severability and Ambiguity. If any provision of this Contract is construed to be illegal or invalid, the illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions will continue. The Parties represent and agree that the language contained in this Contract is to be construed as jointly drafted, proposed and accepted.

Section 13.08 Legal Notice. Any notice required or permitted to be given by the provisions of this Contract will be deemed to have been received by a Party on the third business day after the date on which it was mailed to the Party at the address specified by the Party to the other Party in writing or, if sent by certified mail, on the date of receipt.

Section 13.09 Successors. This Contract will be binding upon the Parties and their successors and assignees, except as expressly provided in this Contract.

Section 13.10 Headings. The articles and section headings used in this Contract are for convenience of reference only and will not be construed in any way to define, limit or describe the scope or intent of any provisions.

Section 13.11 Parties. The Parties represent to each other that they are entities fully familiar with transactions of the kind reflected by the contract documents, and are capable of understanding the terminology and meaning of their terms and conditions and of obtaining independent legal advice pertaining to this Contract.

Section 13.12 Survivability of Terms. Termination or expiration of this Contract or a Program Attachment for any reason will not release either Party from any liabilities or obligations in this Contract that (a) the Parties have expressly agreed will survive any such termination or expiration, or (b) remain to be performed or (c) by their nature would be intended to be applicable following any such termination or expiration.

Section 13.13 Direct Operation. At the Department's discretion, the Department may temporarily assume operations of a Contractor's program or programs funded under this Contract when the continued operation of the program by Contractor puts at risk the health or safety of clients and/or participants served by Contractor.

Section 13.14 Customer Service Information. If requested, Contractor shall supply such information as

required by the Department to comply with the provisions of Tex. Gov. Code Chapter 2114 regarding Customer Service surveys.

Section 13.15 Amendment. The Parties agree that the Department may unilaterally reduce funds pursuant to the terms of this Contract without the written agreement of Contractor. All other amendments to this Contract must be in writing and agreed to by both Parties, except as otherwise specified in the Contractor's Notification of Change to Certain Contract Provisions section or the Contractor's Request for Revision to Certain Contract Provisions section of this Article. Contractor's request for certain budget revisions or other amendments must be submitted in writing, including a justification for the request, to the contract manager assigned to the Program Attachment; and if a budget revision or amendment is requested during the last quarter of the Contract or Program Attachment term, as applicable, Contractor's written justification must include a reason for the delay in making the request. Revision or other amendment requests may be granted at the discretion of DSHS. Except as otherwise provided in this Article, Contractor shall not perform or produce, and DSHS will not pay for the performance or production of, different or additional goods, services, work or products except pursuant to an amendment of this Contract that is executed in compliance with this section; and DSHS will not waive any term, covenant, or condition of this Contract unless by amendment or otherwise in compliance with this Article.

Section 13.16 Contractor's Notification of Change to Certain Contract Provisions. The following changes may be made to this Contract without a written amendment or the Department's prior approval:

- a) contractor's contact person and contact information;
- b) contact information for key personnel, as stated in Contractor's response to the Solicitation Document, if any;
- c) cumulative budget transfers that exceed 25% among direct cost categories, other than the equipment category, of cost reimbursement contract Program Attachments of less than \$100,000, provided that the total budget amount is unchanged (This subsection does not apply to contracts funded by funding sources that have different percentage requirements);
- d) minor corrections or clarifications to the Contract language that in no way alter the scope of work, objectives or performance measures; and
- e) a change in Contractor's share of the budget concerning non-DSHS funding other than program income and match, regardless of the amount of the change, provided that in changing the budget, Contractor is not supplanting DSHS funds.

Contractor within ten (10) calendar days shall notify in writing the contract manager assigned to the Program Attachment of any change enumerated in this section, but the contract will not be amended. The notification may be by letter, fax or email. Except for contracts funded by funding sources that have different percentage requirements, cumulative budget line item transfers of 25% or less among direct cost categories, other than equipment, of cost reimbursement contracts of any amount do not require written amendment or prior approval or notification.

Section 13.17 Contractor's Request for Revision of Certain Contract Provisions. A Contractor's Revision Request is an alternative method for amending certain specified provisions of this Contract that is initiated by Contractor, but must be approved by DSHS. The following amendments to this Contract may be made through a Contractor's Revision Request, rather than through the amendment process described in the Amendment section of this Article:

- a) cumulative budget transfers among direct cost categories, other than the equipment category, that exceed 25% of Program Attachments of \$100,000 or more, provided that the total budget amount is unchanged (This subsection does not apply to contracts funded by funding sources that have different percentage requirements);
- b) budget transfer to other categories of funds for direct payment to trainees for training allowances;
- c) change in clinic hours or location;

- d) change in the equipment list substituting an item of equipment equivalent to an item of equipment on the approved budget;
- e) changes in the equipment category of a previously approved equipment budget;
- f) changes specified in applicable OMB Circular cost principles as requiring prior approval, regardless of dollar threshold (e.g., foreign travel expenses, overtime premiums, membership fees; and
- g) cumulative budget transfers into or out of the equipment category that do not exceed 10% of any Program Attachment, provided that the total budget amount is unchanged (cumulative transfers from or to the equipment category that equal or exceed 10% of any Program Attachment require an amendment to this Contract as described in the Amendment section of this Article).

In order to request a revision of any of the enumerated provisions, Contractor shall request the change in writing from their assigned contract manager. A separate Contractor Revision Request is required for each Program Attachment to be revised. Circumstances of a requested contract revision may indicate the need for an amendment described in the Amendment section of this Article rather than a contract revision amendment under this section.

Section 13.18 Immunity Not Waived. THE PARTIES EXPRESSLY AGREE THAT NO PROVISION OF THIS CONTRACT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY DEPARTMENT OR THE STATE OF TEXAS OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY THAT DEPARTMENT OR THE STATE OF TEXAS MAY HAVE BY OPERATION OF LAW.

Section 13.19 Hold Harmless and Indemnification. Contractor, as an independent contractor, agrees to hold Department, the State of Texas, individual state employees and officers, and the federal government harmless and to indemnify them from any and all liability, suits, claims, losses, damages and judgments; and to pay all costs, fees, and damages to the extent that such costs, fees, and damages arise from performance or nonperformance of Contractor, its employees, subcontractors, joint venture participants or agents under this Contract.

Section 13.20 Waiver. Acceptance by either Party of partial performance or failure to complain of any action, non-action or default under this Contract will not constitute a waiver of either Party's rights under this Contract.

Section 13.21 Electronic and Information Resources Accessibility and Security Standards. As required by 1 Tex. Admin. Code Chapters 213 and 206, as a state agency, DSHS must procure products that comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 Tex. Admin. Code Chapter 213 and Website Accessibility Standards/Specifications specified in 1 Tex. Admin. Code Chapter 206 (collectively EIR Standards) when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation. If performance under this Contract includes the development, modification or maintenance of a website or other electronic and information resources for DSHS or for the public on behalf of DSHS, Contractor certifies that the website or other electronic and information resources comply with the EIR Standards. Contractor further certifies that any network hardware or software purchased or provided under this Contract has undergone independent certification testing for known and relevant vulnerabilities, in accordance with rules adopted by Department of Information Resources.

Section 13.22 Force Majeure. Neither Party will be liable for any failure or delay in performing all or some of its obligations, as applicable, under this Contract if such failure or delay is due to any cause beyond the reasonable control of such Party, including, but not limited to, extraordinarily severe weather, strikes, natural disasters, fire, civil disturbance, epidemic, war, court order, or acts of God. The existence of any such cause of delay or failure will extend the period of performance in the exercise of reasonable diligence until after the

cause of the delay or failure no longer exists and, if applicable, for any reasonable period of time thereafter required to resume performance. A Party, within a period of time reasonable under the circumstances, must inform the other by any reasonable method (phone, email, etc.) and, as soon as practicable, must submit written notice with proof of receipt, of the existence of a force majeure event or otherwise waive the right as a defense to non-performance.

Section 13.23 Interim Contracts. The Parties agree that the Contract and/or any of its Program Attachments will automatically continue as an “Interim Contract” beyond the expiration date of the term of the Contract or Program Attachment(s), as applicable, under the following circumstances: (1) on or shortly prior to the expiration date of the Contract or Program Attachment, there is a state of disaster declared by the Governor that affects the ability or resources of the DSHS contract or program staff managing the Contract to complete in a timely manner the extension, renewal, or other standard contract process for the Contract or Program Attachment; and (2) DSHS makes the determination in its sole discretion that an Interim Contract is appropriate under the circumstances. DSHS will notify Contractor promptly in writing if such a determination is made. The notice will specify whether DSHS is extending the Contract or Program Attachment for additional time for Contractor to perform or complete the previously contracted goods and services (with no new or additional funding) or is purchasing additional goods and services as described in the Program Attachment for the term of the Interim Contract, or both. The notice will include billing instructions and detailed information on how DSHS will fund the goods or services to be procured during the Interim Contract term. The Interim Contract will terminate thirty (30) days after the disaster declaration is terminated unless the Parties agree to a shorter period of time.

Section 13.24 Cooperation and Communication. Contractor shall cooperate with Department staff and, as applicable, other DSHS contractors, and shall promptly comply with requests from DSHS for information or responses to DSHS inquiries concerning Contractor’s duties or responsibilities under this Contract.

ARTICLE XIV BREACH OF CONTRACT AND REMEDIES FOR NON-COMPLIANCE

Section 14.01 Actions Constituting Breach of Contract. Actions or inactions that constitute breach of contract include, but are not limited to, the following:

- a) failure to properly provide the services and/or goods purchased under this Contract;
- b) failure to comply with any provision of this Contract, including failure to comply with all applicable statutes, rules or regulations;
- c) failure to pay refunds or penalties owed to the Department;
- d) failure to comply with a repayment agreement with the DSHS or agreed order issued by DSHS;
- e) failure by Contractor to provide a full accounting of funds expended under this Contract;
- f) discovery of a material misrepresentation in any aspect of Contractor’s application or response to the Solicitation Document;
- g) any misrepresentation in the assurances and certifications in Contractor’s application or response to the Solicitation Document or in this Contract; or
- h) Contractor is on or is added to the Excluded Parties List System (EPLS).

Section 14.02 General Remedies and Sanctions. The Department will monitor Contractor for both programmatic and financial compliance. The remedies and sanctions in this section are available to the Department against Contractor and any entity that subcontracts with Contractor for provision of services or goods. HHSC OIG may investigate, audit and impose or recommend imposition of remedies or sanctions to Department for any breach of this Contract and may monitor Contractor for financial compliance. The Department may impose one or more remedies or sanctions for each item of noncompliance and will

determine remedies or sanctions on a case-by-case basis. Contractor is responsible for complying with all of the terms of this Contract. The listing of or use of one or more of the remedies or sanctions in this section does not relieve Contractor of any obligations under this Contract. A state or federal statute, rule or regulation, or federal guideline will prevail over the provisions of this Article unless the statute, rule, regulation, or guideline can be read together with the provision(s) of this Article to give effect to both. If Contractor breaches this Contract by failing to comply with one or more of the terms of this Contract, including but not limited to compliance with applicable statutes, rules or regulations, the Department may take one or more of the following actions:

- a) terminate this Contract or a Program Attachment of this Contract as it relates to a specific program type. In the case of termination, the Department will inform Contractor of the termination no less than thirty (30) calendar days before the effective date of the termination in a notice of termination, except for circumstances that require immediate termination as described in the Emergency Action section of this Article. The notice of termination will state the effective date of the termination, the reasons for the termination, and, if applicable, alert Contractor of the opportunity to request a hearing on the termination pursuant to Tex. Gov. Code Chapter 2105 regarding administration of Block Grants. Contractor shall not make any claim for payment or reimbursement for services provided from the effective date of termination;
- b) suspend all or part of this Contract. Suspension is an action taken by the Department in which the Contractor is notified to temporarily (1) discontinue performance of all or part of the Contract, and/or (2) discontinue incurring expenses otherwise allowable under the Contract as of the effective date of the suspension, pending DSHS's determination to terminate or amend the Contract or permit the Contractor to resume performance and/or incur allowable expenses. Contractor shall not bill DSHS for services performed during suspension, and Contractor's costs resulting from obligations incurred by Contractor during a suspension are not allowable unless expressly authorized by the notice of suspension;
- c) deny additional or future contracts with Contractor;
- d) reduce the funding amount for failure to 1) provide goods and services as described in this Contract or consistent with Contract performance expectations, 2) achieve or maintain the proposed level of service, 3) expend funds appropriately and at a rate that will make full use of the award, or 4) achieve local match, if required;
- e) disallow costs and credit for matching funds, if any, for all or part of the activities or action not in compliance;
- f) temporarily withhold cash payments. Temporarily withholding cash payments means the temporary withholding of a working capital advance, if applicable, or reimbursements or payments to Contractor for proper charges or obligations incurred, pending resolution of issues of noncompliance with conditions of this Contract or indebtedness to the United States or to the State of Texas;
- g) permanently withhold cash payments. Permanent withholding of cash payment means that Department retains funds billed by Contractor for (1) unallowable, undocumented, disputed, inaccurate, improper, or erroneous billings; (2) material failure to comply with Contract provisions; or (3) indebtedness to the United States or to the State of Texas;
- h) declare this Contract void upon the Department's determination that this Contract was obtained fraudulently or upon the Department's determination that this Contract was illegal or invalid from this Contract's inception and demand repayment of any funds paid under this Contract;
- i) request that Contractor be removed from the Centralized Master Bidders List (CMBL) or any other state bid list, and barred from participating in future contracting opportunities with the State of Texas;
- j) delay execution of a new contract or contract renewal with Contractor while other imposed or proposed sanctions are pending resolution;
- k) place Contractor on probation. Probation means that Contractor will be placed on accelerated monitoring for a period not to exceed six (6) months at which time items of noncompliance must be resolved or substantial improvement shown by Contractor. Accelerated monitoring means more

frequent or more extensive monitoring will be performed by Department than would routinely be conducted;

- l) require Contractor to obtain technical or managerial assistance;
- m) establish additional prior approvals for expenditure of funds by Contractor;
- n) require additional or more detailed, financial and/or programmatic reports to be submitted by Contractor;
- o) demand repayment from Contractor when it is verified that Contractor has been overpaid, e.g., because of disallowed costs, payments not supported by proper documentation, improper billing or accounting practices, or failure to comply with Contract terms;
- p) pursue a claim for damages as a result of breach of contract;
- q) require Contractor to prohibit any employee or volunteer of Contractor from performing under this Contract or having direct contact with DSHS-funded clients or participants, or require removal of any employee, volunteer, officer or governing body member, if the employee, volunteer, officer or member of the governing body has been indicted or convicted of the misuse of state or federal funds, fraud or illegal acts that are in contravention to continued obligations under this Contract, as reasonably determined by DSHS;
- r) withhold any payments to Contractor to satisfy any recoupment, liquidated damages, match insufficiency, or any penalty (if the penalty is permitted by statute) imposed by DSHS, and take repayment from funds available under this Contract in amounts necessary to fulfill Contractor's payment or repayment obligations;
- s) reduce the Contract term;
- t) recoup improper payments when it is verified that Contractor has been overpaid, e.g., because of disallowed costs, payments not supported by proper documentation, improper billing or accounting practices or failure to comply with Contract terms;
- u) assess liquidated damages;
- v) demand repayment of an amount equal to the amount of any match Contractor failed to provide, as determined by DSHS;
- w) impose other remedies, sanctions or penalties permitted by statute.

Section 14.03 Notice of Remedies or Sanctions. Department will formally notify Contractor in writing when a remedy or sanction is imposed (with the exception of accelerated monitoring, which may be unannounced), stating the nature of the remedies and sanction(s), the reasons for imposing them, the corrective actions, if any, that must be taken before the actions will be removed and the time allowed for completing the corrective actions, and the method, if any, of requesting reconsideration of the remedies and sanctions imposed. Other than in the case of repayment or recoupment, Contractor is required to file, within fifteen (15) calendar days of receipt of notice, a written response to Department acknowledging receipt of such notice. If requested by the Department, the written response must state how Contractor shall correct the noncompliance (corrective action plan) or demonstrate in writing that the findings on which the remedies or sanction(s) are based are either invalid or do not warrant the remedies or sanction(s). If Department determines that a remedy or sanction is warranted, unless the remedy or sanction is subject to review under a federal or state statute, regulation, rule, or guideline, Department's decision is final. Department will provide written notice to Contractor of Department's decision. If required by the Department, Contractor shall submit a corrective action plan for DSHS approval and take corrective action as stated in the approved corrective action plan. If DSHS determines that repayment is warranted, DSHS will issue a demand letter to Contractor for repayment. If full repayment is not received within the time limit stated in the demand letter, and if recoupment is available, DSHS will recoup the amount due to DSHS from funds otherwise due to Contractor under this Contract.

Section 14.04 Emergency Action. In an emergency, Department may immediately terminate or suspend all or part of this Contract, temporarily or permanently withhold cash payments, deny future contract awards, or

delay contract execution by delivering written notice to Contractor, by any verifiable method, stating the reason for the emergency action. An “emergency” is defined as the following:

- a) Contractor is noncompliant and the noncompliance has a direct adverse effect on the public or client health, welfare or safety. The direct adverse effect may be programmatic or financial and may include failing to provide services, providing inadequate services, providing unnecessary services, or using resources so that the public or clients do not receive the benefits contemplated by the scope of work or performance measures; or
- b) Contractor is expending funds inappropriately.

Whether Contractor’s conduct or noncompliance is an emergency will be determined by Department on a case-by-case basis and will be based upon the nature of the noncompliance or conduct.

ARTICLE XV CLAIMS AGAINST THE DEPARTMENT

Section 15.01 **Breach of Contract Claim.** The process for a breach of contract claim against the Department provided for in Tex. Gov. Code Chapter 2260 and implemented in Department Rules §§ 4.11-4.24 will be used by DSHS and Contractor to attempt to resolve any breach of contract claim against DSHS.

Section 15.02 **Notice.** Contractor’s claims for breach of this Contract that the Parties cannot resolve in the ordinary course of business must be submitted to the negotiation process provided in Tex. Gov Code Chapter 2260, subchapter B. To initiate the process, Contractor shall submit written notice, as required by subchapter B, to DSHS’s Office of General Counsel. The notice must specifically state that the provisions of Chapter 2260, subchapter B, are being invoked. A copy of the notice must also be given to all other representatives of DSHS and Contractor. Subchapter B is a condition precedent to the filing of a contested case proceeding under Tex. Gov. Code Chapter 2260, subchapter C.

Section 15.03 **Sole Remedy.** The contested case process provided in Tex. Gov. Code Chapter 2260, subchapter C, is Contractor’s sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by DSHS if the Parties are unable to resolve their disputes under this Article.

Section 15.04 **Condition Precedent to Suit.** Compliance with the contested case process provided in Tex. Gov. Code Chapter 2260, subchapter C, is a condition precedent to seeking consent to sue from the Legislature under Tex. Civ. Prac. & Rem. Code Chapter 107. Neither the execution of this Contract by DSHS nor any other conduct of any representative of DSHS relating to this Contract will be considered a waiver of sovereign immunity to suit.

Section 15.05 **Performance Not Suspended.** Neither the occurrence of an event nor the pendency of a claim constitutes grounds for the suspension of performance by Contractor, in whole or in part.

ARTICLE XVI TERMINATION AND TEMPORARY SUSPENSION

Section 16.01 **Expiration of Contract or Program Attachment(s).** Except as provided in the Survivability of Terms section of the General Terms Article, Contractor’s service obligations stated in each Program Attachment will end upon the expiration date of that Program Attachment unless extended or renewed by written amendment. Prior to completion of the term of all Program Attachments, all or a part of this Contract may be terminated with or without cause under this Article.

Section 16.02 **Effect of Termination.** Termination is the permanent withdrawal of Contractor’s authority to obligate previously awarded funds before that authority would otherwise expire or the voluntary relinquishment by Contractor of the authority to obligate previously awarded funds. Contractor’s costs

resulting from obligations incurred by Contractor after termination of an award are not allowable unless expressly authorized by the notice of termination. Upon termination of this Contract or Program Attachment, as applicable, Contractor shall cooperate with DSHS to the fullest extent possible to ensure the orderly and safe transfer of responsibilities under this Contract or Program Attachment, as applicable, to DSHS or another entity designated by DSHS. Upon termination of all or part of this Contract, Department and Contractor will be discharged from any further obligation created under the applicable terms of this Contract or the Program Attachment, as applicable, except for the equitable settlement of the respective accrued interests or obligations incurred prior to termination and for Contractor's duty to cooperate with DSHS, and except as provided in the Survivability of Terms section of the General Terms Article. Termination does not, however, constitute a waiver of any remedies for breach of this Contract. In addition, Contractor's obligations to retain records and maintain confidentiality of information will survive this Contract.

Section 16.03 Acts Not Constituting Termination. Termination does not include the Department's (1) withdrawal of funds awarded on the basis of Contractor's underestimate of the unobligated balance in a prior period; (2) withdrawal of the unobligated balance at the expiration of the term of a program attachment; (3) refusal to extend a program attachment or award additional funds to make a competing or noncompeting continuation, renewal, extension, or supplemental award; (4) non-renewal of a contract or program attachment at Department's sole discretion; or (5) voiding of a contract upon determination that the award was obtained fraudulently, or was otherwise illegal or invalid from inception.

Section 16.04 Termination or Temporary Suspension Without Cause.

- a) Either Party may terminate this Contract or a Program Attachment, as applicable, with at least thirty (30) calendar days prior written notice to the other Party, except that if Contractor seeks to terminate a Contract or Program Attachment that involves residential client services, Contractor shall give the Department at least ninety (90) calendar days prior written notice and shall submit a transition plan to ensure client services are not disrupted.
- b) The Parties may terminate this Contract or a Program Attachment by mutual agreement.
- c) DSHS may temporarily suspend or terminate this Contract or a Program Attachment if funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendments to the Appropriations Act, health and human services consolidations, or any disruption of current appropriated funding for this Contract or Program Attachment. Contractor will be notified in writing of any termination or temporary suspension or of any cessation of temporary suspension. Upon notification of temporary suspension, Contractor shall discontinue performance under the Contract as of the effective date of the suspension, for the duration of the suspension.
- d) Department may terminate this Contract or a Program Attachment immediately when, in the sole determination of Department, termination is in the best interest of the State of Texas.

Section 16.05 Termination For Cause. Either Party may terminate for material breach of this Contract with at least thirty (30) calendar days written notice to the other Party. Department may terminate this Contract, in whole or in part, for breach of contract or for any other conduct that jeopardizes the Contract objectives, by giving at least thirty (30) calendar days written notice to Contractor. Such conduct may include one or more of the following:

- a) Contractor has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction;
- b) Contractor fails to communicate with Department or fails to allow its employees or those of its subcontractor to communicate with Department as necessary for the performance or oversight of this Contract;
- c) Contractor breaches a standard of confidentiality with respect to the services provided under this Contract;

- d) Department determines that Contractor is without sufficient personnel or resources to perform under this Contract or that Contractor is otherwise unable or unwilling to fulfill any of its requirements under this Contract or exercise adequate control over expenditures or assets;
- e) Department determines that Contractor, its agent or another representative offered or gave a gratuity (e.g., entertainment or gift) to an official or employee of DSHS or HHSC for the purpose of obtaining a contract or favorable treatment;
- f) Department determines that this Contract includes financial participation by a person who received compensation from DSHS to participate in developing, drafting or preparing the specifications, requirements or statement(s) of work or Solicitation Document on which this Contract is based in violation of Tex. Gov. Code § 2155.004; or Department determines that Contractor was ineligible to receive this Contract under Tex. Gov. Code §§ 2155.006 or 2261.053 related to certain disaster response contracts;
- g) Contractor appears to be financially unstable. Indicators of financial instability may include one or more of the following:
 - 1) Contractor fails to make payments for debts;
 - 2) Contractor makes an assignment for the benefit of its creditors;
 - 3) Contractor admits in writing its inability to pay its debts generally as they become due;
 - 4) if judgment for the payment of money in excess of \$50,000 (that is not covered by insurance) is rendered by any court or governmental body against Contractor, and Contractor does not (a) discharge the judgment, or (b) provide for its discharge in accordance with its terms, or (c) procure a stay of execution within thirty (30) calendar days from the date of entry of the judgment, or (d) if the execution is stayed, within the thirty (30)-day period or a longer period during which execution of the judgment has been stayed, appeal from the judgment and cause the execution to be stayed during such appeal while providing such reserves for the judgment as may be required under Generally Accepted Accounting Principles;
 - 5) a writ or warrant of attachment or any similar process is issued by any court against all or any material portion of the property of Contractor, and such writ or warrant of attachment or any similar process is not released or bonded within thirty (30) calendar days after its issuance;
 - 6) Contractor is adjudicated bankrupt or insolvent;
 - 7) Contractor files a case under the Federal Bankruptcy Code or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction then in effect, or consents to the filing of any case or petition against it under any such law;
 - 8) any property or portion of the property of Contractor is sequestered by court order and the order remains in effect for more than thirty (30) calendar days after Contractor obtains knowledge of the sequestration;
 - 9) a petition is filed against Contractor under any state reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction then in effect, and the petition is not dismissed within thirty (30) calendar days; or
 - 10) Contractor consents to the appointment of a receiver, trustee, or liquidator of Contractor or of all or any part of its property;
- h) Contractor's management system does not meet the UGMS management standards; or
- i) Any required license, certification, permit, registration or approval required to conduct Contractor's business or to perform services under this Contract is not obtained or is revoked, is surrendered, expires, is not renewed, is inactivated or is suspended.

Section 16.06 **Notice of Termination.** Either Party may deliver written notice of intent to terminate by any verifiable method. If either Party gives notice of its intent to terminate all or a part of this Contract, Department and Contractor shall attempt to resolve any issues related to the anticipated termination in good faith during the notice period.

ARTICLE XVII VOID, SUSPENDED, AND TERMINATED CONTRACTS

Section 17.01 **Void Contracts.** Department may void this Contract upon determination that the award was obtained fraudulently or was otherwise illegal or invalid from its inception.

Section 17.02 **Effect of Void, Suspended, or Involuntarily Terminated Contract.** A Contractor who has been a party to a contract with DSHS that has been found to be void, or is suspended, or is terminated for cause is not eligible for expansion of current contracts, if any, or new contracts or renewals until, in the case of suspension or termination, the Department has determined that Contractor has satisfactorily resolved the issues underlying the suspension or termination. Additionally, if this Contract is found to be void, any amount paid is subject to repayment.

Section 17.03 **Appeals Rights.** Pursuant to Tex. Gov. Code § 2105.302, after receiving notice from the Department of termination of a contract with DSHS funded by block grant funds, Contractor may request an administrative hearing under Tex. Gov. Code Chapter 2001.

ARTICLE XVIII CLOSEOUT

Section 18.01 **Cessation of Services At Closeout.** Upon expiration of this Contract or Program Attachment, as applicable, (and any renewals of this Contract or Program Attachment) on its own terms, Contractor shall cease services under this Contract or Program Attachment; and shall cooperate with DSHS to the fullest extent possible upon expiration or prior to expiration, as necessary, to ensure the orderly and safe transfer of responsibilities under this Contract to DSHS or another entity designated by DSHS. Upon receiving notice of Contract or Program Attachment termination or non-renewal, Contractor shall immediately begin to effect an orderly and safe transition of recipients of services to alternative service providers, as needed. Contractor also shall completely cease providing services under this Contract or Program Attachment by the date specified in the termination or non-renewal notice. Contractor shall not bill DSHS for services performed after termination or expiration of this Contract or Program Attachment, or incur any additional expenses once this Contract or Program Attachment is terminated or has expired. Upon termination, expiration (with no renewal) or non-renewal of this Contract or a Program Attachment, Contractor shall immediately initiate Closeout activities described in this Article.

Section 18.02 **Administrative Offset.** The Department has the right to administratively offset amounts owed by Contractor against billings.

Section 18.03 **Deadline for Closeout.** Contractor shall submit all financial, performance, and other Closeout reports required under this Contract within sixty (60) calendar days after the Contract or Program Attachment end date. Unless otherwise provided under the Final Billing Submission section of the Payment Methods and Restrictions Article, the Department is not liable for any claims that are not received within sixty (60) calendar days after the Contract or Program Attachment end date.

Section 18.04 **Payment of Refunds.** Any funds paid to Contractor in excess of the amount to which Contractor is finally determined to be entitled under the terms of this Contract constitute a debt to the Department and will result in a refund due, which Contractor shall pay within the time period established by the Department.

Section 18.05 Disallowances and Adjustments. The Closeout of this Contract or Program Attachment does not affect the Department's right to disallow costs and recover funds on the basis of a later audit or other review or Contractor's obligation to return any funds due as a result of later refunds, corrections, or other transactions.