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|  | **SERVICES CONTRACT**  **Global Leasing** | | | | | | | DSHS Contract Number:  Resulting From Procurement Number:  2535-875 | | | | |
| This Contract is between the state of Washington Department of Social and Health Services (DSHS) and the Contractor identified below, and is governed by chapter 39.26 RCW. | | | | | | | | Program Contract Number:    Contractor Contract Number: | | | | |
| CONTRACTOR NAME | | | | | | CONTRACTOR doing business as (DBA) | | | | | | |
| CONTRACTOR ADDRESS | | | | | | WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI) | | | | DSHS INDEX NUMBER | | |
| CONTRACTOR CONTACT | | CONTRACTOR TELEPHONE | | | | CONTRACTOR FAX | | | CONTRACTOR E-MAIL ADDRESS | | |
| DSHS ADMINISTRATION | | DSHS DIVISION | | | | | | DSHS CONTRACT CODE | | | | |
| DSHS CONTACT NAME AND TITLE | | | | DSHS CONTACT ADDRESS | | | | | | | | |
| DSHS CONTACT TELEPHONE | | | DSHS CONTACT FAX | | | | | DSHS CONTACT E-MAIL ADDRESS | | | | |
| IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT? | | | | | | | ASSISTANCE LISTING NUMBER(S) | | | | | |
| **CONTRACT START DATE** | | | **CONTRACT END DATE** | | | | | CONTRACT MAXIMUM AMOUNT | | | | |
| **EXHIBITS. The following Exhibits are attached and are incorporated into this Contract by reference:**  **Exhibits (specify):** Exhibit A - Data Security Requirements  **No Exhibits.** | | | | | | | | | | | | |
| The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below represent that they have read and understand this Contract, and have the authority to execute this Contract. This Contract shall be binding on DSHS only upon signature by DSHS. | | | | | | | | | | | | |
| CONTRACTOR SIGNATURE  Sample Contract - Do Not Sign | | | | | PRINTED NAME AND TITLE | | | | | | DATE SIGNED | |
| DSHS SIGNATURE  Sample Contract - Do Not Sign | | | | | PRINTED NAME AND TITLE | | | | | | DATE SIGNED | |

# **Definitions**. The words and phrases listed below, as used in this Contract, shall each have the following definitions:

## “Central Contracts and Legal Services” means the DSHS central headquarters contracting office, or successor section or office.

## “Confidential Information” or “Data” means information that is exempt from disclosure to the public or other unauthorized persons under RCW 42.56 or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information.

## “Contract” or “Agreement” means the entire written agreement between DSHS and the Contractor, including any Exhibits, documents, or materials incorporated by reference. The parties may execute this contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.

## “CCLS Chief” means the manager, or successor, of Central Contracts and Legal Services or successor section or office.

## “Contractor” means the individual or entity performing services pursuant to this Contract and includes the Contractor’s owners, members, officers, directors, partners, employees, and/or agents, unless otherwise stated in this Contract. For purposes of any permitted Subcontract, “Contractor” includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or agents.

## “Debarment” means an action taken by a Federal agency or official to exclude a person or business entity from participating in transactions involving certain federal funds.

## “DSHS” or the “Department” means the state of Washington Department of Social and Health Services and its employees and authorized agents.

## “Encrypt” means to encode Confidential Information into a format that can only be read by those possessing a “key;” a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.

## “Personal Information” means information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.

## “Physically Secure” means that access is restricted through physical means to authorized individuals only.

## “Program Agreement” means an agreement between the Contractor and DSHS containing special terms and conditions, including a statement of work to be performed by the Contractor and payment to be made by DSHS.

## “RCW” means the Revised Code of Washington. All references in this Contract to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at http://apps.leg.wa.gov/rcw/.

## “Regulation” means any federal, state, or local regulation, rule, or ordinance.

## “Secured Area” means an area to which only authorized representatives of the entity possessing the Confidential Information have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.

## “Subcontract” means any separate agreement or contract between the Contractor and an individual or entity (“Subcontractor”) to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.

## “Tracking” means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.

## “Trusted Systems” include only the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service (“USPS”) first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system.  For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.

## “WAC” means the Washington Administrative Code. All references in this Contract to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at http://apps.leg.wa.gov/wac/.

# **Amendment.** This Contract may only be modified by a written amendment signed by both parties. Only personnel authorized to bind each of the parties may sign an amendment.

# **Assignment.** The Contractor shall not assign this Contract or any Program Agreement to a third party without the prior written consent of DSHS.

# **Billing Limitations.**

## DSHS shall pay the Contractor only for authorized services provided in accordance with this Contract.

## DSHS shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed.

## The Contractor shall not bill and DSHS shall not pay for services performed under this Contract, if the Contractor has charged or will charge another agency of the state of Washington or any other party for the same services.

# **Compliance with Applicable Law and Washington State Requirements.**

## **Applicable Law**. Throughout the performance of this Agreement, Contractor shall comply with all federal, state, and local laws, regulations, and executive orders to the extent they are applicable to this Agreement.

## **Civil Rights and Nondiscrimination**. Contractor shall comply with all federal and state civil rights and nondiscrimination laws, regulations, and executive orders to the extent they are applicable to this Agreement, including, but not limited to, and as amended, Titles VI and VII of the Civil Rights Act of 1964; Sections 503 and 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act (ADA); Executive Order 11246; the Health Insurance Portability and Accountability Act of 1996 (HIPAA); the Age Discrimination in Employment Act of 1967, the Age Discrimination Act of 1975, the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, and Chapter 49.60 of the Revised Code of Washington, Washington’s Law Against Discrimination. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract and required by law to be so incorporated.

## In the event of the Contractor’s noncompliance or refusal to comply with any applicable nondiscrimination laws, regulations, and executive orders, this Agreement may be rescinded, canceled, or terminated in whole or in part.

## **Nondiscrimination.**

### **Nondiscrimination Requirement**. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.

### **Obligation to Cooperate**. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).

## **Certification Regarding Russian Government Contracts and/or Investments**. Contractor shall abide by the requirements of Governor Jay Inslee’s Directive 22-03 and all subsequent amendments. The Contractor, by signature to this Contract, certifies that the Contractor is not presently an agency of the Russian government, an entity which is Russian-state owned to any extent, or an entity sanctioned by the United States government in response to Russia’s invasion of Ukraine. The Contractor also agrees to include the above certification in any and all Subcontracts into which it enters. The Contractor shall immediately notify DSHS if, during the term of this Contract, Contractor does not comply with this certification. DSHS may immediately terminate this Contract by providing Contractor written notice if Contractor does not comply with this certification during the term hereof.

# **Confidentiality.**

## The Contractor shall not use, publish, transfer, sell or otherwise disclose any Confidential Information gained by reason of this Contract for any purpose that is not directly connected with Contractor’s performance of the services contemplated hereunder, except:

### as provided by law; or,

### in the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.

## The Contractor shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Contractor to employ reasonable security measures, which include restricting access to the Confidential Information by:

### Allowing access only to staff that have an authorized business requirement to view the Confidential Information.

### Physically Securing any computers, documents, or other media containing the Confidential Information.

### Ensure the security of Confidential Information transmitted via fax (facsimile) by:

#### Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.

#### Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.

#### Verifying after transmittal that the fax was received by the intended recipient.

### When transporting six (6) or more records containing Confidential Information, outside a Secured Area, do one or more of the following as appropriate:

#### Use a Trusted System.

#### Encrypt the Confidential Information, including:

##### Encrypting email and/or email attachments which contain the Confidential Information.

##### Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.

#### **Note: If the DSHS Data Security Requirements Exhibit is attached to this contract, this item, 6.b.(4), is superseded by the language contained in the Exhibit.**

### Send paper documents containing Confidential Information via a Trusted System.

### Following the requirements of the DSHS Data Security Requirements Exhibit, if attached to this contract.

## Upon request by DSHS, at the end of the Contract term, or when no longer needed, Confidential Information shall be returned to DSHS or Contractor shall certify in writing that they employed a DSHS approved method to destroy the information. Contractor may obtain information regarding approved destruction methods from the DSHS contact identified on the cover page of this Contract.

## Paper documents with Confidential Information may be recycled through a contracted firm, provided the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping, or incineration.

## Notificationof Compromise or Potential Compromise. The compromise or potential compromise of Confidential Information must be reported to the DSHS Contact designated on the contract within one (1) business day of discovery.  Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.

# **Debarment Certification.** The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions (Debarred). The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify DSHS if, during the term of this Contract, Contractor becomes Debarred. DSHS may immediately terminate this Contract by providing Contractor written notice if Contractor becomes Debarred during the term hereof.

# **E-Signature and Records.** An electronic signature or electronic record of this Contract or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract or such other ancillary agreement for all purposes.

# **Governing Law and Venue.** This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County.

# **Independent Contractor.** The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of the Department. The Contractor, his or her employees, or agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of the Department by reason hereof, nor will the Contractor, his or her employees, or agent make any claim of right, privilege or benefit that would accrue to such officer or employee.

# **Inspection.** The Contractor shall, at no cost, provide DSHS and the Office of the State Auditor with reasonable access to Contractor’s place of business, Contractor’s records, and DSHS client records, wherever located. These inspection rights are intended to allow DSHS and the Office of the State Auditor to monitor, audit, and evaluate the Contractor’s performance and compliance with applicable laws, regulations, and these Contract terms. These inspection rights shall survive for six (6) years following this Contract’s termination or expiration.

# **Maintenance of Records.** The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.

Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

# **Order of Precedence.** In the event of any inconsistency or conflict between the General Terms and Conditions and the Special Terms and Conditions of this Contract or any Program Agreement, the inconsistency or conflict shall be resolved by giving precedence to these General Terms and Conditions. Terms or conditions that are more restrictive, specific, or particular than those contained in the General Terms and Conditions shall not be construed as being inconsistent or in conflict.

# **Severability.** If any term or condition of this Contract is held invalid by any court, the remainder of the Contract remains valid and in full force and effect.

# **Survivability.** The terms and conditions contained in this Contract or any Program Agreement which, by their sense and context, are intended to survive the expiration or termination of the particular agreement shall survive. Surviving terms include, but are not limited to: Billing Limitations; Confidentiality, Disputes; Indemnification and Hold Harmless, Inspection, Maintenance of Records, Notice of Overpayment, Ownership of Material, Termination for Default, Termination Procedure, and Treatment of Property.

# **Contract Renegotiation, Suspension, or Termination Due to Change in Funding.**

If the funds DSHS relied upon to establish this Contract or Program Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract or Program Agreement:

## At DSHS’s discretion, the Contract or Program Agreement may be renegotiated under the revised funding conditions.

## At DSHS’s discretion, DSHS may give notice to Contractor to suspend performance when DSHS determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor’s performance to be resumed prior to the normal completion date of this contract.

### During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.

### When DSHS determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to DSHS informing DSHS whether it can resume performance and, if so, the date of resumption. For purposes of this subsubsection, “written notice” may include email.

### If the Contractor’s proposed resumption date is not acceptable to DSHS and an acceptable date cannot be negotiated, DSHS may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.

## DSHS may immediately terminate this Contract by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty shall accrue to DSHS in the event the termination option in this section is exercised.

# **Waiver.** Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the CCLS Chief or designee has the authority to waive any term or condition of this Contract on behalf of DSHS.

**Additional General Terms and Conditions – Professional Service Contracts:**

# **Advance Payment.** DSHS shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.

# **Construction**. The language in this Contract shall be interpreted as to its fair meaning and not strictly for or against any party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.

# **Contractor Certification Regarding Ethics.** The Contractor certifies that the Contractor is now, and shall remain, in compliance with Chapter 42.52 RCW, Ethics in Public Service, throughout the term of this Contract.

# **DES Filing Requirement.** Under RCW 39.26, sole source contracts and amendments must be filed with the State of Washington Department of Enterprise Services (DES). If this Contract is one that must be filed, it shall not be effective nor shall work commence or payment be made until the fifteenth (15th) working day following the date of filing subject to DES approval. In the event DES fails to approve the Contract or any amendment hereto, the Contract or amendment shall be null and void.

# **Health and Safety.** Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health and safety of any DSHS client with whom the Contractor has contact.

# **Indemnification and Hold Harmless**.

## The Contractor shall be responsible for and shall indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines, of whatsoever kind of nature, arising out of or relating to a) the Contractor’s or any Subcontractor’s performance or failure to perform this Contract, or b) the acts or omissions of the Contractor or any Subcontractor.

## The Contractor’s duty to indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines shall include DSHS’ personnel-related costs, reasonable attorney’s fees, court costs, and all related expenses.

## The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees.

## Nothing in this term shall be construed as a modification or limitation on the Contractor’s obligation to procure insurance in accordance with this Contract or the scope of said insurance.

# **Industrial Insurance Coverage**. The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, Agency may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. The Agency may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Agency under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I’s rights to collect from the Contractor.

# **Publicity**. The Contractor shall not name DSHS as a customer, nor use any information related to this Contract, in any format or media, in any Contractor’s advertising or publicity without prior written consent from DSHS.

# **Notice of Overpayment**. If the Contractor receives a vendor overpayment notice or a letter communicating the existence of an overpayment from DSHS, the Contractor may protest the overpayment determination by requesting an adjudicative proceeding. The Contractor’s request for an adjudicative proceeding must:

## Be *received* by the Office of Financial Recovery (OFR) at Post Office Box 9501, Olympia, Washington 98507-9501, within twenty-eight (28) calendar days of service of the notice;

## Be sent by certified mail (return receipt) or other manner that proves OFR received the request;

## Include a statement as to why the Contractor thinks the notice is incorrect; and

## Include a copy of the overpayment notice.

Timely and complete requests will be scheduled for a formal hearing by the Office of Administrative Hearings. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the overpayment dispute prior to the hearing.

Failure to provide OFR with a written request for a hearing within twenty-eight (28) days of service of a vendor overpayment notice or other overpayment letter will result in an overpayment debt against the Contractor. DSHS may charge the Contractor interest and any costs associated with the collection of this overpayment. DSHS may collect an overpayment debt through lien, foreclosure, seizure and sale of the Contractor’s real or personal property; order to withhold and deliver; or any other collection action available to DSHS to satisfy the overpayment debt.

# **Site Security.** While providing services at a DSHS location, the Contractor, its agents, employees, or Subcontractors shall conform in all respects with physical, fire, or other security regulations specific to the DSHS location.

# **Subcontracting**. Except as otherwise provided in this Contract, the Contractor shall not Subcontract any of the contracted services without the prior written approval of DSHS. Contractor is responsible to ensure that all terms, conditions, assurances and certifications set forth in this Contract are included in any and all Subcontracts. Any failure of Contractor or its Subcontractors to perform the obligations of this Contract shall not discharge the Contractor from its obligations hereunder or diminish DSHS’ rights or remedies available under this Contract.

# **Subrecipients**.

## General. If the Contractor is a subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:

### Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Assistance Listing Numbers (ALN) title and number, award number and year, name of the federal agency, and name of the pass-through entity;

### Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;

### Prepare appropriate financial statements, including a schedule of expenditures of federal awards;

### Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractors who are subrecipients;

### Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and

### Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to <https://ojp.gov/about/offices/ocr.htm> for additional information and access to the aforementioned Federal laws and regulations.)

## Single Audit Act Compliance. If the Contractor is a subrecipient and expends $750,000 or more in federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:

### Submit to the DSHS contact person the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;

### Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F; prepare a “Summary Schedule of Prior Audit Findings” reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.

## Overpayments. If it is determined by DSHS, or during the course of a required audit, that the Contractor has been paid unallowable costs under this or any Program Agreement, DSHS may require the Contractor to reimburse DSHS in accordance with 2 CFR Part 200.

# **Termination for Convenience**. DSHS may terminate this Contract in whole or in part when it is in the best interest of DSHS by giving the Contractor at least thirty (30) calendar days’ written notice.

# **Termination for Default**. The CCLS Chief may immediately terminate this Contract for default, in whole or in part, by written notice to the Contractor if DSHS has a reasonable basis to believe that the Contractor has:

## Failed to meet or maintain any requirement for contracting with DSHS;

## Failed to protect the health or safety of any DSHS client;

## Failed to perform under, or otherwise breached, any term or condition of this Contract; and/or

## Violated any applicable law or regulation.

## If it is later determined that the Contractor was not in default, the termination shall be considered a termination for convenience.

# **Termination or Expiration Procedure**. The following terms and conditions apply upon Contract termination or expiration:

## The Contractor shall cease to perform any services required by this Contract as of the effective date of termination or expiration.

## If the Contract is terminated, the Contractor shall comply with all instructions contained in the termination notice.

## The Contractor shall immediately deliver to the DSHS contact named on page one of this Contract, or to his or her successor, all DSHS property in the Contractor’s possession. The Contractor grants DSHS the right to enter upon the Contractor’s premises for the sole purpose of recovering any DSHS property that the Contractor fails to return within ten (10) calendar days of the effective date of termination or expiration of this Contract. Upon failure to return DSHS property within ten (10) calendar days, the Contractor shall be charged with all reasonable costs of recovery, including transportation.

## DSHS shall be liable only for payment required under the terms of this Contract for service rendered up to the effective date of termination or expiration.

## DSHS may withhold a sum from the final payment to the Contractor that DSHS determines necessary to protect DSHS against loss or additional liability.

## The rights and remedies provided to DSHS in this Section are in addition to any other rights and remedies provided at law, in equity, and/or under this Contract, including consequential and incidental damages.

# **Treatment of Property**. All property purchased or furnished by DSHS for use by the Contractor during this Contract term shall remain with DSHS. Title to all property purchased or furnished by the Contractor for which the Contractor is entitled to reimbursement by DSHS under this Contract shall pass to and vest in DSHS. The Contractor shall protect, maintain, and insure all DSHS property in its possession against loss or damage and shall return DSHS property to DSHS upon Contract termination or expiration.

# **Taxes.**

## Where required by statute or regulation, Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. DSHS will pay sales or use taxes, if any, imposed on the services and materials acquired hereunder. Contractor must pay all other taxes including without limitation Washington Business and Occupation Tax, other taxes based on Contractor’s income or gross receipts, or personal property taxes levied or assessed on Contractor’s personal property. DSHS, as an agency of Washington State government, is exempt from property tax.

## Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract in accordance with the requirements of [Title 82 RCW](http://apps.leg.wa.gov/rcw/default.aspx?Cite=82) and [Title 458 WAC](http://apps.leg.wa.gov/wac/default.aspx?cite=458). Out-of-state Contractors must contact the Department of Revenue to determine whether they meet criteria to register and establish an account with the Department of Revenue. Refer to WAC 458-20-101 (Tax registration and tax reporting) and call the Department of Revenue at 800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit sales tax, DSHS shall be responsible for paying use tax, if applicable, directly to the Department of Revenue.

## All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for Contractor or Contractor’s staff shall be Contractor’s sole responsibility.

# **Definitions Specific to Special Terms**. The words and phrases listed below, as used in this Contract, shall each have the following definitions:

## “Business Day” or “Business Days” means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States, or any day which is a state holiday in the State of Washington.

## “Global Lease” means a risk mitigation strategy to link HCLA Clients with Contractors who own or lease units from another owner and then lease or sublease those units to HCLA Clients.

## “HCLA” means the Home and Community Living Administration, the division within DSHS responsible for facilitating long-term care services for residents of Washington state who are elderly or a person with a disability who may need state funds to help pay for such services.

## “HCLA Client” means the eligible individual determined by HCLA to be qualified to receive housing support services and referred to the Contractor to receive the services pursuant to this Contract. For the purposes of this Contract, HCLA Client will mean to include the family of the individual being referred.

## “Rental Subsidy” means the subsidy provided to eligible individuals until permanent housing is obtained, or the client vacates the Premises.

## “HHS” means Housing Habitability Standards.

## “Housing Assistance Payment” or “HAP”means Housing Assistance Payments, agreements between a public housing authority and a property owner or landlord to define the amount and payment method for a rental subsidy.

## “Housing Authority” means a public body, often a city or county government agency, responsible for providing affordable housing to low-income individuals and families.

## “Housing Program Manager” or “HPM” means a HCLA employee who works within the Office of Housing and Employment.

## “Landlord Mitigation Funds” means funds provided by the Washington State Landlord Mitigation Fund program for repairs required to pass housing inspections, cover rent losses or pay for qualifying damages caused by a tenant.

## “Leased Unit” means premises intended for residential use in accordance with the State of Washington building codes and regulations, owned by a third party landlord and leased by the Global Leasing contractor and subleased to a HCLA client. Units shall include studio apartments and one-bedroom apartments.

## “Lease Up” means filling vacant rental units in a property with tenants on a fully executed lease.

## “Low Barrier Application” means an application approach that facilitates access to safe and stable housing without stringent conditions or prerequisites. For the purposes of this Contract, stringent conditions or prerequisites include, but are not limited to: credit checks, individual income, rental or criminal history.

## “Market Rate” means non-subsidized properties that are rented at local market rate rent amounts.

## “Owned Unit” means premises intended for residential use in accordance with the State of Washington building codes and regulations, owned by the Global Leasing contractor that have been set-aside for Global Leasing tenants. Units shall include studio apartments and one-bedroom apartments.

## “Premises” means the real property upon which is located a structure that has a room or set of rooms to be used as a residence for a maximum of one family, including, without limitation, a condominium or apartment complex, each unit of which is designed to be used as a residence for a maximum of one family. For the purposes of this Contract, Premises shall not include transitional housing, single room occupancy units, single family homes or any type of shared housing units.

## “Property Owner” means the individual or entity that has legal title to a property.

## “Referral” means the effective linkage made by a HPM, using either email, telephone or fax, of an HCLA Client to the Contractor so that the HCLA Client can receive the services set forth under the Contract.

## “Risk Mitigation Funds” means funds designed to assist housing providers in covering the excess costs not traditionally allowable in housing subsidies.

## “Spokane Housing Authority” or “SHA” means the Public Housing Authority in Spokane, WA.

## “Standard Lease” means a legally binding contract outlining the terms of a rental agreement between a landlord and a tenant, typically for a fixed term. All standard leases in Washington State should fully comply with Washington State Landlord Tenant laws.

## “Sublease” means an arrangement where an existing tenant re-rents a property to a third party. The original tenant retains some right or interest under the original lease.

## “Subsidy Holder” means the individual receiving a rental subsidy from HCLA.

# **Purpose and Period of Performance**.

## The purpose of this Contract is to set forth the terms and conditions between the Contractor and HCLA by which the Contractor provides accessible and affordable housing units to Subsidy Holders. The units identified in this contract will allow for Subsidy Holders who face high housing barriers to quickly lease up in community integrated housing that is supported by Global Leasing Risk Mitigation Funds. The intent of this Contract is to mitigate risk while also affording client choice in housing options.

## The initial term of this Contract is as set forth on the Contract cover page, starting on the date shown as “**Contract Start Date**” and ending on the date shown as “**Contract End Date**.” DSHS may extend this contract for up to one (1) additional term. Each additional term may be for up to two (2) years. Maximum consideration for each additional term shall be as set forth in the contract amendment / statement of work for the contract extension.

# **Global Leasing Unit Property Owner and Fair Market Rate**.

## If the Global Leasing Unit (the “**Unit**”) provided by the Contractor is owned by a third-party Property Owner, the HAP contract will be between Spokane Housing Authority and the Property Owner, or property management agency listed on the Standard Lease, and the Unit leased by the Contractor pursuant to this Contract shall not exceed 120% of the area Fair Market Rate. The sub-lease rent shall not exceed the rent amount of the Standard Lease.

## If the Contractor is the Property Owner of the Global Leasing Unit, the HAP contract will be between Spokane Housing Authority and the Contractor. The Unit leased by the Contractor pursuant to this Contract shall not exceed 110% of the area Fair Market Rate.

# **Incorporated by Reference**. The documents set forth below are hereby incorporated in the Contract by reference, and are deemed by the parties to constitute a legally binding part of the obligations herein:

## DSHS RFP #2535-875, including all Amendments and Exhibits,

## The Contractor’s written response to DSHS RFP #2535-875.

# **Subcontractor / Prompt Payment & Retainage.** If the Contractor utilizes subcontractors to complete the work contemplated herein, the Contractor will pay each subcontractor for satisfactorily completed work no later than thirty (30) days after receiving payment from DSHS. Contractor will return any retainage payments to each subcontractor within thirty (30) days after the subcontractor’s work is satisfactorily completed and any liens have been secured. Any delay or postponement of payment within this time period may occur only for a good cause following written approval of DSHS. In addition, DSHS will not pay the Contractor for subcontractor work unless the Contractor can show that a prompt payment method for subcontractors is established.

# **Access Equity.** If Contractor utilizes an Office of Minority and Women’s Business Enterprises (OMWBE) Certified subcontractor to perform work under this Contract, this section applies. In such circumstances, this Contract is subject to compliance tracking using Access Equity, Washington’s online business diversity vendor management system (B2Gnow), which is managed by OMWBE. Access Equity is web-based and can be accessed at <https://omwbe.diversitycompliance.com/>. User guides and documentation related to Contractor and subcontractor access to and use of Access Equity are available online at <https://omwbe.wa.gov/access-equity-help-center>. Contractor may contact the DSHS Contract Manager for technical assistance in using the Access Equity system.

## Contract Payment Reporting & Verification. Contractor and any OMWBE Certified subcontractors utilized by Contractor to perform this Contract shall utilize Access Equity to report and confirm receipt of payments made to Contractor by DSHS and to each subcontractor.

## Contractor Requirements.

### Registration. Contractor, within fifteen (15) calendar days of the effective date of this Contract, shall register in Access Equity and enter all required subcontractor information. **Confidential information (Tax ID, etc.) is not required for vendor registration, and SHOULD NOT BE INCLUDED as this information is available to all B2Gnow customers.** In the event DSHS approves a change to subcontractors after the effective date of this Contract, Contractor shall update Access Equity within fifteen (15) calendar days of such change.

### Training. Contractor, within twenty (20) calendar days of the effective date of this Contract (or later engagement of a subcontractor), shall complete the required Access Equity user training (two (2) one-hour online sessions).

### Subcontractors. Contractor shall require any OMWBE Certified subcontractor(s) utilized by Contractor to perform this Contract to:

#### Register in Access Equity;

#### Complete the required Access Equity user training;

#### Use Access Equity to verify the amount and date of receipt of each payment from Contractor or, if applicable, a higher tier subcontractor;

#### Use Access Equity to report payments made by subcontractor to any lower tier subcontractor(s), if any, in the same manner as specified herein;

#### Promptly respond to any requests or instructions from Contractor or system-generated messages to check or provide information in Access Equity; and

#### When necessary, promptly coordinate with Contractor and/or DSHS to resolve any discrepancies between reported and received payments.

### Reporting. Contractor, quarterly shall report the amount and date of:

#### All payments received from DSHS; and

#### All payments paid to subcontractor(s);

Provided, however, that Contractor shall mark as “final” and report final subcontractor payments no later than thirty (30) calendar days after final payment is due to subcontractor(s).

### Monitor & Respond. Contractor shall monitor contract payments and respond promptly to any requests or instructions from DSHS or system-generated messages to check or provide information in Access Equity.

### Resolve Discrepancies. When necessary, promptly coordinate with subcontractor(s) and/or DSHS to resolve any discrepancies between reported and received payments.

## Right to withhold Payment for Noncompliance. In the event Contractor or subcontractors, if any, fails to comply with this section, DSHS may, in addition to any other lawful remedy, upon written notice of such noncompliance, withhold payment to Contractor until such time as such noncompliance is cured.

# **Statement of Work**. The Contractor shall provide the services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

## Onboarding. Prior to rendering any of the services described herein, the Contractor and any Contractor staff assigned to perform the work under the Contract shall attend the Global Leasing onboarding series. The Contractor shall maintain written documentation for such staff who attended the event for the duration of the Contract term.

## Global Leasing. For the duration of the Contract term, the Contractor shall accept Referrals from the HCLA Housing Program Manager. Upon receiving and acceptance of a new Referral, the Contractor shall lease – or in the event Contractor does not own the Premises, Sublease - a Global Leasing Unit, in accordance with the Global Leasing Procedures set forth by the Contract’s Exhibit B, attached herein, and subject to the following additional conditions:

### If the Contractor is the owner of more than one Global Leasing Unit, the Contractor agrees to:

**RFP NOTE: Items labeled (XX) below will be added to the Contract after the Apparent Successful Bidder(s) are announced, prior to Contract execution.**

#### Set aside or Lease (**XX**) units for HCLA Subsidy Holders. The Contractor will maintain (**XX)** units for the duration of this Contract.

#### Institute a low barrier application process as defined in the Global Leasing Procedure and offer the HCLA Clients a choice of neighborhoods to reside whenever possible.

### Contractor’s use of Global Leasing Funds must be limited to the line items documented by Exhibit (**XX**), attached to this Contract.

### The Contractor shall not use Global Leasing funds to pay rent once the unit is occupied.

### The Contractor may use Global Leasing Funds to pay for utilities not included as part of the rent for unoccupied units. The Contractor shall not use Global Leasing Funds to pay for utilities in occupied units, the HCLA Client will be responsible for such utilities.

## Premises Maintenance and Standards.

### Owned units:

#### the Contractor shall coordinate with Spokane Housing Authority to facilitate unit inspections before client move-in.

### Global Leased Units:

#### If the Contractor is NSPIRE certified, Contractor shall conduct an NSPIRE inspection of the unit prior to signing the Global Lease.

#### HHS Inspections may be permitted with prior approval from HCLA.

### The Contractor must coordinate necessary repairs to bring unit into compliance prior to signing the Standard Lease or Sublease.

## Correspondence, Reporting and Notifications.

### The Contractor must be available to HCLA staff for telephone and written communications as necessary, and on a pre-established schedule determined by mutual arrangement between the parties. The Contractor must respond to all telephone and written communication from HCLA within two (2) business days.

### The Contractor shall provide a monthly report to DSHS, using the format approved by DSHS, on or before the tenth (10th) day of each month. Such reports must contain the information set forth below to be deemed acceptable by DSHS:

#### Unit address, including County

#### Number of occupied units

#### Number of vacancies

#### Expected upcoming leases

#### Upcoming availability

#### Unit Status (rented, vacant)

#### Global Lease date

#### Sublease start and end dates

#### Move Out date

#### Costs associated with tenancy for each unit (must include deposits, fees, etc.)

#### Risk Mitigation expenditures for each unit

#### Landlord Mitigation payments received

#### Rent arrears

### The Contractor shall complete and retain property move-in and move-out property condition reports in compliance with the Department of Commerce Landlord Mitigation Program. Landlord mitigation claims should be made prior to utilizing Risk Mitigation Funds for repairs to units. Risk Mitigation funds shall not be used for duplication or supplantation of services.

### The Contractor shall notify appropriate contracted service providers and designated HCLA HPM within one business day for any posted tenant notices.

### The Contractor shall notify the HCLA HPM within one Business Day when a referred tenant’s housing is at risk, prior to termination, and work with HCLA HPM to prevent eviction. The Contractor must comply with the termination procedure requirements established in the Global Leasing Procedure.

### The Contractor shall notify the designated HCLA HPM of upcoming Unit vacancies within five business days of being made aware that a Unit will become vacant.

## Referral Process. The Contractor hereby agrees to adhere to the Referral, leasing and sub-leasing procedures and requirements set forth below.

### Upon receiving a new Referral from an HCLA HPM, the Contractor will respond by email within two (2) business days confirming that they will Sub-lease the unit to the client or to request more information if needed.

### Contractor will notify designated HCLA HPM about any reason for denial of tenancy or restrictive eligibility criteria for the property.

## Leasing and Sub-Leasing Process.

### Contractor must provide the HCLA Client with a lease without additional addendums. Lease must be pre-approved by HCLA.

### The Contractor must make reasonable efforts to ensure that units are leased up within 90 calendar days and maintain an occupancy rate of at least 70% during the contract term. Exceptions may be approved by HCLA HPM on a case-by-case basis.

## Rental Subsidies. If the Contractor is the owner of the Premises, the Contractor hereby agrees to accept rental subsidies from HCLA through HAP contracts issued by the Spokane Housing Authority, in accordance with applicable housing program regulations and requirements. SHA will pay rental subsidies for the Global Leasing Program at HCLA’s direction.

# **HCLA Responsibilities**. HCLA shall be responsible for the following:

## Providing HCLA Client referrals for Global Leased units.

## Assigning a designated HCLA HPM as a single point of contact for overall program management.

## Facilitating the payment of rent subsidies and other approved expenses for HCLA Clients receiving services pursuant to the Contract.

## Coordinating development of a client centered, in-home service plan to assist individuals receiving Rental Subsidy. Services and supports are voluntary, subject to availability and eligibility criteria and legislative authority and appropriation.

## Providing or facilitating services, such as, as eligible, and authorized, but not limited to:

### Supportive Housing services

### Personal Care

### Caregiver Management Training

### Skills Acquisition Training

### Personal Emergency Response Systems (PERS)

### Assistive Technologies

### Community transition items such as, but not limited to:

#### Basic household items and furniture

#### Transition services and support from HCLA Contractors

### Environmental modifications

### Specialized medical equipment/supplies

# **Monitoring**. The Contractor hereby agrees to be subject to monitoring and evaluation requirements that ensure the Contractor’s compliance with the terms and conditions of the Contract. The Contractors performance may be evaluated by HCLA at least quarterly, or more often at HCLA sole discretion. Contractor shall make available, as permitted under state and federal law, all records requested by HCLA required to perform such monitoring. All reports submitted by the Contractor may be utilized as part of the evaluation of Contractors performance of work and adherence to the obligations set forth herein.

# **Corrective Action Plan**. If, at any time, DSHS determines that the Contractor is deficient in the performance of its obligations under the Contract, the Contractor shall submit a corrective action plan that is designed to correct the deficiency. Contractor shall submit the corrective action plan to DSHS within fifteen (15) days upon the Contractor receiving written notification from DSHS that a corrective action plan is required. DSHS may require modifications to the corrective action plan based on its judgement as to whether the corrective action will correct the deficiency. The Contractor shall correct the deficiency within fifteen (15) days of submission of the corrective action plan and receiving written approval of the plan from DSHS. In the event the Contractor does not correct the deficiency within the time specified by the foregoing, DSHS may hold back payments owed to the Contractor by DSHS. Payments may be withheld until DSHS is reasonably assured that the Contractor has corrected the deficiency. Upon such assurance, DSHS shall promptly pay to the Contractor all outstanding payment amounts withheld under this section. Contractor shall continue to provide services set forth in this contract during the period payments are withheld.

# **Consideration**. Total consideration payable to Contractor for satisfactory performance of the work under this Contract is up to a maximum of **$XX**, including any and all expenses, and shall be based on cost reimbursement schedule provided on Exhibit “**XX**” Program Budget.

# **Billing and Payment**.

## Invoice System. The Contractor shall submit invoices using State Form A-19 Invoice Voucher, or such other form as designated by DSHS. Consideration for services rendered shall be payable upon receipt of properly completed invoices which shall be submitted to the HCLA Housing Contract and System Specialist monthly. The invoices shall describe and document to HCLA’s satisfaction a description of the work performed, activities accomplished, the progress of the project, and fees. The rates shall be in accordance with those set forth in Section 6, Consideration, of this Contract and Exhibit “X” Program Budget.

## Payment. Payment shall be considered timely if made by HCLA within thirty (30) days after receipt and acceptance by the HCLA Contact of the properly completed invoices. Payment shall be sent to the address designated by the Contractor on page one (1) of this Contract. HCLA may, at its sole discretion, withhold payment claimed by the Contractor for services rendered if Contractor fails to satisfactorily comply with any term or condition of this Contract.

# **Insurance**

The Contractor shall obtain and maintain for the duration of the Contract, at Contractor’s expense, the following insurance coverages, and comply with the following insurance requirements.

## General Liability Insurance

The Contractor shall maintain Commercial General Liability Insurance or Business Liability Insurance, no less comprehensive than coverage under Insurance Service Offices, Inc. (ISO) form CG 00-01, including coverage for bodily injury, property damage, and contractual liability. The amount of coverage shall be no less than $2,000,000 per occurrence and $4,000,000 General Aggregate. The policy shall include liability arising out of the parties’ performance under this Contract, including but not limited to premises, operations, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees of the state, shall be named as additional insureds.

## In lieu of general liability insurance mentioned in Subsection a. above, if the Contractor is a sole proprietor with less than three contracts, the contractor may choose one of the following three general liability policies, but only if attached to a professional liability policy. If selected the policy shall be maintained for the life of the contract:

Supplemental Liability Insurance, including coverage for bodily injury and property damage that will cover the contractor wherever the service is performed with minimum limits of $2,000,000 per occurrence; and $4,000,000 General Aggregate. The State of Washington, DSHS, its elected and appointed officials, agents, and employees shall be named as additional insureds;

or

Workplace Liability Insurance, including coverage for bodily injury and property damage that provides coverage wherever the service is performed with minimum limits of $2,000,000 per occurrence; and $4,000,000 General Aggregate. The State of Washington, DSHS, its elected and appointed officials, agents, and employees shall be named as additional insureds:

or

Premises Liability Insurance if services are provided only at their recognized place of business, including coverage for bodily injury, property damage with minimum limits of $2,000,000 per occurrence; and $4,000,000 General Aggregate. The State of Washington, DSHS, its elected and appointed officials, agents, and employees shall be named as additional insureds.

## Workers’ Compensation

The Contractor shall comply with all applicable Workers’ Compensation, occupational disease, and occupational health and safety laws and regulations. The State of Washington and DSHS shall not be held responsible for claims filed for Workers’ Compensation under Title 51 RCW by the Contractor or its employees under such laws and regulations.

## Employees and Volunteers

Insurance required of the Contractor under the Contract shall include coverage for the acts and omissions of the Contractor’s employees and volunteers. In addition, the Contractor shall ensure that all employees and volunteers who use vehicles to transport clients or deliver services have personal automobile insurance and current driver’s licenses.

## Subcontractors

The Contractor shall ensure that all subcontractors have and maintain insurance with the same types and limits of coverage as required of the Contractor under the Contract. Failure of Subcontractors to comply with the insurance requirements in this Contract does not limit the Contractor’s liability or responsibility.

## Separation of Insureds

All insurance policies shall include coverage for cross liability and contain a “Separation of Insureds” provision.

## Insurers

The Contractor shall obtain insurance from insurance companies identified as an admitted insurer/carrier in the State of Washington, with a current Best’s Reports’ rating of A-, Class VII, or better.

## Evidence of Coverage

The Contractor shall, upon request by DSHS, submit a copy of the Certificate of Insurance, policy, and additional insured endorsement for each coverage required of the Contractor under this Contract. The Certificate of Insurance shall identify the Washington State Department of Social and Health Services as the Certificate Holder. A duly authorized representative of each insurer, showing compliance with the insurance requirements specified in this Contract, shall execute each Certificate of Insurance.

The Contractor shall maintain copies of Certificates of Insurance, policies, and additional insured endorsements for each subcontractor as evidence that each subcontractor maintains insurance as required by the Contract.

## Material Changes

The insurer shall give the DSHS point of contact listed on page one of this Contract 45 days advance written notice of cancellation or non-renewal of any insurance policy required under this Contract. If cancellation is due to non-payment of premium, the insurer shall give DSHS 10 days advance written notice of cancellation. Failure to provide notice as required may result in termination of the Contract.

## Waiver of Subrogation

## Contractor waives all rights of subrogation against DSHS for the recovery of damages to the extent such damages are or would be covered by insurance required under the Contract. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies whether or not DSHS receives the waiver of subrogation endorsement from the insurer.

## Coverage Limits

By requiring insurance, the State of Washington and DSHS do not represent that the coverage and limits required in this Contract will be adequate to protect the Contractor. Such coverage and limits shall not limit the Contractor’s liability in excess of the required coverage and limits, and shall not limit the Contractor’s liability under the indemnities and reimbursements granted to the State and DSHS in this Contract.

## Primary Coverage

All Contractor’s insurance provided in compliance with this Contract shall be primary and shall not seek contribution from insurance or self-insurance programs afforded to or maintained by the State. Insurance or self-insurance programs afforded to or maintained by the State shall be in excess of, and shall not contribute with, insurance required of the Contractor and Subcontractors under this Contract.

## Waiver

The Contractor waives all rights, claims and causes of action against the State of Washington and DSHS for the recovery of damages to the extent said damages are covered by insurance maintained by Contractor.

## Liability Cap

Any limitation of liability or liability cap set forth in this Contract shall not preclude DSHS from claiming under any insurance maintained by the Contractor pursuant to this Contract, up to the policy limits.

## Professional Liability (errors & omissions)

The Contractor shall maintain insurance of at least $1,000,000 per occurrence, $2,000,000 General Aggregate for malpractice or errors and omissions coverage against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use, and damages because of negligent acts, errors, and omissions in any way related to this contract.

**Exhibit A – Data Security Requirements**

**1. Definitions**. The words and phrases listed below, as used in this Exhibit, shall each have the following definitions:

a. “AES” means the Advanced Encryption Standard, a specification of Federal Information Processing Standards Publications for the encryption of electronic data issued by the National Institute of Standards and Technology (http://nvlpubs.nist.gov/nistpubs/FIPS/NIST.FIPS.197.pdf).

b. “Authorized Users(s)” means an individual or individuals with a business need to access DSHS Confidential Information, and who has or have been authorized to do so.

c. “Business Associate Agreement” means an agreement between DSHS and a contractor who is receiving Data covered under the Privacy and Security Rules of the Health Insurance Portability and Accountability Act of 1996. The agreement establishes permitted and required uses and disclosures of protected health information (PHI) in accordance with HIPAA requirements and provides obligations for business associates to safeguard the information.

d. “Category 4 Data” is data that is confidential and requires special handling due to statutes or regulations that require especially strict protection of the data and from which especially serious consequences may arise in the event of any compromise of such data. Data classified as Category 4 includes but is not limited to data protected by: the Health Insurance Portability and Accountability Act (HIPAA), Pub. L. 104-191 as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH), 45 CFR Parts 160 and 164; the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99; Internal Revenue Service Publication 1075 (https://www.irs.gov/pub/irs-pdf/p1075.pdf); Substance Abuse and Mental Health Services Administration regulations on Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2; and/or Criminal Justice Information Services, 28 CFR Part 20.

e. “Cloud” means data storage on servers hosted by an entity other than the Contractor and on a network outside the control of the Contractor. Physical storage of data in the cloud typically spans multiple servers and often multiple locations. Cloud storage can be divided between consumer grade storage for personal files and enterprise grade for companies and governmental entities. Examples of consumer grade storage would include iTunes, Dropbox, Box.com, and many other entities. Enterprise cloud vendors include Microsoft Azure, Amazon Web Services, and Rackspace.

f. “Encrypt” means to encode Confidential Information into a format that can only be read by those possessing a “key”; a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.

g. “FedRAMP” means the Federal Risk and Authorization Management Program (see www.fedramp.gov), which is an assessment and authorization process that federal government agencies have been directed to use to ensure security is in place when accessing Cloud computing products and services.

h. “Hardened Password” means a string of at least eight characters containing at least three of the following four character classes: Uppercase alphabetic, lowercase alphabetic, numeral, and special characters such as an asterisk, ampersand, or exclamation point.

i. “Mobile Device” means a computing device, typically smaller than a notebook, which runs a mobile operating system, such as iOS, Android, or Windows Phone. Mobile Devices include smart phones, most tablets, and other form factors.

j. “Multi-factor Authentication” means controlling access to computers and other IT resources by requiring two or more pieces of evidence that the user is who they claim to be. These pieces of evidence consist of something the user knows, such as a password or PIN; something the user has such as a key card, smart card, or physical token; and something the user is, a biometric identifier such as a fingerprint, facial scan, or retinal scan. “PIN” means a personal identification number, a series of numbers which act as a password for a device. Since PINs are typically only four to six characters, PINs are usually used in conjunction with another factor of authentication, such as a fingerprint.

k. “Portable Device” means any computing device with a small form factor, designed to be transported from place to place. Portable devices are primarily battery powered devices with base computing resources in the form of a processor, memory, storage, and network access. Examples include, but are not limited to, mobile phones, tablets, and laptops. Mobile Device is a subset of Portable Device.

l. “Portable Media” means any machine readable media that may routinely be stored or moved independently of computing devices. Examples include magnetic tapes, optical discs (CDs or DVDs), flash memory (thumb drive) devices, external hard drives, and internal hard drives that have been removed from a computing device.

m. “Secure Area” means an area to which only authorized representatives of the entity possessing the Confidential Information have access, and access is controlled through use of a key, card key, combination lock, or comparable mechanism. Secure Areas may include buildings, rooms or locked storage containers (such as a filing cabinet or desk drawer) within a room, as long as access to the Confidential Information is not available to unauthorized personnel. In otherwise Secure Areas, such as an office with restricted access, the Data must be secured in such a way as to prevent access by non-authorized staff such as janitorial or facility security staff, when authorized Contractor staff are not present to ensure that non-authorized staff cannot access it.

n. “Trusted Network” means a network operated and maintained by the Contractor, which includes security controls sufficient to protect DSHS Data on that network. Controls would include a firewall between any other networks, access control lists on networking devices such as routers and switches, and other such mechanisms which protect the confidentiality, integrity, and availability of the Data.

o. “Unique User ID” means a string of characters that identifies a specific user and which, in conjunction with a password, passphrase or other mechanism, authenticates a user to an information system.

**2. Authority**. The security requirements described in this document reflect the applicable requirements of Standard 141.10 (<https://ocio.wa.gov/policies>) of the Office of the Chief Information Officer for the state of Washington, and of the DSHS Information Security Policy and Standards Manual. Reference material related to these requirements can be found here: <https://www.dshs.wa.gov/ffa/keeping-dshs-client-information-private-and-secure>, which is a site developed by the DSHS Information Security Office and hosted by DSHS Central Contracts and Legal Services.

**3. Administrative Controls.** The Contractor must have the following controls in place:

a. A documented security policy governing the secure use of its computer network and systems, and which defines sanctions that may be applied to Contractor staff for violating that policy.

b. If the Data shared under this agreement is classified as Category 4, the Contractor must be aware of and compliant with the applicable legal or regulatory requirements for that Category 4 Data.

c. If Confidential Information shared under this agreement is classified as Category 4, the Contractor must have a documented risk assessment for the system(s) housing the Category 4 Data.

**4. Authorization, Authentication, and Access.** In order to ensure that access to the Data is limited to authorized staff, the Contractor must:

a. Have documented policies and procedures governing access to systems with the shared Data.

b. Restrict access through administrative, physical, and technical controls to authorized staff.

c. Ensure that user accounts are unique and that any given user account logon ID and password combination is known only to the one employee to whom that account is assigned. For purposes of non-repudiation, it must always be possible to determine which employee performed a given action on a system housing the Data based solely on the logon ID used to perform the action.

d. Ensure that only authorized users are capable of accessing the Data.

e. Ensure that an employee’s access to the Data is removed immediately:

(1) Upon suspected compromise of the user credentials.

(2) When their employment, or the contract under which the Data is made available to them, is terminated.

(3) When they no longer need access to the Data to fulfill the requirements of the contract.

f. Have a process to periodically review and verify that only authorized users have access to systems containing DSHS Confidential Information.

g. When accessing the Data from within the Contractor’s network (the Data stays within the Contractor’s network at all times), enforce password and logon requirements for users within the Contractor’s network, including:

(1) A minimum length of 8 characters, and containing at least three of the following character classes: uppercase letters, lowercase letters, numerals, and special characters such as an asterisk, ampersand, or exclamation point.

(2) That a password does not contain a user’s name, logon ID, or any form of their full name.

(3) That a password does not consist of a single dictionary word. A password may be formed as a passphrase which consists of multiple dictionary words.

(4) That passwords are significantly different from the previous four passwords. Passwords that increment by simply adding a number are not considered significantly different.

h. When accessing Confidential Information from an external location (the Data will traverse the Internet or otherwise travel outside the Contractor’s network), mitigate risk and enforce password and logon requirements for users by employing measures including:

(1) Ensuring mitigations applied to the system don’t allow end-user modification.

(2) Not allowing the use of dial-up connections.

(3) Using industry standard protocols and solutions for remote access. Examples would include RADIUS and Citrix.

(4) Encrypting all remote access traffic from the external workstation to Trusted Network or to a component within the Trusted Network. The traffic must be encrypted at all times while traversing any network, including the Internet, which is not a Trusted Network.

(5) Ensuring that the remote access system prompts for re-authentication or performs automated session termination after no more than 30 minutes of inactivity.

(6) Ensuring use of Multi-factor Authentication to connect from the external end point to the internal end point.

i. Passwords or PIN codes may meet a lesser standard if used in conjunction with another authentication mechanism, such as a biometric (fingerprint, face recognition, iris scan) or token (software, hardware, smart card, etc.) in that case:

(1) The PIN or password must be at least 5 letters or numbers when used in conjunction with at least one other authentication factor

(2) Must not be comprised of all the same letter or number (11111, 22222, aaaaa, would not be acceptable)

(3) Must not contain a “run” of three or more consecutive numbers (12398, 98743 would not be acceptable)

j. If the contract specifically allows for the storage of Confidential Information on a Mobile Device, passcodes used on the device must:

(1) Be a minimum of six alphanumeric characters.

(2) Contain at least three unique character classes (upper case, lower case, letter, number).

(3) Not contain more than a three consecutive character run. Passcodes consisting of 12345, or abcd12 would not be acceptable.

k. Render the device unusable after a maximum of 10 failed logon attempts.

**5. Protection of Data**. The Contractor agrees to store Data on one or more of the following media and protect the Data as described:

a. **Hard disk drives**. For Data stored on local workstation hard disks, access to the Data will be restricted to Authorized User(s) by requiring logon to the local workstation using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.

b. **Network server disks**. For Data stored on hard disks mounted on network servers and made available through shared folders, access to the Data will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on disks mounted to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

For DSHS Confidential Information stored on these disks, deleting unneeded Data is sufficient as long as the disks remain in a Secure Area and otherwise meet the requirements listed in the above paragraph. Destruction of the Data, as outlined below in Section 8 Data Disposition, may be deferred until the disks are retired, replaced, or otherwise taken out of the Secure Area.

c. **Optical discs (CDs or DVDs) in local workstation optical disc drives**. Data provided by DSHS on optical discs which will be used in local workstation optical disc drives and which will not be transported out of a Secure Area. When not in use for the contracted purpose, such discs must be Stored in a Secure Area. Workstations which access DSHS Data on optical discs must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

d. **Optical discs (CDs or DVDs) in drives or jukeboxes attached to servers**. Data provided by DSHS on optical discs which will be attached to network servers and which will not be transported out of a Secure Area. Access to Data on these discs will be restricted to Authorized Users through the use of access control lists which will grant access only after the Authorized User has authenticated to the network using a Unique User ID and Hardened Password or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards. Data on discs attached to such servers must be located in an area which is accessible only to authorized personnel, with access controlled through use of a key, card key, combination lock, or comparable mechanism.

e. **Paper documents**. Any paper records must be protected by storing the records in a Secure Area which is only accessible to authorized personnel. When not in use, such records must be stored in a Secure Area.

f. **Remote Access**. Access to and use of the Data over the State Governmental Network (SGN) or Secure Access Washington (SAW) will be controlled by DSHS staff who will issue authentication credentials (e.g. a Unique User ID and Hardened Password) to Authorized Users on Contractor’s staff. Contractor will notify DSHS staff immediately whenever an Authorized User in possession of such credentials is terminated or otherwise leaves the employ of the Contractor, and whenever an Authorized User’s duties change such that the Authorized User no longer requires access to perform work for this Contract.

g. **Data storage on portable devices or media**.

(1) Except where otherwise specified herein, DSHS Data shall not be stored by the Contractor on portable devices or media unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the following protections:

(a) Encrypt the Data.

(b) Control access to devices with a Unique User ID and Hardened Password or stronger authentication method such as a physical token or biometrics.

(c) Manually lock devices whenever they are left unattended and set devices to lock automatically after a period of inactivity, if this feature is available. Maximum period of inactivity is 20 minutes.

(d) Apply administrative and physical security controls to Portable Devices and Portable Media by:

i. Keeping them in a Secure Area when not in use,

ii. Using check-in/check-out procedures when they are shared, and

iii. Taking frequent inventories.

(2) When being transported outside of a Secure Area, Portable Devices and Portable Media with DSHS Confidential Information must be under the physical control of Contractor staff with authorization to access the Data, even if the Data is encrypted.

h. **Data stored for backup purposes**.

(1) DSHS Confidential Information may be stored on Portable Media as part of a Contractor’s existing, documented backup process for business continuity or disaster recovery purposes. Such storage is authorized until such time as that media would be reused during the course of normal backup operations. If backup media is retired while DSHS Confidential Information still exists upon it, such media will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.

(2) Data may be stored on non-portable media (e.g. Storage Area Network drives, virtual media, etc.) as part of a Contractor’s existing, documented backup process for business continuity or disaster recovery purposes. If so, such media will be protected as otherwise described in this exhibit. If this media is retired while DSHS Confidential Information still exists upon it, the data will be destroyed at that time in accordance with the disposition requirements below in Section 8 *Data Disposition*.

i. **Cloud storage**. DSHS Confidential Information requires protections equal to or greater than those specified elsewhere within this exhibit. Cloud storage of Data is problematic as neither DSHS nor the Contractor has control of the environment in which the Data is stored. For this reason:

(1) DSHS Data will not be stored in any consumer grade Cloud solution, unless all of the following conditions are met:

(a) Contractor has written procedures in place governing use of the Cloud storage and Contractor attests in writing that all such procedures will be uniformly followed.

(b) The Data will be Encrypted while within the Contractor network.

(c) The Data will remain Encrypted during transmission to the Cloud.

(d) The Data will remain Encrypted at all times while residing within the Cloud storage solution.

(e) The Contractor will possess a decryption key for the Data, and the decryption key will be possessed only by the Contractor and/or DSHS.

(f) The Data will not be downloaded to non-authorized systems, meaning systems that are not on either the DSHS or Contractor networks.

(g) The Data will not be decrypted until downloaded onto a computer within the control of an Authorized User and within either the DSHS or Contractor’s network.

(2) Data will not be stored on an Enterprise Cloud storage solution unless either:

(a) The Cloud storage provider is treated as any other Sub-Contractor, and agrees in writing to all of the requirements within this exhibit; or,

(b) The Cloud storage solution used is FedRAMP certified.

(3) If the Data includes protected health information covered by the Health Insurance Portability and Accountability Act (HIPAA), the Cloud provider must sign a Business Associate Agreement prior to Data being stored in their Cloud solution.

**6. System Protection**. To prevent compromise of systems which contain DSHS Data or through which that Data passes:

a. Systems containing DSHS Data must have all security patches or hotfixes applied within 3 months of being made available.

b. The Contractor will have a method of ensuring that the requisite patches and hotfixes have been applied within the required timeframes.

c. Systems containing DSHS Data shall have an Anti-Malware application, if available, installed.

d. Anti-Malware software shall be kept up to date. The product, its anti-virus engine, and any malware database the system uses, will be no more than one update behind current.

**7. Data Segregation**.

a. DSHS Data must be segregated or otherwise distinguishable from non-DSHS data. This is to ensure that when no longer needed by the Contractor, all DSHS Data can be identified for return or destruction. It also aids in determining whether DSHS Data has or may have been compromised in the event of a security breach. As such, one or more of the following methods will be used for data segregation.

(1) DSHS Data will be kept on media (e.g. hard disk, optical disc, tape, etc.) which will contain no non-DSHS Data. And/or,

(2) DSHS Data will be stored in a logical container on electronic media, such as a partition or folder dedicated to DSHS Data. And/or,

(3) DSHS Data will be stored in a database which will contain no non-DSHS data. And/or,

(4) DSHS Data will be stored within a database and will be distinguishable from non-DSHS data by the value of a specific field or fields within database records.

(5) When stored as physical paper documents, DSHS Data will be physically segregated from non-DSHS data in a drawer, folder, or other container.

b. When it is not feasible or practical to segregate DSHS Data from non-DSHS data, then both the DSHS Data and the non-DSHS data with which it is commingled must be protected as described in this exhibit.

**8. Data Disposition**. When the contracted work has been completed or when the Data is no longer needed, except as noted above in Section 5.b, Data shall be returned to DSHS or destroyed. Media on which Data may be stored and associated acceptable methods of destruction are as follows:

|  |  |
| --- | --- |
| **Data stored on:** | **Will be destroyed by:** |
| Server or workstation hard disks, or  Removable media (e.g. floppies, USB flash drives, portable hard disks) excluding optical discs | Using a “wipe” utility which will overwrite the Data at least three (3) times using either random or single character data, or  Degaussing sufficiently to ensure that the Data cannot be reconstructed, or  Physically destroying the disk |
|  |  |
| Paper documents with sensitive or Confidential Information | Recycling through a contracted firm, provided the contract with the recycler assures that the confidentiality of Data will be protected. |
|  |  |
| Paper documents containing Confidential Information requiring special handling (e.g. protected health information) | On-site shredding, pulping, or incineration |
|  |  |
| Optical discs (e.g. CDs or DVDs) | Incineration, shredding, or completely defacing the readable surface with a coarse abrasive |
|  |  |
| Magnetic tape | Degaussing, incinerating or crosscut shredding |

**9. Notification of Compromise or Potential Compromise**. The compromise or potential compromise of DSHS shared Data must be reported to the DSHS Contact designated in the Contract within one (1) business day of discovery. If no DSHS Contact is designated in the Contract, then the notification must be reported to the DSHS Privacy Officer at dshsprivacyofficer@dshs.wa.gov. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.

**10. Data shared with Subcontractors**. If DSHS Data provided under this Contract is to be shared with a subcontractor, the Contract with the subcontractor must include all of the data security provisions within this Contract and within any amendments, attachments, or exhibits within this Contract. If the Contractor cannot protect the Data as articulated within this Contract, then the contract with the sub-Contractor must be submitted to the DSHS Contact specified for this contract for review and approval.

Exhibit B - Global Leasing Procedures

Global Leasing Service Standards for Providers

Home and Community Living Administration (HCLA) Office of Housing and Employment mission is to increase access to independent, affordable housing and stable tenancy, tailoring services to the individual’s needs, preferences, and situation, and building on the individual’s strengths.

The goal of the Global Leasing contract is to provide additional capacity for HCLA Clients to quickly access housing units while providing risk mitigation funding for contractors.

1. Summary of audited deliverables:
2. Contractor maintains participant confidentiality by using secure email.
3. Contractor submits required reports, including unit availability, dates of occupancy, and costs associated with tenancy.
4. Contractor tracks program outcomes.

**Detail of expected deliverables and standards of service:**

* 1. **Obtaining housing** – The Contractor will seek out units that maximize community integration and provide options to potential tenants.
     1. Units should be geographically dispersed throughout community, near public transportation, and shopping areas.
     2. Units should not exceed the area Fair Market Rates for leased and owned units as established in the Special Terms and Conditions section of the agreement.
     3. Unit preference is one bedroom. Studio apartments are allowable, but preference is one bedroom.
  2. **Referrals –** Contractor will notify the designated Housing Program Manager (HPM) in writing within two business days whether they will accept or decline the referral. Contractor will also:
     1. Notify HCLA HPM for reason for denial of tenancy or restrictive eligibly criteria for property.
     2. Maintain participant confidentiality by using secured email when communicating with HCLA.
     3. Provide a low barrier application process for individuals referred by HCLA for Global Leasing.
  3. **Leasing and Sub-leasing Process**

* + 1. Work with HCLA HPM and make reasonable efforts to ensure that units are leased up within 90 calendar days and maintain an occupancy rate of at least 70% during the contract term.
    2. Coordinate with appropriate Housing Authority identified by Spokane Housing Authority to facilitate approved unit inspection as well as addressing any repairs to bring unit into compliance.
    3. Complete and retain property move-in and move-out inspection forms in compliance with the Department of Commerce Landlord Mitigation Program.
  1. **Ongoing –** Maintain communication with HPM and contracted service provider(s). Notify HPM within one business day for any posted tenant notices and when tenant is at risk of lease termination.

1. Standards of Global Leasing
   1. **Housing Choice** - Choice is the foundation of permanent supportive housing.
      1. Whenever possible, offer participants a choice of neighborhoods,

apartments, and a say in their living environment to the extent that this is possible given housing market constraints.

* + 1. Provide access to housing as quickly as possible with no requirements to demonstrate readiness.
    2. Housing needs to be affordable, integrated into the community, and not require shared living spaces unless desired by the participant.
  1. **Standard Tenant Agreement** - Participants have a written agreement (e.g. lease, sub-lease) which specifies the rights and responsibilities per state and local law with no special provisions to maintain tenancy.
     1. Lease must be pre-approved by HCLA.
     2. No Program Contingencies of Tenancy**:** Failure to engage with service providers does not lead to an exit from apartment.
     3. Continued tenancy is not linked to clinical, treatment, or service provisions.
  2. **Commitment to Re-House** – When possible, legal evictions should be avoided in favor of mutually agreed upon lease terminations. Tenants are offered to be rehoused in other units, as available.
  3. **Housing Continues Through Lengthy Institutional Stay** – ALTSA Subsidy will pay for up to six months of rent when a tenant is out of the apartment due to institutionalization or hospitalization. Rental payments beyond six-month mark can be made on case-by-case basis.

1. **Reports, Monitoring, Quality Standards and Deliverables.** The Contractor is required to:
   1. **Participate in scheduled Global Leasing Onboarding**. Documentation of training attendance must be retained in employee file.
   2. **Submit Monthly Report** on the form provided by DSHS within 15 days of the end of each month detailing units contracted, dates of occupancy, upcoming unit availability, and costs associated with tenancy.
   3. **Provide Occupancy Report** upon lease up and then quarterly thereafter.
   4. **Contract monitoring.** The Provider is subject to monitoring of Program’s financial and programmatic activities during the term of this contract, and up to six (6) years following contract termination or expiration.

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| 1. 06.2024 | Implementation edition |
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