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|  | **IT SERVICES CONTRACT****Summer EBT** | DSHS Contract Number:2422-54389[ ]  Resulting From Competition Number: [ ]  Competition Exempt[x]  Sole Source  |
| 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 43.19 and 43.105 RCW. | Program Contract Number: Contractor Contract Number:      |
| CONTRACTOR NAMEAccenture LLP | CONTRACTOR doing business as (DBA)  |
| CONTRACTOR ADDRESS1191 2nd AvenueSuite 100Seattle, WA 98101 | WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)  | DSHS INDEX NUMBER 236715 |
| CONTRACTOR CONTACT Glen Lutz | CONTRACTOR TELEPHONE(313) 268-5002 | CONTRACTOR FAX  | CONTRACTOR E-MAIL ADDRESSglen.c.lutz@accenture.com |
| DSHS ADMINISTRATIONEconomic Services Administration | DSHS DIVISIONCommunity Services Division | DSHS CONTRACT CODE3000SC-22 |
| DSHS CONTACT NAME AND TITLE Angela AikinsProgram Manager | DSHS CONTACT ADDRESS712 Pear St SEOlympia, WA 98504 |
| DSHS CONTACT TELEPHONE (360)725-4784 | DSHS CONTACT FAXClick here to enter text. | DSHS CONTACT E-MAIL ADDRESSAngela.Aikins@dshs.wa.gov |
| IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT?No | ASSISTANCE LISTING NUMBER(S)  |
| **CONTRACT START DATE**04/01/2024 | **CONTRACT END DATE**03/31/2026 | CONTRACT MAXIMUM AMOUNT $19,350,000.00 |
| **EXHIBITS. The following Exhibits are attached and are incorporated into this Contract by reference:**[x]  **Exhibits (specify): Exhibit A – Data Security Requirements Exhibit, Exhibit B DSHS Tasks & Responsibilities, Exhibit C Remote Work Protocols, Exhibit D Solution and Could Vendor Terms, Exhibit E Data Elements** |
| 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. |
| CONTRACTOR SIGNATUREDraft - Please Do Not Sign | PRINTED NAME AND TITLE      | DATE SIGNED |
| DSHS SIGNATUREDraft - Please 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 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:**

# **Commencement of Work**. No work shall be performed by the Contractor until the Contract is executed by the Contractor and DSHS and received by DSHS.

# **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.

# **Contractor Commitments, Warranties and Representations.** Any written commitment by the Contractor within the scope of this Contract shall be binding upon the Contractor. Failure of the Contractor to fulfill such a commitment may constitute breach and shall render the Contractor liable for damages under the terms of this Contract. For purposes of this section, a commitment by the Contractor includes but is not limited to: (i) Prices, discounts, and options committed to remain in force over a specified period of time; and (ii) any warranty or representation made by the Contractor in its response to the solicitation resulting in this Contract (“Bid”) or contained in any Contractor or manufacturer publications, written materials, schedules, charts, diagrams, tables, descriptions, other written representations, and any other communication medium accompanying or referred to in its Bid or used to effect the sale to DSHS.

# **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 tenth (10th) 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.

# **Disputes.**

## In the event a bona fide dispute concerning a question of fact arises between DSHS and the Contractor that cannot be resolved between the parties, either party may initiate the dispute resolution procedure provided herein.

## The initiating party shall reduce its description of the dispute to writing and deliver it to the responding party. The responding party shall respond in writing within three (3) Business Days (which shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., Pacific Time, except for holidays observed by the state of Washington). The initiating party shall have three (3) Business Days to review the response. If after this review a resolution cannot be reached, both parties shall have three (3) Business Days to negotiate in good faith to resolve the dispute.

### If the dispute cannot be resolved after three (3) Business Days, a dispute resolution panel may be requested in writing by either party who shall also identify the first panel member. Within three (3) Business Days of receipt of the request, the other party will designate a panel member. Those two panel members will appoint a third individual to the dispute resolution panel within the next three (3) Business Days.

### The dispute resolution panel will review the written descriptions of the dispute, gather additional information as needed, and render a written decision on the dispute in the shortest practical time.

### Each party shall bear the cost for its panel member and share equally the cost of the third panel member.

## Unless irreparable harm will result, the parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

## Both parties agree to exercise good faith in dispute resolution and to settle disputes prior to using a dispute resolution panel whenever possible.

## Except to the extent that disclosure is required by applicable law or court order, all negotiations pursuant to this clause are confidential and shall be treated by the parties as statements made in compromise negotiations for purposes of the rules of evidence.

## DSHS and the Contractor agree that, the existence of a dispute notwithstanding, they will continue without delay to carry out all their respective responsibilities under this Contract that are not affected by the dispute.

## If the subject of the dispute is the amount due and payable by DSHS for services being provided by the Contractor, the Contractor shall continue providing services pending resolution of the dispute provided DSHS pays the Contractor the amount DSHS, in good faith, believes is due and payable, and may withhold the difference between such amount and the amount the Contractor, in good faith, believes is due and payable.

# **Health and Safety**. The Contractor shall perform any and all of its obligations under this Contract in a manner that does not compromise the health or 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 third party claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines, of whatsoever kind or nature, arising out of or relating to injury to or death of persons or damage to real or tangible personal property caused by the tortious conduct of Contractor or any Subcontractor or a) the Contractor’s or any Subcontractor’s failure to perform its obligations under the following sections of this Contract, or b) the acts or omissions of the Contractor or any Subcontractor in breach of such obligations: General Terms and Conditions Sections 5, 6, 24, 26 and 39, as well as any claims for mechanics’ and materialmen’s liens; workers’ compensation and unemployment taxes; governmental fines and penalties for Contractor’s failure to comply with laws applicable to its business; and environmental damages, cleanups, and corrective actions.

## 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.

# **Limitation of Liability.**

## The Parties agree that neither the Contractor nor DSHS shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages except a claim related to bodily injury or death, or a claim or demand based on patent, copyright, or other intellectual property right infringement, in which case liability shall be as set forth elsewhere in this Contract. The sole liability of either Party to the other in relation to any and all claims in any manner related to this Contract (whether in contract, tort, negligence, strict liability in tort, by statute or otherwise) will be for direct damages, not to exceed in the aggregate an amount equal to the total fees paid or payable to Contractor under this Contract.

## This section does not modify any sections or any other conditions as are elsewhere agreed to herein between the parties. The following are not considered consequential, incidental, indirect, or special damages as the term is used in the foregoing section.

### Claims pursuant to any provision of this Contract calling for liquidated damages;

### Claims for attorney’s fees and other litigation costs DSHS becomes entitled to recover as a prevailing party in an action;

### Claims for physical damage to real or tangible property;

### Claims arising from reckless or intentional misconduct;

### Amounts due or obligations under the following sections, if included: (i) indemnification; (ii) intellectual property indemnification; (iii) inspection and maintenance of records; (iv) or breaches of confidentiality including wrongful disclosure of PHI by Contractor or breach of data security requirements, not to exceed in the aggregate an amount equal to the total fees paid or payable to Contractor under the Contract.

## Neither party shall be liable for personal injury to the other party or damage to the other party’s property except personal injury or damage to property proximately caused by such party’s respective fault or negligence.

# **Notice of Overpayment**. If the Contractor receives a Contractor 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 Contractor 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.

# **Ownership/Rights in Data**.

## Both Custom Services and Commercial Off-The-Shelf material that is delivered under this Contract, but that does not originate therefrom (“Preexisting Material”), shall be transferred to DSHS with a nonexclusive, royalty-free, irrevocable license to publish, translate, reproduce, deliver, perform, display, and dispose of such Preexisting Material, and to authorize others to do so except that such license shall be limited to the extent to which Contractor has a right to grant such a license. The Contractor shall exert all reasonable effort to advise DSHS at the time of delivery of Preexisting Material furnished under this Contract, of all known or potential infringements of publicity, privacy or of intellectual property contained therein and of any portion of such document which was not produced in the performance of this Contract. The Contractor agrees to obtain, at its own expense, express written consent of the copyright holder for the inclusion of Preexisting Material. DSHS shall receive prompt written notice of each notice or claim of copyright infringement or infringement of other intellectual property right worldwide received by the Contractor with respect to any Preexisting Material delivered under this Contract. DSHS shall not have the right to modify or remove any restrictive markings placed upon the Preexisting Material by the Contractor.

## Custom Services. If this Contract involves custom service, the below sections (b)(1) through (4) apply.

### DSHS and the Contractor agree that all data and work products (collectively called “Work Product”) produced pursuant to this Contract shall be considered work made for hire under the U.S. Copyright Act, 17 U.S.C. §101 et seq, and shall be owned by DSHS. The Contractor is hereby commissioned to create the Work Product. Work Product includes, but is not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law. Ownership includes the right to copyright, patent, register and the ability to transfer these rights and all information used to formulate such Work Product.

### If for any reason the Work Product would not be considered a work made for hire under applicable law, the Contractor assigns and transfers to DSHS the entire right, title and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.

### The Contractor shall execute all documents and perform such other proper acts as DSHS may deem necessary to secure for DSHS the rights pursuant to this section.

### The Contractor shall not use or in any manner disseminate any Work Product to any third party, or represent in any way Contractor ownership in any Work Product, without the prior written permission of DSHS. The Contractor shall take all reasonable steps necessary to ensure that its agents, employees, or Subcontractors shall not copy or disclose, transmit or perform any Work Product or any portion thereof, in any form, to any third party.

## Commercial Off-The-Shelf. If this Contract involves commercial off-the-shelf products, the below sections (c)(1) through (3) apply.

### The Contractor shall maintain all title, copyright, and other proprietary rights in the Software. DSHS does not acquire any rights, express or implied, in the Software, other than those specified in this Contract. Contractor hereby warrants and represents to DSHS that Contractor is the owner of the Software licensed hereunder or otherwise has the right to grant to DSHS the licensed rights to the Software provided by Contractor through this Contract without violating any rights of any third party worldwide.

### The Contractor represents and warrants that Contractor has the right to license the Software to DSHS as provided in this Contract and that DSHS’ use of the Software and documentation within the terms of this Contract will not infringe upon any copyright, patent, trademark, or other intellectual property right worldwide or violate any third party’s trade secret, contract, or confidentiality rights worldwide.

### The Contractor represents and warrants that: (i) Contractor is not aware of any claim, investigation, litigation, action, suit or administrative or judicial proceeding pending or threatened based on claims that the Software infringes any patents, copyrights, or trade secrets of any third party, and (ii) that Contractor has no actual knowledge that the Software infringes upon any patents, copyrights, or trade secrets of any third party.

# **Patent and Copyright Indemnification**.

## The Contractor, at its expense, shall defend, indemnify, and hold DSHS harmless from and against any claims against DSHS that any Product or Work Product supplied hereunder, or DSHS’s use of the Product or Work Product within the terms of this Contract, infringes any patent, copyright, utility model, industrial design, mask work, trade secret, trademark, or other similar proprietary right of a third party worldwide. Product shall mean any Contractor-supplied equipment, Software, or documentation. The Contractor shall pay all costs of such defense and settlement and any penalties, costs, damages and attorneys’ fees awarded by a court or incurred by DSHS provided that DSHS:

### Promptly notifies the Contractor in writing of the claim, but DSHS’s failure to provide timely notice shall only relieve the Contractor from its indemnification obligations if and to the extent such late notice prejudiced the defense or resulted in increased expense or loss to the Contractor; and

### Cooperates with and agrees to use its best efforts to encourage the Office of the Attorney General of Washington to grant the Contractor sole control of the defense and all related settlement negotiations.

## If such claim has occurred, or in the Contractor’s opinion is likely to occur, DSHS agrees to permit the Contractor, at its option and expense, either to procure for DSHS the right to continue using the Product or Work Product or to replace or modify the same so that they become non-infringing and functionally equivalent. If use of the Product or Work Product is enjoined by a court and the Contractor determines that none of these alternatives is reasonably available, the Contractor, at its risk and expense, will take back the Product or Work Product and provide DSHS a refund. In the case of Work Product, the Contractor shall refund to DSHS the entire amount DSHS paid to the Contractor for the Contractor’s provision of the Work Product. In the case of Product, the Contractor shall refund to DSHS its depreciated value. No termination charges will be payable on such returned Product, and DSHS will pay only those charges that were payable prior to the date of such return. Depreciated value shall be calculated on the basis of a useful life of four (4) years commencing on the date of purchase and shall be an equal amount per year over said useful life. The depreciation for fractional parts of a year shall be prorated on the basis of three hundred sixty-five (365) days per year. In the event the Product has been installed less than one (1) year, all costs associated with the initial installation paid by DSHS shall be refunded by the Contractor.

## The Contractor has no liability for any claim of infringement arising solely from:

### The Contractor’s compliance with any designs, specifications or instructions of DSHS;

### Modification of the Product or Work Product by DSHS or a third party without the prior knowledge and approval of the Contractor; or

### Use of the Product or Work Product in a way not specified by the Contractor;

unless the claim arose against the Contractor’s Product or Work Product independently of any of these specified actions.

## This Section, *Patent and Copyright Indemnification*, is intended to survive the expiration or termination of the agreement.

# **Public Records Act.** The Contractor acknowledges that DSHS is subject to the Public Records Act (Chapter 42.56 RCW) and that this Contract is a public record as defined in Chapter 42.56 RCW. Any specific information that is claimed by the Contractor to be Proprietary Information must be clearly identified as such by the Contractor. **“**Proprietary Information**”** means information owned by the Contractor to which the Contractor claims a protectable interest under law. Proprietary Information includes, but is not limited to, information protected by copyright, patent, trademark, or trade secret laws. To the extent consistent with Chapter 42.56 RCW, DSHS will maintain the confidentiality of all such information marked Proprietary Information. If a public disclosure request is made to view the Contractor’s Proprietary Information, DSHS will notify the Contractor of the request and of the date that such records will be released to the requester unless the Contractor obtains a court order from a court of competent jurisdiction enjoining that disclosure. If the Contractor fails to obtain the court order enjoining disclosure, DSHS will release the requested information on the date specified.

# **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.

# **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**. The Contractor is not a subrecipient of federal awards as defined by 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.

# **Preventing Disruption of Adult Care, Mental Health, Addiction, Disability Support, or Youth Services Due to Labor Management Disputes and Employee Unrest.**

Washington law requires that all services, direct or ancillary, for adult care, mental health, addiction, disability support, and youth services, be warranted by the Contractor providing those services against disruption. Contractor and DSHS agree that disruptions to these services such as strikes, walk-offs, sick-ins, slowdowns, or any other such action designed to pressure Contractor’s management to meet labor, workforce, or subcontractor demands (“Economic or Industrial Action”) are covered under this warranty.

If this Contract includes adult care, mental health, addiction, disability support, or youth services, Contractor agrees to execute and maintain one or more of the following mandatory contractual commitments through the life of the Contract:

## An agreement between the Contractor and any exclusive representative labor organization representing the employees performing the contracted services. This agreement must contain a provision prohibiting Economic or Industrial Action on the part of all parties. This agreement must also include a process for the resolution of disputes between them; or

## An agreement between the Contractor and any labor organization seeking to represent the employees performing the contracted services. This agreement must contain a provision prohibiting the parties from causing, promoting, or encouraging Economic or Industrial Action, or other disruptive activity. This agreement must also include a process for resolution of disputes between parties.

Contractor must notify DSHS if it is unable to form a compliant agreement with a labor organization within 30 days of executing this Contract.

If services under this Contract are interrupted due to Contractor’s failure to maintain one or more of the required contractual commitments listed above, DSHS may immediately terminate, suspend, or revoke this Contract for default, and arrange for the provision of services by other means. Contractor shall provide reimbursement of the actual costs to DSHS arising out of the inadequacy of the warranty provided by the Contractor.

# **Mandatory Individual Arbitration and Class or Collective Action Waiver as a Condition of Employment**. The Contractor shall not require any of its employees who provide services under the Contract adhere to mandatory individual arbitration clauses or class or collective action waivers to the extent such employees have any covered claims associated with providing such services. In addition, for the duration of the Contract term, the Contractor shall not, as a condition of employment, require any new employee assigned by the Contractor to provide the services set forth under the Contract to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.

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

## “ABMS” means Accenture Benefits Management System.

## “Administrative Hearings” means a process that can be initiated any time a household disagrees with an action taken by DSHS.

## “AHSS” means Accenture Human Services Suite.

## “Accenture Delivery Methodology” or “ADM” means a continually refined approach used globally by the Contractor.

## “Application” means the method in which households who are not streamline certified for Summer EBT must apply to claim eligibility.

## “AWS Connect IVR” means Amazon Web Services Connect Interactive Voice Response which is the phone service available for households to contact program call center support.

## “Call Center Resource” means a person or staff member provided by the Contractor who handles incoming and outbound phone calls and shall answer questions from Washington State residents about Summer EBT benefits.

## “Call Center Services” means the services documented by this Contract by which the Contractor provides DSHS access to a call center.

## “Call Center Shrinkage” means the number of Call Center Resources not available to DSHS due to illness, vacation, and training (but not including breaks) divided by the number of Call Center Resources who are both available and unavailable at that point in time.

## “Categorically Eligible” means children who are income eligible for Summer EBT, as applicable, based on documentation that a child is a member of a household receiving SNAP, TANF, FDPIR, Medicaid (Direct Certification), and / or Foster Care (Direct Certification).

## “Compulsory Age” means the required age range of children needed to be considered eligible for Summer EBT through streamlined certification only.

## “Data Controller” means the entity that determines the purposes and means of the processing of Personal Data.

## “Data Processor” means the entity that processes Personal Data on behalf of the Data Controller.

## “DSHS Contact” means the DSHS employee whose name and contact information are found on page one (1) of the Contract.

## “DSHS Content” means any software, content, materials, data and information supplied by DSHS to Contractor under this Contract, including but not limited to any Personal Data (if applicable).

## “Dual Participation” means a child simultaneously receiving benefits from more than one State or ITO-administered Summer EBT Program, or simultaneously receiving multiple allotments from the same State or ITO-administered Summer EBT Program.

## “EDBC” means Eligibility Determination and Benefit Calculation.

## “Federal Issuance History Report” means a report sent to fiscal staff to show count of issuances and total benefit amount by benefit type.

## “FedRamp Mod Compliant” means a government-wide program that promotes the adoption of secure cloud services across the federal government by providing a standardized approach to security and risk assessment for cloud technologies and federal agencies.

## “FIS EBT” means Fidelity Information Services Electronic Benefits Transfer.

## “FNS” means Food and Nutrition Services of the United States Department of Agriculture (USDA).

## “FRSL” means Free & Reduced School Lunch.

## “Income Verification Flow” means the end to end process to review documents submitted via a portal to verify household income.

## “Intellectual Property Rights” or “IPR” means any rights, title and interest in patents, trademarks, service marks, trade and business names, rights in design, utility models, copyright, database rights, know-how (including trade secrets) and any other similar right whether presently existing, applied for or in relation to which there is a right to apply for registration and any analogous rights to any of the preceding rights under any other jurisdiction.

## “IVR” means Interactive Voice Response which is the phone service available for households to contact program call center support.

## “Managed Services” means the services documented in this Contract by which the Contractor provides to DSHS software maintenance and enhancement support for the duration of the Contract term.

## “M&E” means maintenance and enhancement support for the Solution as provided by the Contractor.

## “Notice” or “Notices” means communications provided to households notifying them of eligibility determinations, termination of benefits, expungements, etc…

## “NSLP” means the National School Lunch Program.

## “Operations Runs or Summer EBT Runs” means the eligibility processing file run from the Contractor to another DSHS Contractor - Fidelity Information Systems - by which benefits are issued onto DSHS client Summer EBT Cards.

## “OSPI” means the Washington State Office of Superintendent of Public Instruction.

## “Personal Data” means any DSHS Content that identifies or directly relates to natural persons as may be further defined in applicable data privacy law.

## “Period of Eligibility” means the period of time from the first day of instructional year, as defined in this section, immediately preceding the summer operational period, as defined in this section, through the last day of the summer operational period.

## “Proactive Communications” means the collection of SMS conversations that the program has with parents to help them with Summer EBT inquiries/topics/requests.

## “Project” means the specific activities of the Contractor and DSHS that are supported by funds provided under the Contract.

## “School Nutrition Officer(s)” means a person who oversees all aspects of food service in a Washington state school or educations site.

## “Services” means the services provided by the Contractor to DSHS documented in this Contract.

## “SNAP” means Supplemental Nutrition Assistance Program

## “Software” means the Contractor’s programs used to direct the operation of a computer, as well as documentation giving instructions on how to use them.

## “Solution” means any third party or pre-existing proprietary materials included therein or in the cloud environment in which it is hosted.

## “Summer EBT” means the Summer Electronic Benefits Transfer program. Summer EBT is branded by USDA as “*Sunbucks*”.

## “Shrinkage” means the number of call center resources unavailable to DSHS due to illness, vacation, and training (but not including breaks) divided by the number of call center resources who are both available and unavailable at that point in time.

## “Sponsor” means schools or school districts that provide school nutrition services.

## “Streamline Certification” means the method in which children automatically qualify either through NSLP individual certification or are categorically eligible and are of the compulsory age.

## “TANF” means Temporary Assistance for Needy Families

## “Task” means a material activity performed by the Contractor for the purpose of fulfilling its obligations to DSHS under the terms of this Contract, which may or may not result in the creation of

## “User” or “Users” means sponsors, applicants or recipients using a system that supports Summer EBT.

## “Verification” means the process to verify questionable eligibility for Summer EBT.

## “Webinar” or “Webinars” means a virtual resource provided to sponsors organized by OSPI regarding Summer EBT.

## “Work Product” means any written work that the Contractor delivers for the purposes of fulfilling its obligations to DSHS under the terms of this Contract.

# **Purpose**. The purpose of this Contract is to set forth the terms and conditions by which the Contractor shall provide DSHS Call Center Services, Managed Services that include ongoing configuration and maintenance for its Summer EBT (also known as SunBucks) software solution, and Proactive Communications Services provided to eligible parents and school districts. The Consolidated Appropriations Act. 2023 authorizes DSHS to administer the Summer EBT program for certain eligible Washington State children who either are income eligible through categorical eligibility programs or eligible for free or reduced priced meals at schools offering meals under the Richard Nelson School Meal Act through individual certification. Summer EBT will provide benefits to these children during a state designated operational period following the 2023-2024 academic school year. Summer EBT is a new program providing additional food benefits separate from SNAP, and Pandemic EBT, which ended in 2023 due to the end of the public health emergency. Summer EBT has been approved for the 2023-2024 school year and requires the cooperation of DSHS, OSPI, and the individual school district representatives to ensure all eligible students receive benefits through streamlined certification or application throughout summer 2024.

# **Period of Contract Performance**. The period of performance shall be as documented on page one (1) of the Contract. Summer EBT is contingent upon approval by the Washington State Department of Enterprise Services, and available state funding to supplement the fifty percent (50%) federal funding match. DSHS reserves the right to propose other amendments to the Contract in the event of budget changes, federal guidance, and other program needs.

# **License Use Rights**. The Contractor hereby grants DSHS a non-exclusive, limited license for the duration of the Contract term to use the object code version of the purchased Software and its documentation. All rights to the Software not expressly granted to DSHS under this Agreement are reserved to Contractor. DSHS is liable for all users’ compliance with the terms of this Contract. DSHS may not (a) use, distribute, copy, or modify the Software except as expressly permitted by this Contract; (b) translate or attempt to reverse engineer, decompile, or make derivative works of the Software; or (c) sublicense, lease, or otherwise permit use of the Software for the benefit of a third party. DSHS will use the Software in compliance with its documentation, including any operating or security procedures and the hardware, software or networking requirements set forth therein. The parties understand in order to provide the Services and Software, additional components of the Contractor’s Accenture Human Services Suite (AHSS) will be installed in the Contractor managed environments, but not enabled for use under this Contract as written. Additional features within AHSS may be enabled by written Amendment to this Contract at the sole discretion of DSHS.

# **Subcontracting.** Pursuant to section 34 of the General Terms and Conditions of the Contract, DSHS hereby approves the Contractor’s use of the Subcontractors named below. Notwithstanding the foregoing, to the extent the Contractor subcontracts any of its obligations under this Contract, the Contractor shall retain responsibility for all the work performed.

## **Oracle** for hosting of the Solution. Notwithstanding anything to the contrary, including Exhibit A, the security requirements/standards of Oracle cloud infrastructure can be found at: <https://www.oracle.com/assets/ocloud-hosting-delivery-policies-3089853.pdf> and the FedRamp authorization at <https://marketplace.fedramp.gov/#!/product/oracle-cloud-infrastructure-government-cloud?sort=productName&productNameSearch=Oracle>;

## **Contact Engine** for hosting and orchestrating the proactive communications software along with subcontractors leveraged by ContactEngine (e.g. Twilio, Sinch, AWS);

## **AWS** for hosting of the Contact Center;

## Any entity or person concerning the provision of the Call Center Services contemplated herein, *provided*, however, the Contractor submits requests to subcontract to the assigned DSHS Contact and receives final written approval by the DSHS Contact to do so before entering into any such Subcontract.

# **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. Additional change order processes, considerations, and other services that are appropriate to the scope of the Contract, as determined by DSHS, may be added to the Contract in a mutually agreeable amendment.

## Services Overview.

The services provided by the Contractor shall be comprised of a Managed Service component, a Call Center Services component, and a Proactive Communications Services component. The Managed Services component will be the Solution maintenance and enhancement software support provided in accordance with the functionality and requirements written hereunder. The Call Center Services will serve to answer questions from DSHS Summer EBT clients regarding Summer EBT. The Proactive Communications Services component will provide answers to DSHS Summer EBT clients (eligible parents of school age children) proactively to improve the transparency of the Summer EBT Program. Contractor’s Services shall be delivered using the Accenture Delivery Methodology. All services rendered by the Contractor shall be performed remotely, and Contractor Resources shall adhere to the protocols documented in Exhibit C Remote Work Protocols.

Beginning immediately upon the Contract’s execution, Contractor shall organize and engage DSHS in immediate operational, design, and technology workshops to confirm and prioritize the baseline solution and the necessary data sets. During this time, the Contractor shall build a backlog that appropriately addresses the needs, including the pace at which the Solution must be delivered, using the predefined scope set forth by the Statement of Work herein.

### *Tasks and Activities*. Pursuant to the DSHS responsibilities and Contractor assumptions set forth by the Contract’s Exhibit B, The Contractor shall complete the key tasks and activities set forth below:

#### On-going project management and project governance and rules of engagement across the Project;

#### Security discussions to confirm security design, architecture and scope of security services;

#### Design workshops and discussions to confirm data sets, configuration of automation, and configuration requirements;

#### Project planning to confirm scope, capability roadmap, as well as plans, timelines and Backlog;

#### Coordination with State product owner(s) and decision-makers on deployment readiness;

#### Work with the product owner(s) on the State side to determine functionality deployed into production;

#### Coordination of planning for major bugs, errors and enhancement requests;

#### Coordination of project timeline from build to production, along with coordinated ramp-down of team a lean operational team that focuses on maintenance, capacity-based enhancements and release management.

### *Work Products*. Pursuant to the DSHS responsibilities and Contractor assumptions set forth by the Contract’s Exhibit B, The Contractor shall provide the work products set forth below resulting from the tasks and activities listed immediately above:

####  On-going project planning, capability roadmap, Backlog management, and project status;

#### Completion of build and final build-related documentation (by release);

#### Completion of security architecture;

#### Completion of test and test results documentation (by release);

#### Completion of any security-related documentation.

### *High-Level Activities*. The Contractor shall perform the maintenance and enhancement support work activities for Managed Services, Call Center Services, and Proactive Communications Services for the duration of the Contract term:

#### Incremental enhancements for scope as defined in the Statement of Work for Summer 2025;

#### Post-production support and maintenance;

#### Ongoing Call Center Agent work;

#### Assumed Summer EBT Runs:

##### Streamlined Certifications through the Upload Portal; and,

##### Applications through the Application System.

## The Summer EBT Solution.

The Contractor shall host and maintain the Solution on a third-party cloud environment provided by the Contractor, in accordance with the Contract Special Terms and Conditions Section 5. Subcontracting. Agreed-upon designated users of eligible school districts and parents shall be permitted to enter data into the Solution in support of the Program. Designated users of DSHS may access the Solution to review the dashboards described in the sections below. Access to and use of the Solution shall be in accordance with the terms set forth in Exhibit D – Solution and Cloud Vendor Terms; and, except as specified herein, no person or entity (including DSHS or the State) shall have any other access to, use of or rights in the Solution. Exhibit D sets forth the parties’ rights and obligations with respect to the Solution. Contractor shall maintain the physical security and access controls and safeguards with respect to the Solution set forth in Exhibit C – Remote Work Protocols. DSHS may request that Contractor implement additional controls and safeguards at any time subject to an Amendment of the Contract.

The parties acknowledge and agree additional components of the Contractor’s Contractor Human Services Suite software may be installed in the Contractor’s managed environments, but not enabled for use under this SOW as written. Additional features or functionality within AHSS, or additional use or access thereto, may only be enabled by written Amendment to this Contract.

## Managed Services. The first four months following the execution of the Contract is the implementation period wherein the Contractor will work to implement and configure the Contractor Summer EBT Solution. Starting in the fifth month, the Contractor will provide maintenance and enhancement support for the Solution to implement the functionality and meet the requirements specified below:

### *School Nutrition Programs Document Upload Portal*. The Contractor shall configure the Solution to have a document upload portal for School Nutrition Programs. The document upload portal must have the following account and log-in capabilities, resources, and functionality:

#### User accounts can be created based on lists provided by OSPI School Nutrition Officers.

#### Users will be assigned to a specific school, school district or both school and school district.

#### Have a Home Screen that enables Users to download an Excel template containing the following data:

##### First name,

##### Last name,

##### Date of birth,

##### School the child attends as of the end of the School Year,

##### NSLP or SBP Eligibility Reason Code, or both,

##### Mailing address presented in the following format: address line 1, address line 2, City, State, Zip Code.

#### Configured so that the Terms of Use are available for review and acceptance by the User. Prior to submitting any data for the first time each School Year, the Solution will prompt the Users to agree to the Terms of Use and provide an e-Signature. The Solution must allow the User to not agree to the Terms of Use, and to provide reasons why. If the User does not agree, the Solution will prevent the User from submitting any data.

#### Configured to enable Users to upload Excel documents and categorize such documents using up to five (5) potential categories. Before a User uploads an Excel document, the Solution must prompt the User to agree that all children in the Users upload file meet the criteria required for Summer EBT. In addition, the Solution must:

##### Prevent the User from uploading a blank document,

##### Prevent the User from uploading a document that is not the provided by the Home Screen,

##### Prevent the User from uploading a blank template.

##### Enable the User to see all documents previously uploaded by themselves or by other Users assigned to the Users school or school district. Such information must be configured to include the documents file name, timestamp uploaded and the processing status.

##### Enable the User to delete any of their documents up until processing has begun on such documents.

#### Contain a Frequently Asked Questions section for use by School Nutrition Officers (“**FAQs**”). The FAQs will contain questions and answers relating to Summer EBT.

###  *Application System*. The Contractor shall configure the Solution to have an Application System for use by a User. The Application System must have the following account and log-in capabilities, resources, and functionality:

#### Simple Branding; provided such branding configurations are limited to up to three color selections, all header and footer configurations align with DSHS branding standards, Home Page background and hero selection, and up to seven Card modifications.

#### Support both English and Spanish languages.

#### Enable a User to create their own family accounts, use out-of-the-box Identity Account Management or use out-of-the-box MFA, and enable Users to authenticate to apply for benefits.

#### The Application System must be able to collect the following data:

##### Head of Household:

###### First Name,

###### Last Name,

###### Y/N to having SSN,

###### Last four digits of SSN if Y to having SSN,

###### Income Type, Amount, and Frequency,

###### Mailing Address (Address Line 1, Address Line 2, City, State, Zip Code),

###### Email Address,

###### Phone Number,

###### SMS Opt-In Checkbox,

###### USDA Nondiscrimination Statement,

###### E-Signature and Date.

##### Applicant Children: required and optional fields will be configured using this list:

###### First Name,

###### Middle Initial,

###### Last Name,

###### Foster Child Indicator,

###### Date of Birth,

###### School the Child Attends (as of the end of the School Year),

###### Grade,

###### Student Income Type, Amount, and Frequency.

##### Household:

###### Received Meal Benefits Last Year Indicator,

###### Homeless Indicator,

###### Migrant Indicator,

###### Basic Food (SNAP) Indicator,

###### TANF Indicator,

###### FDPIR Indicator,

###### Medicaid Indicator.

##### Other Household Members:

###### First Name,

###### Last Name,

###### Foster Child Indicator,

###### Income Type, Amount, and Frequency.

#### The Application System must have a maintenance page that controls when the Application System goes live and when the Application System collects applications.

#### The Application System must have a message center that notifies the User applicant income verification is required, and enables a User applicant to upload proof of income such as but not limited to wage stubs, award letters and letters from employers.

### *Intake and Case Registration*.

#### The Contractor shall configure the School Nutrition Programs Document Upload Portal so that Data uploaded is parsed to be saved into database tables. Contractor shall use the database tables to run such Data through predefined data clean-up processes and perform deduplication to create a unique list of children. Using October Building Data reports (“**OBD**”), Contractor shall validate the Data to ensure accurate information was uploaded by each Sponsor for each school through automated batch jobs. In the event the Contractor discovers that inaccurate information has been uploaded, the Contractor shall perform the following actions:

##### If the count of children uploaded for a school is higher than the OBD, these children will be held until OSPI or the Sponsor provide clearance to proceed with enrollment.

##### If the count of children uploaded for a school is lower than the OBD, enrollment for these children will proceed and the Sponsor will be contacted to upload any missing children.

##### If neither of the foregoing circumstances apply, the children will proceed with enrollment.

Using a non-duplicative list, children will either be matched to existing cases or new cases will be automatically created.

#### The Contractor shall configure the Application System so that uploaded Data will be mapped into a Case Management System as an e-Application after the application is submitted. E-Applications will be mapped to existing cases or new cases will be created in the Case Management System.

### *Case Management System*. The Contractor shall configure the Case Management System to perform the following functions:

#### Collect non-financial and financial data, and provide a User the ability to:

##### View data uploaded by Sponsors through an interface search screen;

##### View an effective dated record, or more than one effective dated record, created to signify the source of S-EBT eligibility, such as SNAP, TANF or NSLP;

##### Track up to ten (10) income types and up to five sub-types for each Income Type; track income amounts, and up to five income frequencies;

##### Track income verifications aligned with NSLP processes that does not interface with other income verification systems;

##### Add non-compliance for income verification.

#### Verify S-EBT eligibility using the following business rules:

##### Non-financial rules:

###### Verify the child is alive;

###### Verify the primary applicant is a valid primary applicant;

###### Verify the child meets the age requirements;

###### Verify the primary applicant does not have income verification non-compliances.

##### Financial rules:

###### Ability to calculate the Countable Income Amount;

###### Simple income test that aligns to NSLP (does not include Earned and Unearned level of income);

###### Ability to effective date the income limit for Summer 2024 and Summer 2025.

##### Benefit calculations:

###### Ability to effective date the benefit amount for Summer 2024 and Summer 2025;

###### Ability to designate benefit type (also known as aid codes) that will be based on a hierarchy of the source of S-EBT eligibility (e.g. SNAP, TANF, NSLP, etc.).

#### The Case Management System must have fiscal rules to determine under and overpayments; and provide the ability to recover accounts to annotate the reason for an overpayment, then track the status of recoupment. In addition, The Case Management System must have the ability to create and consume recoupment information by interfacing with an external recoupment system. Recoupment will not occur within ABMS.

#### The Case Management System must have the abilities set forth below related to benefit issuance:

##### Provide an EBT Card Vendor with information to create a new EBT card or add information to an existing EBT card with FIS;

##### Issue EBT Cards in the name of the children;

##### Provide nightly issuance batch jobs to FIS;

##### Load Undelivered Card reports from FIS into ABMS;

##### Load Mailed Card reports from FIS into ABMS.

#### The Case Management System must have the ability to generate and send the Notices set forth below:

##### Dynamic Notices of Action created to explain actions taken on S-EBT case (such as approvals, denials, or communicate income verification non-compliance and the process to reapply);

##### 60-Day expungement Notice;

##### Request for Information Form to verify reported income to be sent up to two (2) times;

##### Overpayment Notice;

##### Recoupment Notice;

##### Repayment Complete Notice;

##### Delinquent Repayment Notice;

The languages supported for Notices will at minimum be English and Spanish, and all Notices will include English and Spanish pages. Notices will include a third-page insert with additional supported languages. Output will be created in PDF form and sent to a State printer.

#### The Case Management System must have the ability to generate a formal Federal Issuance History Report, and the reports set forth below related to the Oracle Analytics Dashboards:

##### Contact Log Reports;

###### Summary Report;

###### Detail Report.

##### Sponsor Validation Reports for OSPI;

##### Application Count Report;

##### Improper Payment Report;

##### Expungement Usage Report.

#### The Case Management System must provide Contact Center Agents the ability to log call disposition for S-EBT calls.

####  The Case Management System must have the abilities set forth below related to Administrative Hearings:

##### Allow Contact Center Agents to log Administrative Hearings;

##### Allow Administrative Hearings staff to populate and print locally the following forms:

###### Hearing Packet Cover Letter;

###### Administrative Hearing Report;

###### Administrative Hearing Withdrawal;

###### Notification of Receipt and Continued Benefits Decision;

###### Open Letter.

##### System will be able to automatically populate and send (either via secure email or allow the Administrative Hearings staff to download from ABMS or SFTP folder) the following forms:

###### Request For Hearing (with ability to configure a new cover letter).

#### The Case Management System must provide a User with an Income Verification Flow to assist in completing tasks.

### *OSPI Webinar Support*. The Contractor shall update Webinar training material to align with S-EBT requirements, and attend OSPI Webinars to answer questions from DSHS staff or other DSHS approved stakeholders.

### *Underlying Technology Environment for the Contractor Summer EBT Solution*. The Contractor shall procure and manage the required registered domain names to support the vendor-hosted solution, and hereby states it has the required infrastructure in a cloud environment that is FedRamp Mod Compliant.

### *Service Availability*. The Contractor shall provide Managed Services Monday to Friday, from 8:00am to 6:00pm, Pacific Standard Time, exclusive of state and federal holidays.

## Call Center Services.

### The Contractor shall be responsible for the operation and management of call centers that provide toll-free telephone lines for direct use by DSHS Summer EBT clients and stakeholders. The call centers set up, phone number, IVR menu and configuration will be established using the Contractors own AWS Connect IVR platform. The Contractor shall recruit and train Call Center Resources who will respond to telephone inquiries and SMS conversations related to Summer EBT Monday to Friday, 8:00am to 5:00pm, Pacific Standard Time, excluding state and federal holidays. Training provided to Call Center Resources must include content that prepares them to provide knowledgeable answers to Summer EBT questions, and handle parent and school interactions. In addition, the Contractor shall perform all work necessary to provide the deliverables and complete the activities set forth below:

#### Continue call forwarding to DSHS contact center for up to six (6) months.

#### Support documentation of the parent and school district support that must at minimum include: Frequently Asked Questions, available resources, and process and ticket flows based on policy information from DSHS and OSPI.

#### Daily and weekly status reports that impart knowledge of call interaction volume, tickets and key metrics that are defined for the success of the program.

#### Log hearing request data from citizens in accordance with State policies. DSHS will provide such policies to the Contractor for the Contractors review.

#### Provide Over the Phone Interpretation Services (“**OPI**”) as requested or required when a DSHS Summer EBT client calls into the call center. The Contractor shall not be obligated to provide more than one-hundred (100) hours of OPI Services per month. If the hours of OPI services are anticipated to exceed one-hundred (100) hours, the parties will document the change in an Amendment to the Contract. The Contractor shall support the following languages for OPI services:

##### Arabic;

##### Spanish;

##### Chinese (Mandarin and Cantonese);

##### French;

##### Japanese;

##### Polish;

##### Russian;

##### Vietnamese;

##### Armenian;

##### Cambodian;

##### German;

##### Haitian Creole;

##### Italian;

##### Korean;

##### Portuguese;

##### Farsi;

##### Tagalog;

##### Thai, and;

##### Urdu.

### *Call Center Performance Standards*.

#### The Contractor shall provide a monthly telephony report in the format required by DSHS to confirm the required Call Center staffing. Reports shall be due on the 15th calendar day of the month following the first month of the Contract term, the first of which shall be due \_\_\_ 15, 2024. If the 15th calendar day falls on a weekend or state or federal holiday, the report shall be due on the next business day.

#### DSHS shall not be responsible for payment of any additional Call Center Shrinkage.

## Proactive Communication Services. The Contractor shall redesign and reconfigure the Contractors own existing internet opt-in website to rebrand for Summer EBT program with no change to data collection. The information will be stored in an OCI cloud environment and matched with Data in the ABMS system to create a more holistic picture of a child’s Summer EBT benefits. Using this information, the Contractor will develop a Proactive Communications journey for parents and school districts leveraging RCS, SMS and voice-calls, in accordance with the design parameters and work activities set forth below:

### *Conversation Design*. Conversation design will define an end to end journey for Summer EBT and prioritize steps in the journey for conversation development. Contractor shall develop conversation design process flows detailing the parents experience as expected for each journey step. This may include:

####  i. Entry/exit points;

#### ii. Decision points;

#### iii. Conversation patterns;

#### iv. Customer response patterns; and,

#### v. Conversation dialogues.

Contractor shall perform conversation testing to include platform recognition of words and phrases.

### *Business Logic Design*. Contractor shall create business logic using parent and child characteristics to drive a personalized and relevant conversation. Logic triggers developed may include messaging based on:

#### Child eligibility status;

#### Application status;

#### Case Review;

#### Card distribution;

#### Benefit qualification & issuance;

#### Benefit amount;

#### Benefit expungement;

#### Overpayment;

#### Repayment;

#### Excessive card requests.

### *Data*. Contractor shall document all Data elements needed for communications coming from Opt-in website and ABMS system. The Data dictionary may include:

##### Data field;

##### Definition;

##### Source;

##### Available values; and

##### Use in the Proactive Comms platform.

### *Automation Design and Build*. The communications platform will be configured using conversation and business logic design, and must be validated by the Contractor by documenting test cases and results.

### *Maintenance and Support*. The Contractor shall provide maintenance and support for the conversation journey in accordance with the following goals and reporting standards:

####  Enhance and expand journey and expand into new conversations;

#### Refine Natural Language Processing and improve AI and business logic response based on evolution of interactions;

#### Performance reporting:

##### Maintain reporting dashboard;

##### Use insights from analysis to inform enhancements.

#### Procure and configure SMS short code for Summer EBT program.

# **Resources**. The parties acknowledge there will be a need for project agility. The delivery of the project is based on a staffing profile that consists of onsite resources complemented by Contractor’s Global Delivery Network (GDN). These resources represent Contractor’s capability to perform build and test activities with resources deeply skilled in performing those functions to supplement the onsite team.

# **IP Rights**. The Contractor and its cloud vendor(s) (and their third party licensors, where applicable) own all right, title and interest, including all IPR, in and to (i) the Solution and any systems, software and other content and materials used in the provision of the Solution or Services, including derivatives, modifications, and enhancements thereof in all forms anywhere in the world; and (ii) any suggestions, ideas, enhancement requests, feedback or recommendations provided by DSHS or any other party relating to the Solution, and DSHS hereby assigns any IPR in such items to the Contractor. As used herein, “IPR” means: any rights, title and interest in patents, trademarks, service marks, trade and business names, rights in design, utility models, copyright, database rights, know-how (including trade secrets) and any other similar right whether presently existing, applied for or in relation to which there is a right to apply for registration and any analogous rights to any of the preceding rights under any other jurisdiction.

# **Data Sharing.**

The parties shall disclose and exchange Data for use by each for completion of the performance of work under the Contract. DSHS authority for this Data disclosure is granted under the Consolidated Appropriations Act, 2023, whereby the Contractor is named an administering official for the distribution of Summer EBT benefits in the Washington State plan approved by the United States Department of Agriculture’s Federal Nutrition Service. Contractor authority for this Data disclosure is granted under the same. As such, DSHS hereby authorizes the Contractor to host, store, process and transfer Data in accordance with the Data Security terms and conditions in the Contract.

## Purpose. Data disclosed or exchanged by the parties is needed to identify Washington State eligible children to receive Summer EBT benefits. DSHS shall use the Data disclosed by the Contractor to distribute Summer EBT benefits to Washington State children. The Contractor shall use the Data disclosed by DSHS to provide a technology business solution that facilitates the rapid delivery of Summer EBT benefits by DSHS.

## Description of Data.

### Data elements. The parties shall disclose or exchange to each other the Data Elements documented by Exhibit E – Data Elements, incorporated herein and attached hereto;

### The time frame(s) for Data disclosure or exchange shall occur as needed by the parties, on dates and times that are mutually agreed upon prior to Data disclosure or exchange;

### The parties shall not in any event link Data that is disclosed or exchanged to other Data, except for matching Data of parents and children gathered using the proactive communications opt-in portal to ABMS data that school districts provide.

## Data Access or Transfer.

### Method. The Contractor shall provide two submission processes, each defined as a web portal, for local NSLP participating school staff and / or parents to upload the data elements required for a Summer EBT application. Should the Contractor or DSHS make changes to the submission process or the format required for upload, due notice shall be provided and both entities shall ensure best efforts to resolve the change administratively and technically in accordance with applicable federal and Washington State laws and policies. Any changes to the above will also require a state Security Design Review (SDR), following the ITS Security SDR process, or SDR process successors. The format of the uploaded document shall be agreed upon by the parties prior to implementation.

### Requirements for Access.

#### The Contractor’s web portal shall use an encrypted connection using Transport Layer Security (TLS) version 1.2 or above, password protect access, and meet all other state IT security requirements documented by the Contracts Exhibit A – Data Security;

#### The Contractor shall take all steps necessary, including without limitation written and oral instructions to all staff and Subcontractors, to safeguard - in accordance with applicable federal and Washington State law and regulation, and the Contracts Data Security Exhibit, DSHS Confidential Information or Personal Information against unauthorized disclosure, reproduction, publication or use, and to satisfy the Contractor’s obligation under the Contract;

#### Contractor agrees that prior to disclosing any Confidential Information or Personal Information to its staff or Subcontractors, it will obtain from that staff or Subcontractor a written acknowledgement that such staff or Subcontractor shall be bound by substantially similar applicable Confidentiality and Data Security terms specified by the Contract and the Contract’s Exhibit A – Data Security;

#### The Contractor and its Subcontractors shall comply with any policy, rule, or reasonable requirement of DSHS, provided in advance and agreed upon, that relates to the safeguarding or disclosure of information relating to Summer EBT recipients, Contractor’s operations, or the services performed by the Contractor under this Contract. Contractor warrants that student data collected using the Solution as defined in the Statement of Work shall be protected in accordance with Exhibit A – Data Security Requirements, provided its terms are read with respect to the Solution.

#### DSHS shall not require Contractor to use any third-party data set outside of the data provided by OSPI, DSHS, parents using the opt-in portal, or the School Districts.

### Frequency of Exchange. The frequency of Data disclosure or exchange shall occur as needed and as mutually agreed upon by the parties, in accordance with reasonable industry standards.

### Exhibit A (Data Security Requirements) applies only to the Solution as defined in the Statement of Work, and its terms shall be read with respect to the Solution.

## Limitations on Use of Data.

### If the Data and analyses generated by the Contractor contain personal information about DSHS, then any and all reports utilizing these Data shall be subject to review and approval by DSHS prior to publication in any medium or presentation in any forum;

### With respect to the collection and reporting of data, the parties shall work together to define the specific scope of any analytics or reporting services.

### Contractor is working under the authority of DSHS and DSHS shall be responsible for its compliance with Washington State’s directives and all other applicable laws and regulations, including with respect to how and when it collects and maintains any personal data or PII (including compliance with applicable privacy/security laws and regulations – State and Federal). DSHS is the data controller with respect to the personal information processed under this Contract. The data within the solution shall remain the property of DSHS, and shall be returned to DSHS upon completion of the work contemplated herein.

## Limitations on Storage of Data. Personal Data shall not be stored on or transferred to portable devices or media by the Contractor unless specifically authorized within the terms and conditions of the Contract. If so authorized, the Data shall be given the required protections as specified in the Data Security Requirements Exhibit A.

## Limitations on Subcontracting. The Contractor shall not share Data with a Subcontractor unless specifically authorized within the terms and conditions of the Contract.

## Data Destruction. Except as otherwise noted in the Contract, the Contractor shall destroy any Data no longer needed in accordance with Data Security Requirements Exhibit A, Section 8. Data Disposition.

## Breach or Potential Compromise of DSHS Information. As provided in Exhibit A of this Agreement, the compromise or potential compromise of Confidential Information must be reported to the DSHS contact on page one (1) of this agreement, and the Privacy Officer and Security Contacts (DSHS: dshsprivacyofficer@dshs.wa.gov); and ESA, Angel.Vasilev@dshs.wa.gov) within one (1) business day of discovery. The notifying party shall take immediate action to mitigate the risk of loss and comply with any notification or other requirements imposed by law. The Contractor shall report any lost or stolen portable devices or media to the DSHS contact within one (1) calendar day of discovery.

# **Consideration**. Total consideration payable to Contractor for satisfactory performance of the work under this Contract is up to a maximum of $19,350,000, including any and all expenses, and shall be based on the following:

## Two Lump sum payments for Proactive Communication and Managed Services for a total of $13,350,000. First installment of $7,800,000 to be paid on the Contract Start Date and $5,550,000 on the anniversary of the Contract Start Date.

### Managed Services shall include the following technology costs:

#### Summer EBT Cloud Environment Solution;

#### Ongoing AHSS Software Maintenance and Subscription;

#### Ongoing Support, Configuration, and Operational Runs.

### Proactive Communication Services costs shall be based upon the performance of work documented by Special Terms and Conditions, Section 6.e.

## Monthly fee for service for Call Center Services: $250,000. Maximum contract amount for Call Center Services shall not exceed $6,000,000. Costs for Call Center Services shall include the following:

### Twenty-one (21) Call Center Resources;

### Call Center management, mobilization, scheduling, associated telephony costs, quality management, and training;

### Call Center Shrinkage resources above twenty-one (21) to provide twenty-one (21) agents available daily.

# **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 DSHS Contact by the Contractor not more often than monthly. The invoices shall describe and document to DSHS’ 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 Special Terms and Conditions, Section 10. Consideration, of this Contract.

## Payment. Payment shall be considered timely if made by DSHS within thirty (30) days after receipt and acceptance by the DSHS Contact of the properly completed invoices. Payment shall be sent to the address designated by the Contractor on page one (1) of this Contract. DSHS 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.

# **Consequences for Non-performance**.

## Managed Services. Contractor acknowledges the software and enhancement support services contemplated herein are critical to DSHS issuing Summer EBT benefits in accordance with the scheduled timelines outlined in DSHS’s approved Washington state plan. In the event any component of Call Center Services, supported systems or software fails to provide the functionality, or adhere to the requirements set forth by the Contract that by result may prohibit DSHS from issuing Summer EBT benefits on the scheduled deadlines required by DSHS, DSHS shall submit a written notice to the Contractor describing in reasonable detail the failure of such component or components to perform therewith. Upon receipt of the written notice, Contractor shall promptly correct the failure, but ensure the failure is corrected no later than the next scheduled deadline for Summer EBT benefit issuance following the failure. If the Contractor is unable or fails to correct the problem within the time allotted, the parties shall meet to discuss a resolution to the problem. If it is determined that the Contractor cannot provide the service in question such that the Contractor’s failure to perform is deemed by DSHS to be a material breach of the Contract, DSHS shall have the following remedies:

### DSHS may cure the failure at Contractor’s expense, [by taking](https://www.lawinsider.com/contracts/7AkcCwye44e#citys-remedies) any action reasonably determined by DSHS to be necessary to correct such failure, including without limitation making any repair necessitated by the Contractor’s inability to correct the failure. Contractor shall reimburse DSHS for all costs it incurs to correct such failure within thirty (30) calendar days after DSHS presents the Contractor with a statement of such costs.

### Pursuant to Section 37 of the Contract’s General Terms and Conditions, DSHS may terminate the contract for default, and be entitled to recover from the Contractor any fees or consideration already rendered by DSHS prior to the date of such termination.

# **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 $1,000,000 per occurrence and $2,000,000 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 $1,000,000 per occurrence; and $2,000,000 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 $1,000,000 per occurrence; and $2,000,000 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 $1,000,000 per occurrence; and $2,000,000 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 DSHS 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

The General Liability and Automobile Liability insurance policies shall 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 Certificates of Insurance 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 Contractor 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 Contractor 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.

## Business Automobile Liability Insurance

The Contractor shall maintain a Business Automobile Policy on all vehicles used to transport clients, including vehicles hired by the Contractor or owned by the Contractor’s employees, volunteers or others, with the following minimum limits: $1,000,000 per accident combined single limit. The Contractor’s carrier shall provide DSHS with a waiver of subrogation or name DSHS as an additional insured.

## 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.

## Technology Professional Liability (errors and omissions) (including cyberliability coverage)

## The Contractor shall maintain Technology Professional Liability (errors and omissions) insurance, to include coverage of claims involving infringement of intellectual property. This shall include but is not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion, network security, regulatory defense (including fines and penalties), and notification costs. The coverage limits must be at least $1,000,000 per covered claim without sublimit, and $2,000,000 annual aggregate. Such coverage shall address Contractor’s liability in the performance of services under this Contract for: (a) unauthorized access or use of a computer system or network; (b) denial of service attacks; (c) receipt or transmission of malicious code; (d) failure to protect confidential, personal or corporate information; (e) wrongful collection of confidential, personal or corporate information; and (f) violation of privacy laws, statutes or regulations in connection with an event described in (d) or (e).

## Crime and Employee Dishonesty

## The Contractor shall maintain Employee Dishonesty and (when applicable) Inside/Outside Money and Securities coverages for property owned by the State of Washington in the care, custody, and control of Contractor, to include electronic theft and fraud protection. The coverage limits must be at least $1,000,000 per covered claim without sublimit, $2,000,000 annual aggregate.

**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-DSHS-information-private-and-secure](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, orRemovable 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, orDegaussing sufficiently to ensure that the Data cannot be reconstructed, orPhysically 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

DSHS Tasks & Responsibilities, Contractor Assumptions, Contractor Technical Assumptions & Contractor Exclusions

# **DSHS Tasks & Responsibilities**. DSHS acknowledges and agrees Contractor’s performance is dependent on DSHS timely and complete performance of certain tasks and responsibilities. Contractor shall be excused from failures to perform its obligations to the extent caused by DSHS, its third party contractor’s, or other agent’s failure to timely perform any of DSHS tasks and responsibilities set forth hereunder:

## DSHS shall be responsible to provide in a timely manner all information (including requirements), documentation, input, decisions and signoffs (including of designs, specifications and software releases) reasonably required by Contractor to perform its Services;

## DSHS shall manage the interface between Contractor and the day-to-day operations of the DSHS’s organization including key stakeholders;

## If the Project requires Contractor and other organizations to work as one integrated team to drive to a common objective, DSHS shall have primary responsibility for inputs of DSHS contractors and other involved organizations, including OSPI, and for confirming that they provide Contractor with necessary access to their plans, status, and project reports;

## DSHS shall ensure that DSHS contractors cooperate with and take necessary instruction from Contractor;

## DSHS shall provide and manage any DSHS personnel (e.g., financial, design authority and business subject matter experts, key business and technical resources) as reasonably required for the effective and efficient delivery of the Project. Significant access to such resources is critical to the success of the Project and is required to enable Contractor to complete its Services;

## DSHS shall provide any DSHS personnel for attendance at any reasonable governance forums as required by Contractor and DSHS contractors;

## DSHS shall provide access for Contractor to DSHS’s Project users, as requested by Contractor, to allow requirements grooming and prioritization, specification development, the undertaking of acceptance procedures, and implementation for the effective and efficient delivery of the Project;

## DSHS is responsible for its operation and use of the Services and for determining whether to use or refrain from using any recommendation that may be made by Contractor. DSHS shall be solely responsible for determining whether any Services provided by Contractor (i) meet DSHS requirements; (ii) comply with all laws and regulations applicable to DSHS; and (iii) comply with DSHS applicable internal guidelines and any other agreements it has with third parties;

## DSHS represents and warrants that this Contract was properly authorized under applicable State procurement laws and regulations;

## DSHS shall be responsible for satisfying all IT hardware requirements and infrastructure requirements. This includes (but is not limited to):

### Access to DSHS business systems including email, SharePoint, Microsoft Teams;

### Access to DSHS technology systems, including development, test and pre-production platforms;

### If data in the DSHS’s legacy systems is found to be corrupt and causes otherwise valid test cases to fail, DSHS shall be responsible for the cleansing of the data or acceptance that the Project will proceed in any event. Contractor shall highlight to DSHS in a timely manner any key data issues identified during testing.

## DSHS shall be responsible for ensuring that consent is obtained from individuals to share any data with Contractor and for its use in connection with this Project;

## DSHS shall manage all business-as-usual work.

## *Specifically*, for Call Center Services:

### DSHS shall share timely the Summer EBT program guidelines and requirements in support of training material creation including call center scripts and privacy notices;

### DSHS shall timely approve all materials and communications that Contractor creates for the Program that is distributed to agents, parents or school representatives;

### DSHS shall provide access to program subject matter experts who can support process questions and/or escalations;

### DSHS shall timely approve and share data files with appropriate vendor for debit card generation.

## DSHS shall be responsible for satisfying all IT hardware requirements and infrastructure requirements. This includes (but is not limited to):

### Access to DSHS business systems including email, SharePoint, Microsoft Teams;

### Access to DSHS technology systems, including development, test and pre-production platforms;

### If data in the DSHS’s legacy systems is found to be corrupt and causes otherwise valid test cases to fail, DSHS shall be responsible for the cleansing of the data or acceptance that the Project will proceed in any event. Contractor shall highlight to DSHS in a timely manner any key data issues identified during testing.

## DSHS shall be responsible for ensuring that consent is obtained from individuals to share any data with Contractor and for its use in connection with this Project;

## DSHS shall manage all business-as-usual work.

# **Contractor Assumptions and Technical Assumptions**. Contractor shall be excused from failures to perform its obligations to the extent caused by DSHS failure of an assumption (a “Failure”). In the event of a Failure, Contractor shall promptly notify the DSHS Contact and the parties shall work together in good faith to achieve a mutually agreed equitable solution that does not result in any material increase in the levels of time or costs to be incurred by the Contractor. If no such solution can be determined and agreed, Contractor shall be entitled to receive an equitable adjustment in the performance schedule, and shall be entitled to increased compensation to reflect any additional time required and costs and expenses incurred directly as a result of such Failure.

## Assumptions.

### Contractor systems shall be delivered using the Contractor Data Safeguards.

### DSHS and DSHS subcontractors working on the Project shall be sufficiently skilled to participate in and support the approach deployed by Contractor. Any training or additional effort required to address any differences in approach or deficiencies in this regard will be subject to additional charges.

### If, after the Project has started, it is determined that the information provided by DSHS is inaccurate or incomplete in any material manner, the parties shall negotiate an adjustment in the project scope and fees, as applicable, per an Amendment to this Contract.

### Business-as-usual updates to the Solution being developed by the Project will not adversely impact or lead to rework on the Project. Where there is a potential impact, Contractor shall use its reasonable efforts to limit the impact, but where there is an adverse impact, this will be chargeable.

### DSHS operational support teams shall not unreasonably delay or refuse to accept the Project on the basis of factors that are outside Contractor’s control, for example where design decisions impact the supportability of the Solution.

### DSHS has obtained all consents necessary from third parties reasonably required for Contractor to perform its obligations hereunder, and DSHS shall be responsible for the contractual relationship with and performance of such third parties as required.

### Contractor accepts no responsibility for the accuracy of any data provided in connection with this Project nor will it verify the accuracy of such data.  Contractor shall aggregate and map data but shall not change the data in this file in any way, provided that Contractor will aggregate and/or anonymize the data if specifically provided for in this Contract.

## Technical Assumptions.

| ASSUMPTION | ASSUMPTION DETAILS |
| --- | --- |
| Packaged Codebase | Solution will utilize core packaged and preconfigured codebase. Solution will be implemented as-is outside of agreed-upon configurations to localize the software and to accommodate data load. |
| AHSS Development | Enhancements of the core codebase will be focused on:* Configurations, such as picklist values, cosmetic configurations on portals
* Must-have exception-based validation or workflow rules to govern tracing-EBT or local security policies
* All scope can be found in the Statement of Work
 |
| No major data model or codebase changes, including to accommodate net new processes. As identified, net new processes will be assessed, prioritized and planned against timeline and staffing |
| Proactive Communications Development | Contractor will leverage standard ContactEngine platform, and perform DSHS specific conversations and trigger logic configurations |
| Telephony Integration | Amazon Connect & CTI will be enabled for Telephony; Amazon Web Services Commercial Cloud will be used for AWS Connect Contact Center services, which are FedRamp Mod, SOC 1,2&3 and HIPPA (BAA) compliant.  |
| Licensing and Cloud Terms  | Solution will include the following: AHSS (Summer EBT module), Oracle Cloud Infrastructure, AWS Connect, ContactEngine and ancillary services which shall be provided “as is”. Contractor shall pass through any warranties provided by such software providers.  |
| Data | The State is responsible for data extraction from source School District, OSPI, and DSHS system(s), including cleansing and transformation. Contractor will be responsible for collecting parent opt-in information from our web portal. Contractor will provide support for mapping analysis and recommended format needed to load data into the solution if required. Data Conversion of existing eligibility system data is not included. |
| Security | * PII data will be encrypted within the Solution
* Remote secure access will be available for users (using FortiNet)
* Fortinet with Oracle Cloud will provide the Network and Infrastructure security
* AWS Connect cloud platform will enable the cloud security controls
* Contractor’s Managed Detection & Response (MDR) will be leveraged for Incident Management
* The State will manage the Security compliance activities required for any regulatory compliance
* ContactEngine will provide all security services related to their cloud hosted platform
 |
| Change & Adoption | Training of Contractor Call Center agents is in-scope. This includes training strategy, planning and execution. Contractor will develop and deliver project communications, non-HR job-skilling training material. |
| Onboarding will be coordinated in collaboration with the State with support from Contractor to plan and coordinate onboarding requirements and sequence.  |
| The State will provide business resources to provide approvals and act as point of escalation for any change, training or adoption metrics not being met |
| General | State will provide the right people and will provide timely approvals and sign-off |
| State will coordinate and help schedule meetings with all necessary team members to ensure timeline objectives are met |
| Reporting | Reports from the Solution will be provided out of OACS and ContactEngine, using standard reports. |
| Printing | Printing of created NOAs, Campaign Flyers, PDF’s is the responsibility of the State. |
| Governance | The parties will work in collaboration in the first 10 days to put an effective project governance in place, with clear roles and responsibilities and agreed to turnaround for key decisions, risks and issues escalations so as to not compromise the Project schedule. |

##

## Assumptions for Proactive Communications Services:

### Customer opt-out of SMS messages will be maintained by messaging service platform. No external opt-out tracking system planned as part of solution.

### Solution allows for up to 120,000 unique parent journeys over a calendar year. Multiple conversations and messages may take place throughout this journey.

### Journey messaging costs (i.e., RCS, SMS - inbound/outbound) are included up to $3,600. Messaging costs are accrued at the following rates and are subject to change from the SMS vendor. Any messaging costs above the allocation amount will be passed to the state as a direct cost.

| TYPE | COST |
| --- | --- |
| SMS Outbound Cost | $0.0043 |
| SMS Inbound Cost | $0.0015 |
| LookUp API Cost | $0.001 |

# **Exclusions**. Contractor’s scope of services excludes the following:

## Predictive elements; if DSHS requests such a scope, the parties shall work together in good faith to address such request under such terms set forth herein.

## Security services, including, but not limited to, managed security services, cyber defense services, or any monitoring, scanning, testing assessments or remediations for security vulnerabilities in DSHS’s environments,

## Any legal, regulatory, audit, medical, insurance or tax advice. DSHS shall be responsible for obtaining such advice from its own legal counsel or other licensed professionals.

## Contractor shall not receive access to Category 4 Data.

Exhibit C – Remote Work Protocols

This Exhibit C sets out the remote work protocols to be followed by the Parties.

# **Workstations:** Contractor will implement controls pursuant to the relevant data security requirements set forth in the Contract for all workstations, also referred to as laptops, on Contractor provided devices that are used in connection with service delivery and receipt. Contractor shall incorporate the following:

## Encrypted hard drive:

### Software agent that manages overall compliance of workstation and reports a minimum on a monthly basis to a central server;

### Patching process to ensure workstations are current on all required patches;

### Ability to prevent non-approved software from being installed (e.g., peer-to-peer software);

### Antivirus with a minimum weekly scan;

### Firewalls installed;

### Data Loss Prevention tool (subject to any legal requirements, e.g. Works Council); and

### Web filtering.

# **Access Control:**

## Two factor authentication is enabled on DSHS and Contractor VPN;

## DSHS will promptly provision authentication credentials, including any additional requirements to support DSHS’s two factor authentication;

## DSHS and Contractor will promptly deactivate authentication credentials where such credentials have not been used for a period of time (such period of non-use not to exceed six months);

## DSHS and Contractor will deactivate authentication credentials upon notification that access is no longer needed (e.g. employee termination, project reassignment, etc.) within two business days; and

## DSHS and Contractor to manage the access controls using the least privilege access protocols where applicable.

# **Connectivity:**

## Where Contractor personnel connect to Contractor networks and infrastructure, Contractor is responsible for applying Contractor standard technical and organizational security controls to such Contractor-provided workstation/laptop and the Contractor environment.

## Where Contractor personnel are using Contractor or DSHS provided desktop and/or laptops and accessing the DSHS network, environments and systems, via VDI, DSHS is responsible for applying DSHS’s standard technical and organizational security controls in respect of such network, environments and systems to the DSHS’s network and environments.

## Contractor cannot confirm that the wireless network used by such Contractor personnel is protected with agreed upon security standards.

# **Physical Controls:** The following physical and environmental security controls at the Contractor personnel’s work location when working remotely will not apply:

## Secure bays;

## Presence of security guards to prevent unauthorized resources from accessing the work site;

## Use of CCTV to monitor access and the work environment;

## Prohibition of cell phones and other cameras during work.

# **DSHS Standards:** To the extent reasonably possible, Contractor personnel working remotely will continue to abide by the applicable DSHS policies and standards in performing the Services. Such policies govern and control within the DSHS’s systems and environments.

Exhibit D – Solution and Cloud Vendor Terms

# **DSHS Obligations.** DSHS agrees that it shall not license, sublicense, sell, resell, transfer, rent, lease, assign, distribute, host, outsource or otherwise commercially exploit the Solution or make them available for access or use by any third party except as specified in the SOW. DSHS is liable for all users’ compliance with the terms of this SOW. DSHS may not translate or attempt to reverse engineer, decompile, or make derivative works of the Solution. DSHS will use the Solution in compliance with any documentation provided by Contractor or its cloud vendor, including any operating or security procedures and the hardware, software or networking requirements set forth therein.

# **Suspension.** Contractor reserves the right to suspend access to or use of the Solution by any user (including DSHS), or remove any relevant DSHS Content where Contractor reasonably believes (i) DSHS or users are in breach of the Contract; (ii) DSHS has failed to respond to a claim of alleged infringement; or (iii) Contractor is required to do so by applicable law, or any court or governmental body order.

# **DSHS Content**. DSHS authorizes Contractor to host, store, process and transfer the DSHS Content in accordance with this SOW. DSHS agrees that it is solely responsible for all DSHS Content, and for complying with any applicable law relating to the DSHS Content, and for obtaining any licenses to, consents for and rights in DSHS Content necessary for Contractor to provide the Solution or Services to DSHS. DSHS (and DSHS’s licensors, where applicable) own all right, title and interest, including all IPR, in and to the DSHS Content. Except as provided hereunder, Contractor obtains no other rights to DSHS Content. Contractor assumes no obligations with respect to DSHS Content.

# **Personal Data**. In the event where DSHS Content contains any Personal Data, DSHS authorizes Contractor and its cloud vendors (as applicable) to process such Personal Data, as required to provide the Solution and Services and in accordance with the data processing policy of Contractor and its cloud vendor. DSHS will obtain all required consents from data subjects and any other applicable third parties under applicable privacy and data protection laws before providing Personal Data to Contractor. To the extent required by applicable law, DSHS shall notify any data subjects whose data will be processed or stored on the Solution that their data may be disclosed to law enforcement or other governmental authorities, and DSHS shall obtain the data subjects’ consent to the same. DSHS shall be and remain the Data Controller and Contractor the Data Processor with respect to any DSHS Personal Data that is provided to and processed by Contractor pursuant to this SOW. Each Party shall comply with its respective obligations as the Data Controller and Data Processor under applicable privacy and data protection law.

# **No Disclosure**. Contractor will not disclose DSHS Content to any third party except: (i) with DSHS’s written consent; (ii) to a cloud vendor or a subcontractor to the extent necessary for such cloud vendor or subcontractor to provide the Solution or subcontractor services, respectively; or (iii) as required by applicable law, or pursuant to a court order or authorized regulatory body or law enforcement agency.

# **No Internet Control**. DSHS acknowledges and agrees that Contractor does not control the transfer of data over the internet or a public telecommunications network and that accordingly Contractor’s obligations set forth in the SOW shall not apply to data that is in transit over such networks.

# **Confidentiality.**  Information (in any form) made available to DSHS that is identified by Contractor as confidential or reasonably understood to be confidential (“Contractor Confidential Information”) may only be used by DSHS consistent with the rights and obligations of this SOW. Contractor Confidential Information includes any Contractor software or materials included in the Solution and any related documentation made available to DSHS. DSHS agrees to protect Contractor Confidential Information in the same manner that it protects its own similar confidential information, but in no event using less than a reasonable standard of care. Access to the Confidential Information will be restricted to Contractor and DSHS personnel (including such personnel employed by their affiliates) and subcontractors with a need to use such Confidential Information pursuant to the parties’ rights and obligations under this SOW, provided such parties are bound by substantially similar obligations of confidentiality.

Exhibit E – Data Elements

| Field # | Description | Length | Field Position | Type | Comment | R/O |
| --- | --- | --- | --- | --- | --- | --- |
| 1 | Record Type | 2 | 1-2 | X | Constant value of ‘DT’ (demographic detail) | R |
| 2 | Action Code | 2 | 3-4 | X | ‘01’ – account setup/change; ‘05’ – Alternate cardholder add/change | R |
| 3 | HOH Client ID | 9 | 5-13 | 9 | Head of Household (HOH) Client ID for Assistance Unit (AU) generating demographic activity | R |
| 4 | Social Security Number | 9 | 14-22 | 9 | SSN of head of household Client ID (Data is necessary for single call PIN) | O |
| 5 | Primary/ Alternate Indicator | 1 | 23 | 9 | ‘1’ – Default value when primary is the HOH. | R |
| 6 | Card Holder Access | 1 | 24 | 9 | ‘0’ – None.  Use for primary who has an alternate, card and PIN issuance will be sent as N/N‘1’ – FS‘2’ – Cash‘3’ – BothNote: Most of the time, this value is ‘3’ | R |
| 7 | Business Indicator | 1 | 25 | 9 | ‘C’ – Client (Default setting) Note: Value is always ‘C’‘P’ – Provider (historical, not used) | R |
| 8 | Firm Name | 41 | 26-66 | X | If business indicator is ‘P’ then name of provider is noted hereNote: Field is always Blank | O |
| 9 | Phone Number | 10 | 67-76 | 9 | Area code + telephone number (for help desk use) | O |
| 10 | First Name | 15 | 77-91 | X | HOH/Payee first name.  ACES field is 12 characters.  Entry will be left justified. | O |
| 11 | MI | 1 | 92 | X | HOH/Payee middle initial | O |
| 12 | Last Name | 25 | 93-117 | X | HOH/Payee last name.  If there is a Jr, etc., send info as ‘last name, Jr’.  ACES field is 19 characters.  Entry will be left justified. | R |
| 13 | Address Line 1 | 30 | 118-147 | X | No format requirements.  If Action code is ‘05’, address is for the alternate. | R |
| 14 | Address Line 2 | 30 | 148-177 | X | EBT Vendor need to look at both lines – data may be present. | O |
| 15 | City | 22 | 178-199 | X | ACES’ limitation is ‘20’ | R |
| 16 | State | 2 | 200-201 | X |   | R |
| 17 | ZIP | 9 | 202-210 | X | Left justify, 0 fill | R |
| 18 | CSO Number | 3 | 211-213 | 9 | Community Service Office (CSO) number of local CSO/Home and Community Services (HCS) office to which HOH Client is assigned.**Note:** Represents County/Local Office code | R |
| 19 | Region Code | 2 | 214-215 | 9 | 2 digit ACES region code designation | R |
| 20 | County Name (filler) | 15 | 216-230 | X | Not used by WA | N/A |
| 21 | Country Code (filler) | 3 | 231-233 | X | Not used by WA | N/A |
| 22 | Date of Birth | 8 | 234-241 | X | ‘CCYYMMDD’ Zeroes will be sent if no DOB available | R |
| 23 | Issue Card | 1 | 242 | X | ‘Y’ – Yes‘N’ - No | R |
| 24 | Issue PIN | 1 | 243 | X | All files will return a value of ‘N’ | R |
| 25 | Drop Ship Code | 3 | 244-246 | 9 | Used to mail quantities of card to central location.  Not used by WA at present | O |
| 26 | Primary Language | 2 | 247-248 | X | Primary language of HOH:‘EN’ – English‘SP’ – SpanishNote: Other values can also be sent, treat as ‘EN’ | R |
| 27 | User ID | 4 | 249-252 | X | User ID of user who owns AU.  This should never be a batch processor ID. | R |
| 28 | Filler | 68 | 253-320 |   | Reserved for EBT Vendor use | O |
| 29 | Response Code | 4 | 321-324 | X | Only error files are returned.  ‘0000’ pre-filled by State | R |