

REQUEST FOR APPLICATIONS FOR

Specialized Services for Persons with Disabilities and Nursing Home Transition

ISSUING OFFICE

**Commonwealth of Pennsylvania
Department of Human Services
Bureau of Procurement and Contract Management
Room 832 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120**

RFA NUMBER

22-18

DATE OF ISSUANCE

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**REQUEST FOR APPLICATIONS FOR
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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit questions via email to RA-PWRFAQUESTIONS@PA.GOV	Potential Applicants	May 14, 2020 2:00 PM EST
Answers to Potential Applicant questions posted to the DGS website at http://www.emarketplace.state.pa.us/Search.aspx no later than this date.	DHS	May 26, 2020
Please monitor website for all communications regarding the RFA.	Potential Applicants	Ongoing
Sealed application must be received by the Issuing Office at: Commonwealth of Pennsylvania Department of Human Services Bureau of Procurement & Contract Management Room 832 Health & Welfare Building 625 Forster Street Harrisburg, PA 17120	Applicants	June 15, 2020 12:00 PM EST

PART I

GENERAL INFORMATION

- I-1. Purpose.** This Request for Applications (“RFA”) provides to those interested in submitting applications for the subject procurement (“Applicants”) sufficient information to enable them to prepare and submit applications for the Department of Human Services’ (“Department” or “DHS”) consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for **Specialized Services for Persons with Disabilities and Nursing Home Transition** (“Project”). This RFA contains instructions governing the requested applications, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Applicants must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFA.
- I-2. Issuing Office.** The Department’s Office of Administration, Bureau of Procurement and Contract Management (“Issuing Office”) has issued this RFA on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFA shall be Karen Kern, RA-PWRFAQUESTIONS@PA.GOV, the Issuing Officer for this RFA. Please refer all inquiries to the Issuing Officer.
- I-3. Overview of Project.** DHS’s Office of Long-Term Living (“OLTL”) is charged with the statewide administration of the Nursing Home Transition (“NHT”) Program. The NHT Program was developed to assist and empower individuals who want to move from a nursing facility back to a less restrictive community setting of their choice. Through the NHT Program, participants can receive the guidance and support they need to make informed choices about their long-term services and supports. Additionally, OLTL has oversight of the delivery of Specialized Services to participants with Other Related Conditions (“ORCs”), who have been identified through the Pre-Admission Screening and Resident Review (“PASRR”) process as needing to receive additional services in a nursing facility. Specialized Services consist of training, service coordination, advocacy, peer counseling and support groups, community integration, and related transportation, which enable participants to acquire, regain, improve, or maximize their skills and abilities, to live a more productive and satisfying life in the least restrictive setting possible. For historical data on the size of the potential population of individuals meeting Specialized Services program criteria, please see the Omnibus Budget Reconciliation Act (“OBRA”) of 1987 Mandated Service Statistics for 2014 to 2018 (**Appendix P**).

This Project combines both the provision of Specialized Services to identified nursing facility residents and the provision of NHT services to eligible nursing facility residents who wish to return to a community setting.

The provision of Specialized Services entails providing, on a statewide basis, information to individuals residing in nursing facilities who have been determined to have a condition that meets program criteria as an ORC for which they require Specialized Services, and supportive services to those identified as needing Specialized Services and are not enrolled in managed long-term care, including Community HealthChoices (“CHC”) or Living Independence for the Elderly (“LIFE”). The provision of NHT services entails providing coordination services to nursing facility residents, excluding residents enrolled in managed long-term care, who wish to transition from the facility to a less restrictive community setting. With the implementation of statewide managed long-term care, both Specialized Services and NHT services for individuals who are enrolled in CHC are now provided by the CHC managed care organizations (“MCOs”) or LIFE providers; however, this Project will provide ORC-Specialized Services and NHT services to individuals who are not enrolled in managed long-term care at the time of service and will provide for Peer Counselors for Evaluation of Durable Medical Equipment (“DME”)

and explanations of the PASRR determination for all qualifying individuals, regardless of managed care enrollment.

For individuals who are not enrolled in managed long-term care, the selected Applicant will also function as the Local Contact Agency (“LCA”) for the purposes of compliance with Minimum Data Set (“MDS”) Section Q, whereby nursing facilities must refer individuals who have requested to speak to someone about transitioning to the community to an identified LCA.

I-4. Objectives.

A. General. DHS is seeking an Applicant able to provide supportive services and perform key program tasks for individuals receiving nursing facility services and to provide the necessary assistance to residents who choose to transition from the nursing facility to a less restrictive setting.

B. Specific. Specific objectives encompassed by this RFA include:

1. The operation of the Specialized Services fee-for-service program for persons with an ORC, as mandated by OBRA, in accordance with applicable directives, including **Appendix M**.
2. The provision of Peer Counselors for Evaluation of DME needs for certain participants residing in nursing facilities. The DME evaluation includes assessment of needs for wheelchairs, specialty beds, and augmentative communication devices for qualifying residents of nursing facilities.
3. The provision of intensive service coordination to nursing facility residents who meet the NHT participant definition and who are not enrolled in managed long-term care, and the provision of outreach and education to nursing facilities regarding NHT and Home and Community Based Services (“HCBS”). NHT coordination services must be aimed at overcoming barriers to transition and must be provided in accordance with applicable program and policy directives issued by OLTL.

I-5. Type of Agreement. If the Department enters into an agreement as a result of this RFA, it will be a fee-for-service grant agreement containing the Standard Grant Terms and Conditions as shown in **Part VI**. All references in Part VI to the “Contract” shall refer to the grant agreement, and all references to “Contractor” shall refer to the Grantee. If the Department selects an Applicant’s application for award, the contents of the application will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

I-6. Rejection of Applications. The Department, in its sole and complete discretion, may reject any application received as a result of this RFA.

I-7. Incurring Costs. The Department is not liable for any costs the Applicant incurs in preparation and submission of its application, in participating in the RFA process, or in anticipation of award of the agreement.

I-8. Questions & Answers. If an Applicant has any questions regarding this RFA, the Applicant must submit the questions by email (**with the subject line “RFA 22-18 Question”**) to the Issuing Officer named in **Part I, Section I-2** of this RFA **no later than** the date indicated on the Calendar of Events. The Applicant shall not attempt to contact the Issuing Officer by any other means. The Department will

post the answers to the questions on the Department of General Services (“DGS”) website by the date stated on the Calendar of Events.

An Applicant who submits a question *after* the deadline date for receipt of questions assumes the risk that its application will not be responsive or competitive because the Department is not able to respond in sufficient time for the Applicant to prepare a responsive or competitive application. When questions are submitted after the deadline date indicated on the Calendar of Events, the Issuing Officer *may* respond to questions of an administrative nature by directing the questioning Applicant to specific provisions in the RFA. To the extent that the Department decides to respond to a non-administrative question, the Department will provide the answer to all Applicants through an addendum.

All questions and responses as posted on the DGS website are an addendum to, and part of, this RFA in accordance with RFA **Part I, Section I-9** of this RFA. The Department shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFA or formally issued as an addendum.

I-9. Addenda to the RFA. If the Department deems it necessary to revise any part of this RFA before the application response date, the Department will post an addendum to the DGS website at <http://www.emarketplace.state.pa.us/Search.aspx>. It is the Applicant’s responsibility to periodically check the website for any new information or addenda to the RFA.

I-10. Response Date. To be considered for selection, hard copies of applications must arrive at the Issuing Office on or before the time and date specified in the RFA Calendar of Events. The Department will **not** accept applications via email or facsimile transmission. Applications received after the due date and time specified, including those that are late due to the delivery service used, will be disqualified. Applicants who send applications by mail or other delivery service should allow sufficient delivery time for the timely receipt of their applications. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which applications are to be returned is closed on the application response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Applicants. The hour for submission of applications shall remain the same. The Department will reject, unopened, any late applications.

I-11. Application Requirements.

A. Application Submission: To be considered, Applicants should submit a complete response to this RFA to the Issuing Office, using the format provided in **Part I, Section I-11.B**, providing **six (6) paper copies [one marked “ORIGINAL”] of the Technical Submittal, two (2) paper copies of the Cost Submittal, and two (2) paper copies of the Contractor Partnership Program Submittal.** In addition to the paper copies of the application, Applicants shall submit **two (2) complete and exact copies** of the entire application (Technical and Cost submittals, along with all requested documents) on a USB-flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. On the USB-flash Drive, include separate folders that contain a complete and exact copy of the entire Technical (excluding financial capability) Submittal in PDF (portable device format). To the extent that the Applicant designates information as confidential or proprietary or trade secret protected in accordance with **Part I, Section I-16** of this RFA, the Applicant must also include one (1) redacted version of the Technical Submittal, excluding financial capability on the USB-flash Drive in Microsoft Office or Microsoft Office-compatible format. The USB-flash drive should clearly identify the Applicant and include the name and version number of the virus scanning

software used to scan the USB-flash drive before it was submitted. The Applicant may not lock or protect any cells or tabs. The Applicant shall make no other distribution of its application to any other Applicant or Commonwealth official or Commonwealth consultant. Each application page should be numbered for ease of reference. An official authorized to bind the Applicant to its provisions must sign the application. If the official signs the **Application Cover Sheet (Appendix A** to this RFA) and the Application Cover Sheet is attached to the Applicant's application, the requirement will be met. For this RFA, the application must remain valid for one hundred and twenty (120) days or until an agreement is fully executed.

Each Applicant submitting an application specifically waives any right to withdraw or modify it, except that the Applicant may withdraw its application by written notice received at the Issuing Office's address for application delivery prior to the exact hour and date specified for application receipt. An Applicant or its authorized representative may withdraw its application in person prior to the exact hour and date set for application receipt, provided the person provides appropriate identification and signs a receipt for the application. An Applicant may modify its submitted application prior to the exact hour and date set for application receipt only by submitting a new sealed application or sealed modification that complies with the RFA requirements.

B. Application Format: Applicants must submit their applications in the format, including heading descriptions, outlined below. Applicants should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the application. All cost data relating to the application must be kept separate from and not included in the Technical Submittal. Applicants should not reiterate technical information in the Cost Submittal. Each application shall consist of the following three (3) separately sealed submittals:

1. Technical Submittal:

a. In response to Part III;

The Technical Submittal must include a Transmittal Letter and include Tabs 1 through 12. Applicants must format their responses as follows:

- Tab 1: Table of Contents
- Tab 2: Requirements
- Tab 3: Statement of the Project
- Tab 4: Management Summary
- Tab 5: Prior Experience
- Tab 6: Personnel
- Tab 7: Financial Capability
- Tab 8: Work Plan
- Tab 9: Reports and Project Control
- Tab 10: Performance Standards
- Tab 11: Corporate Reference Questionnaire (**Appendix C**)
- Tab 12: Key Personnel Reference Questionnaire (**Appendix T**)

b. Complete, sign and include Appendix E, Lobbying Certification and the Disclosure of Lobbying Activities forms; and

c. Complete, and include Appendix G, Federal Funding Accountability and Transparency Act Sub-Recipient Data Sheet.

2. Cost Submittal, in response to Part IV of this RFA; and

3. Contractor Partnership Program Submittal, in response to **Part V** of this RFA.

Applications must adhere to the following format:

- a. Pages must be eight-and-one half (8.5) by eleven (11) inches with right and left margins of one (1) inch; and be double-sided.
- b. Must use Arial or Times New Roman font with a type size of twelve (12).
- c. Tab and Section headings, shown in this **Part I, Section I-11, MUST** be used.
- d. Each page of the application must include a page number and identification of the Applicant in the page footer.
- e. Materials provided in any appendix must be specifically referenced by page numbers in the body of the application.
- f. Each hard copy of the Technical Submittal must be bound in a binder with tabbed dividers, according to the format described in **Part I, Section I-11.B**.
- g. Exceptions for paper and font size are permissible for project schedule (Microsoft Project) or for graphical exhibits and material in appendices which may be printed on white paper with dimensions of eleven (11) by seventeen (17) inches.

The Department may request additional information that, in the Department's opinion, is necessary to assure that the Applicant's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFA.

The Department may make investigations as deemed necessary to determine the ability of the Applicant to perform the Project, and the Applicant shall furnish to the Issuing Office all requested information and data. The Department may reject any application if the evidence submitted by, or investigation of, such Applicant fails to satisfy the Department that such Applicant is properly qualified to carry out the obligations of the RFA and to complete the Project as specified.

I-12. Economy of Preparation. Applicants should prepare applications simply and economically, providing a straightforward, concise description of the Applicant's ability to meet the requirements of the RFA.

I-13. Alternate Applications. The Department has identified the basic approach to meeting its requirements, allowing Applicants to be creative and propose their best solution to meeting these requirements. The Department will not accept alternate applications.

I-14. Discussions for Clarification. Applicants may be required to make an oral or written clarification of their applications to the Department to ensure thorough mutual understanding and Applicant responsiveness to the solicitation requirements. The Issuing Officer will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to the award of an agreement.

I-15. Prime Applicant Responsibilities. The grant will require the Applicant to assume responsibility for all services offered in its application whether it produces them itself or by sub-contract. The Department will consider the selected Applicant to be the sole point of contact with regard to all agreement matters.

I-16. Application Contents.

- A. Confidential Information. The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Applicants' submissions in order to evaluate applications submitted in response to this RFA. Accordingly, except as provided,

Applicants should not label application submissions as confidential or proprietary or trade secret protected. Any Applicant who determines that it must divulge such information as part of its application must submit the signed written statement described in Subsection C below and must additionally provide a redacted version of its application in accordance with **Part I, Section I-11** of this RFA, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

- B. Commonwealth Use.** All material submitted with the application shall be considered the property of the Commonwealth and may be returned only at the Department's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any application regardless of whether the application becomes part of an agreement. Notwithstanding any Applicant copyright designations contained on applications, the Commonwealth shall have the right to make copies and distribute applications internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure.** After the award of a grant pursuant to this RFA, all application submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If an application submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Refer to **Appendix B** of the RFA for a **Trade Secret Confidential Proprietary Information Notice Form** that may be utilized as the signed written statement, if applicable. If financial capability information is submitted in response to **Part III, Section III-6** of this RFA such financial capability information is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-17. Best and Final Offers (“BAFOs”).

- A.** While not required, the Department may conduct discussions with Applicants to obtain BAFOs. To obtain BAFOs from Applicants, the Department may do one or more of the following, in any combination and order:
 - 1. Schedule oral presentations;
 - 2. Request revised applications; and
 - 3. Enter into pre-selection negotiations.
- B.** The following Applicants will **not** be invited by the Department to submit a BAFO:
 - 1. Those Applicants, which the Department has determined to be not responsible or whose applications the Department has determined to be not responsive.
 - 2. Those Applicants, which the Department has determined in accordance with **Part II, Section II-5** of this RFA, from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the grant agreement.

3. Those Applicants whose raw score for their Technical Submittal of the application is less than 75% of the total amount of raw technical points allotted to the technical criterion.

The Department may further limit participation in the BAFO process to those remaining responsible Applicants that the Department has, within its discretion, determined to be within the top competitive range of responsive applications.

- C. The Evaluation Criteria found in **Part II, Section II-4** of this RFA, will be used to evaluate the BAFOs.
 - D. Price reductions offered shall have no effect upon the Applicant's Technical Submittal unless the Department expressly requests revisions to the Technical Submittal.
- I-18. News Releases.** Applicants shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Department, and then only in coordination with the Department.
 - I-19. Restriction of Contact.** From the issue date of this RFA until the Department selects an application for award, the Issuing Officer is the sole point of contact concerning this RFA. Any violation of this condition may be cause for the Department to reject the offending Applicant's application. If the Department later discovers that the Applicant has engaged in any violations of this condition, the Department may reject the offending Applicant's application or rescind its grant agreement. Applicants may not distribute any part of their applications beyond the Issuing Office. An Applicant who shares information contained in its application with other Commonwealth personnel or competing Applicant personnel may be disqualified.
 - I-20. Department Participation.** Applicants shall provide all services, supplies, facilities, and other support necessary to complete the identified work, except as otherwise provided in **Part I, Section I-20** of this RFA. The Commonwealth will assign a Grant Administrator to manage the administration and monitoring of any agreement resulting from this RFA.
 - I-21. Term of Agreement.** The term of the agreement will commence on the Effective Date and will end **two years** after the Effective Date. Subject to the performance of the Applicant and other considerations, the Department may renew the agreement on the same terms and conditions for up to three additional one-year periods. The Department will fix the Effective Date after the agreement has been fully executed by the selected Applicant and by the Commonwealth and all approvals required by the Commonwealth have been obtained. The selected Applicant shall not start the performance of any work prior to the Effective Date of the agreement and the Commonwealth shall not be liable to pay the selected Applicant for any service or work performed or expenses incurred before the Effective Date of the agreement.
 - I-22. Applicant's Representations and Authorizations.** By submitting its application, each Applicant understands, represents, and acknowledges that:
 - A. All of the Applicant's information and representations in the application are material and important, and the Department will rely upon the contents of the application in awarding the agreement. The Commonwealth may treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the application submission, punishable pursuant to 18 Pa. C.S. § 4904.

- B.** The Applicant has arrived at the prices and amounts in its application independently and without consultation, communication, or agreement with any other Applicant or potential Applicant.
- C.** The Applicant has not disclosed the prices, the amount of the application, nor the approximate prices or amounts of its application to any other firm or person who is an Applicant or potential Applicant for this RFA, and the Applicant shall not disclose any of these items on or before the application submission deadline specified in the Calendar of Events of this RFA.
- D.** The Applicant has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting an application, or to submit any intentionally high or noncompetitive application or other form of complementary application.
- E.** The Applicant makes its application in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive application.
- F.** To the best knowledge of the person signing the application for the Applicant, the Applicant, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four (4)** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Applicant has disclosed in its application.
- G.** To the best of the knowledge of the person signing the application for the Applicant and except as the Applicant has otherwise disclosed in its application, the Applicant has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Applicant that is owed to the Commonwealth.
- H.** The Applicant is not currently under suspension or debarment or precluded from participation in any federally funded health care programs by the Commonwealth, any other state or the federal government, and if the Applicant cannot so certify, then it shall submit along with its application a written explanation of why it cannot make such certification.
- I.** The Applicant has not made, under separate agreement with the Department, any recommendations to the Department concerning the need for the services described in its application or the specifications for the services described in the application.
- J.** Each Applicant, by submitting its application, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Applicant's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- K.** Until the selected Applicant receives a fully executed and approved written agreement from the Issuing Office, there is no legal and valid agreement, in law or in equity, and the Applicant shall not begin to perform.
- L.** The Applicant is not currently engaged and will not during the duration of the agreement engage, in a boycott of a person or an entity based in or doing business with a jurisdiction which the Commonwealth is not prohibited by Congressional statute from engaging in trade or commerce.

I-23. Notification of Selection.

A. Negotiations. The Department will notify all Applicants in writing of the Applicant selected for negotiations after the Department has determined, taking into consideration all of the evaluation factors, the application that is the most advantageous to the Department.

B. Award. The Department will notify Applicants whose applications are not selected when negotiations have been successfully completed and the Department has received the final negotiated agreement signed by the selected Applicant.

I-24. Use of Electronic Versions of this RFA. This RFA is being made available by electronic means. If an Applicant electronically accepts the RFA, the Applicant accepts full responsibility to ensure that no changes are made to the RFA. In the event of a conflict between a version of the RFA in the Applicant's possession and the Issuing Office's version of the RFA, the Issuing Office's version shall govern.

PART II

CRITERIA FOR SELECTION

II-1. Mandatory Responsiveness Requirements. To be eligible for selection, an application must:

- A. Be timely received from an Applicant (see **Part I, Section I-10**); and
- B. Be properly signed by the Applicant (see **Part I, Section I-11.A**).

II-2. Technical Nonconforming Applications. The two (2) Mandatory Responsiveness Requirements set forth in **Part II, Section II-1** above (A-B) are the only RFA requirements that the Commonwealth will consider to be *non-waivable*. The Department may, in its sole discretion, (1) waive any other technical or immaterial nonconformities in an Applicant's application, (2) allow the Applicant to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Applicant's application.

II-3. Evaluation. The Department has selected a committee of qualified personnel to review and evaluate timely submitted applications. The Department will provide written notice of its selection for negotiations the responsible Applicant whose application is determined to be the most advantageous to the Commonwealth as determined by the Department after taking into consideration all of the evaluation factors.

II-4. Evaluation Criteria. The following criteria will be used in evaluating each application:

- A. **Technical:** The Department has established the weight for the Technical criterion for this RFA as eighty percent (**80 %**) of the total points. Evaluation will be based upon the following:
 - **Soundness of Approach.** This includes the Applicant's technical approach for completion of all RFA tasks, if it is responsive to all requirements of the RFA, and if it meets the Project's objectives.
 - **Applicant Qualifications.** This includes the ability of the Applicant to meet the terms of the RFA, including the time constraints involved and the quality, relevancy, and, recentness of studies and projects completed by the Applicant, as well as its experience in providing the required services. This also includes the Applicant's ability to undertake a Project of this size.
 - **Personnel Qualifications.** This includes the competence and sufficiency of personnel who would be assigned to the Project. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies and services similar to that described in the RFA. Particular emphasis is placed on the qualifications of the Key Personnel.
 - **Understanding the Project.** This includes the Applicant's understanding of the needs that generated the RFA, of the objectives in asking for the services, and of the nature and scope of the work involved.

The final Technical scores are determined by giving the maximum number of technical points available to the application with the highest raw technical score. The remaining applications are rated by applying the following formula:

$$\frac{\text{Raw Technical Score of Proposal Being Scored}}{\text{Highest Raw Technical Score}} \times A = \text{Final Technical Score}$$

A = Maximum number of Technical Points for technical criterion.

- B. Cost:** The Department has established the weight for the Cost criterion for this RFA as twenty percent (20%) of the total points. The cost criterion is rated by giving the application with the lowest total cost the maximum number of Cost points available. The remaining applications are rated by applying the following Formula

$$1 - \frac{(B-A)}{A} \times C = D$$

A—the lowest Applicant's cost.

B—the Applicant's cost being scored.

C—the maximum number of cost points allotted to the cost criterion.

D—Applicant's cost score (points).

Note: If the formula results in zero or a negative number (which will occur when the Applicant's cost is more than twice the lowest cost), zero points shall be assigned.

- II-5. Applicant Responsibility.** To be responsible, an Applicant must submit a responsive application and possess the capability to fully perform the agreement requirements and the integrity and reliability to assure good faith performance of the agreement.

In order for an Applicant to be considered responsible and therefore eligible for selection for BAFOs and selection for negotiations:

- A.** The total raw score of the Technical Submittal of the Applicant's application must be greater than or equal to **75%** of the **available raw technical points**; and
- B.** The Applicant's financial information must demonstrate that the Applicant possesses the financial capability to ensure good faith performance of the agreement. The Commonwealth will review the Applicant's previous three financial statements, any additional information received from the Applicant, and any other publicly-available financial information concerning the Applicant, and assess each Applicant's financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

Further, the Department will award an agreement only to an Applicant determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

II-6. Final Ranking and Award.

- A.** The Department, in its sole discretion, may undertake negotiations with Applicants whose applications, in the judgment of the Department, show them to be qualified, responsible and capable of performing the Project.

- B.** After any BAFO process conducted, the Issuing Office will combine the evaluation committee's final technical scores and the final cost scores, in accordance with the relative weights assigned to these areas as set forth in this **Part II**.
- C.** The Issuing Office will rank responsible Applicants according to the total overall score assigned to each, in descending order.
- D.** Except as provided in **Part II, Section II-6.E.**, the Department must select for negotiations the Applicant with the highest overall score.
- E.** The Department has the discretion to reject all applications or cancel the RFA, at any time prior to the time an agreement is fully executed, when it is in the best interests of the Commonwealth.

PART III

TECHNICAL SUBMITTAL

III-1. Requirements.

A. Regulatory Requirements. Federal regulations regarding Preadmissions Screening at 42 C.F.R. §§ 483.100- .138 require an interdisciplinary approach and the development of an individualized plan to meet the Specialized Service needs of residents with an ORC. The individualized Specialized Services Plan (“SSP”) must satisfy the regulatory requirements and document the interdisciplinary nature and coordination of these services with nursing facility and specialized rehabilitative services.

Applicant Response

B. Document Security. The nature of the Project requires the handling of confidential and sensitive information. The selected Applicant must establish a process to protect the confidentiality of all information received or provided in relation to services provided under the Agreement, including assessments, assessment results, records, and other related information. Describe the process you will use to meet the following requirements:

1. Confidential and sensitive information may need to be transferred from other agencies or shared with the Commonwealth during the term of the agreement and turned over to a successor at the conclusion of the agreement. The selected Offeror must follow Commonwealth procedures for information handling and sharing.
2. Comply with applicable federal and state laws, regulations, and rules regarding the security and confidentiality of information pertaining to the program and other related programs.
3. All individuals with access to confidential or sensitive information must sign a confidentiality agreement. Personnel policies must address disciplinary procedures relevant to violations of the signed confidentiality agreement.
4. The selected Applicant must implement and maintain measures to prevent unauthorized access, copying, and distribution of information relating to this Project.
5. The selected Applicant must properly dispose of (*i.e.*, shred, surrender) both hard and electronic working copies of such sensitive information, as well as any remaining information upon the completion of the Project.

Applicant Response

C. Health Insurance Portability and Accountability Act (“HIPAA”). The selected Applicant must comply with all federal and state laws related to the use and disclosure of information, including information that constitutes Protected Health information (“PHI”) as defined by HIPAA, as amended. The selected Applicant must comply with the Business Associate Addendum, **Appendix F** to this RFA, which will be attached to and made part of any resulting agreement.

Applicant Response

D. Recruitment. The selected Applicant must maintain full staffing for the Project. To attract a diverse, qualified pool of personnel, the selected Applicant must:

1. Use multiple online sources, such as Monster or idealist.org.

2. Target strategies to increase pool of qualified staff with disabilities.
3. Plan, market, and carry out an open house for candidates.
4. Implement and maintain a partnership with PA CareerLink®.
5. Search available databases, including the Commonwealth Workforce Development System, for candidates who meet staff qualifications.
6. Reach out to staff who have left the organization but were in good standing.
7. Schedule and conduct targeted job fairs.
8. Work closely with organizations that support disabled military veterans.

Applicant Response

E. General Requirements. The selected Applicant must:

1. Provide the appropriate orientation and training regarding grant responsibilities, including but not limited to reporting responsibilities, confidentiality requirements, and the provision of services outlined in the Work Plan, to all personnel providing services under this grant. Training materials regarding activities under this grant must be approved by the DHS Grant Administrator. The selected Applicant must document all training that is provided to personnel and provide that documentation to DHS in accordance with **Part III, Section III-8.B** and **Appendix R - Quarterly Personnel Training Report**, of this RFA.
2. Provide all personnel performing activities under this Project with an employee identification card.

Applicant Response

F. Personnel Clearances. The selected Applicant must arrange for, at its expense, criminal background clearances as required by the Older Adults Protective Services Act. Information on these requirements is found at: <https://www.aging.pa.gov/organization/advocacy-and-protection/Documents/MorphoTrust%20Implementation%20Notification.pdf>. All staff entering nursing facilities or having contact with program participants must have the required clearances returned prior to beginning work on the activities included in this grant.

Applicant Response

G. Emergency Preparedness. To support continuity of operations during an emergency, including a pandemic, the Commonwealth needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential agreements that provide program services to individuals served by a program have planned for such an emergency and put contingencies in place.

1. Describe how you anticipate such a crisis will impact your operations.
2. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or, at a minimum, summarize how your plan addresses the following aspects of preparedness:
 - a. Employee training (describe your organization's training plan, and how frequently your plan will be shared with employees).
 - b. Identified essential functions and key employees necessary to carry them out.

- c. Contingency plans for:
 - i. How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
 - ii. How employees in your organization will carry out the essential functions if prevented from coming to the primary workplace.
- d. How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers).
- e. How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

Applicant Response

H. Lobbying Certification and Disclosure of Lobbying Activities. This Project will be funded, in whole or in part, with federal monies. Public Law 101-121, Section 319, prohibits federal funds from being expended by the recipient or by any lower tier sub-recipients of a federal contract, grant, loan, or a cooperative agreement to pay any person for influencing, or attempting to influence a federal agency or Congress in connection with the awarding of any federal contract, the making of any federal grant or loan, or entering into any cooperative agreement. All parties who submit applications in response to this RFA must sign the Lobbying Certification Form, as shown in **Appendix E – Lobbying Certification and Disclosure Form** and complete the Disclosure of Lobbying Activities” form, also attached as **Appendix E**. If there are no lobbying activities to report, please complete Box #11 on the Disclosure form and put “N/A” in boxes 1-10.

Applicant Response

III-2. Statement of the Project. State in succinct terms your understanding of the Project, or the service required by this RFA. The Applicant’s response should demonstrate that the Applicant fully understands the scope of services to be provided, the Applicant’s responsibilities, and how the Applicant will effectively manage the grant.

Applicant Response

III-3. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. The summary will condense and highlight the contents of the Technical Submittal in a manner that allows a broad understanding of the entire Technical Submittal.

Applicant Response

III-4. Prior Experience. The Applicant should describe its experience and similar experience in providing professional and programmatic assistance in the areas of specialized supportive services and key program tasks for home and community-based programs and nursing facility services. Experience should be work done by individuals who will be assigned to this Project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address and telephone number of the responsible official of the customer, company, or agency who may be contacted.

A. Corporate Background. The Applicant must describe its corporate identity, legal status and forms, including the name, address, telephone number, an email address for the legal entity that is submitting the application, and a corporate organization chart.

Applicants must provide similar information on any significant subcontractor being proposed to meet the qualification and requirements of this RFA. A “significant subcontractor” is an organization undertaking more than 10% on the total cost basis of the work associated with this RFA. This information must be presented separately within this section, clearly identifying the subcontractor experience and name of the subcontractor.

If an Applicant is proposing to use the services or products of a subsidiary or affiliated firm, the Applicant must describe the business arrangement with that entity and the scope of the services the entity will provide.

Applicant Response

B. References. The Applicant must provide a list of at least three relevant contacts within the past three years to serve as corporate references. The references must be outside clients (non-DHS). This list shall include the following for each reference:

1. Name of Applicant;
2. Type of grant or contract;
3. Contract or grant description, including type of services provided;
4. Total grant or contract value;
5. Granting or Contracting officer’s name and telephone number;
6. Role of sub-grantee(s) or subcontractor(s) (if any); and
7. Time period in which services were provided.

The Applicant must submit **Appendix C, Corporate Reference Questionnaire**, directly to the contacts listed. The references should return the completed questionnaires in sealed envelopes to the Applicant. The Applicant must include these sealed references with its Technical Submittal under **Tab 11**.

The Applicant must disclose any contract or agreement cancellations, or terminations within five years preceding the issuance of this RFA. If a contract or agreement was terminated for lack of performance, the Applicant must provide details of the customer’s allegations, the Applicant’s position relevant to the allegations, and the final resolution of the termination. The Applicant must include each customer’s Company or entity name, address, contact name, phone number, and email address.

The Department may disqualify an Applicant based on a failure to disclose such a cancelled or terminated contract or agreement. If the Department learns about such a failure to disclose after an agreement is awarded, the Department may terminate the agreement.

Applicant Response

III-5. Personnel.

A. Applicant Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, and other staff who will be engaged in the work and describe your staffing plan. Show where these personnel will be physically located during the time they are engaged in the Project. For “Key Personnel”, defined as the Project Manager, include the employee’s name and, through a resume or similar document, the Project Manager’s education and experience in similar in size and scope projects. Non-Key Personnel include, at a minimum, Service Coordinators, Community Integration Specialists, Peer Counselors, and NHT Coordinators. Include position descriptions and minimum qualifications for non-Key Personnel.

Include organizational charts outlining the staffing, reporting relationships, and staff in its description. Show the total number of staff proposed and indicate the Full Time Equivalents to account for any staff that are not assigned on a full-time basis. Provide similar information for any subcontractors that are proposed. The organizational chart must illustrate the lines of authority, designate the positions responsible and accountable for the completion of each component in the RFA, indicate the names and job title and number of personnel that will be assigned to each role, and the number of hours per week each person is projected to work on the Project. The organizational chart must clearly indicate any functions that are subcontracted along with the name of the subcontracting entities and the services they will perform.

Applicants should identify a minimum of three client references for Key Personnel. All client references for Key Personnel must be outside clients (non-DHS) who can give information on the individual’s experience and competence to perform tasks similar to those requested in this RFA. Key Personnel may be a member of the Applicant’s organization, or any subcontractor included in the Applicant’s application.

The Applicant must submit **Appendix T, Key Personnel Reference Questionnaire**, directly to the contacts listed. The references should return completed questionnaires in sealed envelopes to the Applicant. The Applicant should include those sealed references with its application under **Tab 12**.

At a minimum, personnel (Key and Non-Key) should possess the qualifications and be tasked with the responsibilities outlined in the chart below:

Role Name	Responsibilities	Qualifications
Project Manager	<ul style="list-style-type: none"> • Serve as the primary contact person for the Department; and • Oversee all operations under the Grant Agreement, including coordination of staff trainings and satisfying reporting requirements. 	<ul style="list-style-type: none"> • At least three years of professional, volunteer, or life experience working with persons with a disability; • A Bachelor’s Degree, at minimum, in social work, social science, health care management, business administration, or a related field; and • Two years’ experience administering a project or organization.
Service Coordinators	<ul style="list-style-type: none"> • Develop the SSP together with the participant to identify the type and 	<ul style="list-style-type: none"> • At least one year of professional, volunteer, or life experience working with

	<p>frequency of specialized services that will be provided (Appendix H). Coordinate services to address the needs identified in the SSP.</p>	<p>persons with a disability; and</p> <ul style="list-style-type: none"> • Either: <ul style="list-style-type: none"> • A Bachelor’s Degree in social work, sociology, psychology, gerontology, or other social science; or • A total of four years’ experience, training, or a combination of both in the above fields.
Community Integration Specialists	<ul style="list-style-type: none"> • Assist Specialized Services participants in setting, documenting, and accomplishing their Community Integration goals. 	<ul style="list-style-type: none"> • At least one year of professional, volunteer, or life experience working with persons with a disability; and • Either: <ul style="list-style-type: none"> • A Bachelor’s Degree in social work, sociology, psychology, gerontology, or other social science; or • A total of four years’ experience, training, or a combination of both in the above fields.
Peer Counselors	<ul style="list-style-type: none"> • Complete a non-clinical assessment of a resident’s potential need of DME. 	<ul style="list-style-type: none"> • A high school diploma or GED; • At least one year of professional, volunteer, or life experience working with persons with a physical disability; and • A comprehensive understanding of nursing facility regulations to include a basic understanding of DME and other services provided to residents.
NHT Coordinators	<ul style="list-style-type: none"> • Assist NHT participants in preparing for and executing safe and successful transitions from facilities to less restrictive community settings; and • Conduct outreach and education to nursing facility staff and residents. 	<ul style="list-style-type: none"> • At least three years’ professional, volunteer, or life experience working with persons with a disability, including at least one years’ experience as a service coordinator, social worker, or care manager; • Extensive knowledge of community resources; and • Either: <ul style="list-style-type: none"> • A Bachelor’s Degree in social work, sociology,

		psychology, gerontology, or other social science; or <ul style="list-style-type: none"> • A total of four years' experience, training, or a combination of both in the above fields.
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Applicant Response

B. Resumes. The resume for the proposed Project Manager shall not exceed three pages. The Applicant must include the specific skills and knowledge of the Project Manager that will enable him or her to successfully complete the requirements of the RFA.

The resume of the Project Manager must include:

1. Name and job title.
2. Experience in specialized supportive services and similar types of experience, including specific descriptions of duties and accomplishments.
3. Relevant experience, education, qualifications, and training, including college degrees, dates, and institution name and location. Include any certifications or licensures related to RFA services.
4. Experience with requirements listed in the RFA.

Submitted resumes are not to include personal information that will, or will be likely to, require redaction to release of the application under the Pennsylvania Right-to-Know Law, including home addresses and phone numbers, Social Security Numbers, Driver's License numbers or numbers from state identification cards issued in lieu of a Driver's License, and financial account numbers. If the Commonwealth requires any of this information for security validation or other purposes, the information will be requested separately and as necessary.

Applicant Response

C. Key Personnel Diversions or Replacement. Once Key Personnel is approved by the Department, the selected Applicant may not divert personnel without prior approval of the Department's Grant Administrator. The selected Applicant must provide notice of a proposed diversion to the Department's Grant Administrator at least 30 days in advance and provide the name, qualifications, and background check (if required) of the person who will replace the diverted personnel. The Department's Grant Administrator will notify the selected Applicant within 10 business days of the diversion notice whether the proposed diversion is acceptable and if the replacement was approved.

"Divert" or "diversion" is defined as the transfer of personnel by the selected Applicant or its subcontractor to another assignment within the control of either the Applicant or subcontractor. Advance notification and approval do not include changes in Key Personnel due to resignations, death, disability, dismissal for cause or dismissal as a result of the termination of a subcontract or any other causes that are beyond the control of the selected Applicant or its subcontractor. The Department's Grant Administrator must approve the replacement personnel.

The Department's Grant Administrator may request that the selected Applicant remove a person from this Project at any time. In the event that a person is removed, the selected Applicant will have ten 10 days to fill the vacancy with a person acceptable in terms of experience and skills, subject to the Department Grant Administrator's approval.

Applicant Response

D. Subgrantees and Subcontractors: Provide a subcontracting plan for all subgrantees and subcontractors who will be assigned to the Project. Upon award of the grant agreement resulting from this RFA, subgrantees and subcontractors included in the application submission are deemed approved. With the application, include a list of the subgrantees and subcontractors who will provide services under the grant resulting from this RFA, including the following information:

1. Name;
2. Address;
3. Primary Contact Name, Email Address and Phone Number;
4. Type of organization;
5. Date of formation;
6. State of charter and corporate charter number;
7. Federal Employer Identification Number (“FEIN”);
8. SAP/SRM Vendor Number;
9. Number of years worked with the subgrantee or subcontractor;
10. Number of employees by job category to work on the Project;
11. Description of services to be performed;
12. Estimated percentage of the subgrantee’s or subcontractor’s contribution to the Project; and
13. Resumes (if required).

If the subgrantee or subcontractor is a division or subsidiary of any other organization, the summary shall include the following information about the sub-grantee company’s parent organization:

- Business name;
- Address;
- Type of organization;
- Date of formation;
- State of charter and corporate charter number; and
- FEIN.

Applicant Response

III-6. Financial Capability. Describe your company’s financial stability and economic capability to perform the agreement requirements. Provide your company’s financial statements (audited, if available) for the past three fiscal years. Financial statements must include the company’s Balance Sheet and income Statement or Profit/Loss Statements. Also include a Dun & Bradstreet comprehensive report, if available. If your company is a publicly traded company, please provide a link to your financial records on your company website in lieu of providing hardcopies. The Commonwealth may request additional information to evaluate an Applicant’s financial capability.

Applicant Response

III-7. Work Plan. Describe in narrative form your plan for accomplishing the work using the Project tasks provided below as a reference point. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach. The

relationships between Key and Non-Key Personnel and the specifics tasks should also be described. Indicate the number of staff hours allocated to each task.

The Applicant should describe its management approach, including how it will implement its proposed work plan. Where applicable, the Applicant should provide specific examples of methodologies or approaches, including monitoring approaches, it will use to fulfill the RFA requirements and examples of similar experience and approaches on comparable projects. The Applicant should describe the management and monitoring controls it will use to achieve the required quality of services and all performance requirements. The Applicant should also address its approach to internally monitor and evaluate the effectiveness of meeting the agreement requirements.

The work plan must include the planned approach and process for establishing and maintaining communication between all parties and an approach that is aligned with all written specifications and requirements contained in the RFA.

A. Task 1: Readiness and Performance Review. The selected Applicant will be afforded up to a three (3) month Readiness and Performance Review Period.

The Readiness and Performance Review consists of activities that must take place prior to the Effective Date of the grant. **Note: this is an unpaid task.** The primary objectives of the Readiness and Performance Review are the following:

1. Provide for a smooth transition of responsibilities;
2. Complete knowledge transfer;
3. Establish accurate assessments and strong accountability controls; and
4. Mitigate risk to the Commonwealth, DHS, and its clients.

If DHS awards the grant to an incumbent, the activities will include changes or modifications necessary to accommodate new grant requirements. If DHS awards the grant to a non-incumbent, a full transition including knowledge transfer from the incumbent grant recipient to the selected Applicant will occur.

The purpose of the Readiness and Performance Review is to assess and document the status of the selected Applicant's readiness to meet the requirements defined in the RFA and Agreement. The selected Applicant will not be permitted to begin performance of the grant if it does not show acceptable evidence of readiness during the Readiness and Performance Review. Readiness and Performance Reviews include how the selected Applicant will comply with the current state and federal regulatory requirements during an onsite visit with DHS staff. The Readiness and Performance Review must include the following activities:

1. Advertise for and acquire necessary staffing, including Service Coordinators, Community Integration Specialists, Peer Counselors, NHT Coordinators, and other necessary staff.
2. Develop training materials.
3. Provide training to staff in conjunction with OLTL staff.

4. Work cooperatively with the incumbent to coordinate services so no disruption of services occurs.
5. Establish appropriate infrastructure as needed based on the submitted work plan.

OLTL will determine the date of the Readiness and Performance Review.

The selected Applicant must provide sufficient staff to facilitate the Readiness and Performance Review. Once the Readiness and Performance Review is complete and the findings are presented to the selected Applicant, the selected Applicant must prepare a corrective action plan, as may be necessary, and address any and all outstanding issues prior to the Effective Date of the grant. During Readiness Review, the selected Applicant will have regular status meetings with OLTL. These meetings may be face-to-face or via conference call.

Applicant Response

B. Task 2: Explain PASRR Determinations and Administer the SSPs.

Certain individuals with ORCs who are eligible for nursing facility placement may be entitled to Specialized Services if wanted and needed. Individuals who have been determined to need Specialized Services for an ORC will receive a determination letter from OLTL stating that they need Specialized Services (**Appendix K**), which will include an addendum explaining Specialized Services (**Appendix L**). Individuals who are enrolled in managed long-term care will receive any needed Specialized Services through their CHC-MCO or LIFE provider and not from the selected Applicant; however, the selected Applicant must provide them with an explanation of their PASRR determination, including the description of Specialized Services. Individuals who are not enrolled in managed long-term care will receive any needed Specialized Services from the selected Applicant, in addition to the PASRR Explanation. For individuals not enrolled in managed long-term care, the selected Applicant must develop and administer SSPs (**Appendix H**) in accordance with applicable Specialized Services directives, as may be modified by the Department (see **Appendix M** for current directive). The selected Applicant must provide for Specialized Services throughout the Commonwealth, including administering existing SSPs and providing Specialized Services currently being administered and provided throughout the Commonwealth. The selected Applicant is responsible for the following:

1. **Explaining Final Determinations to Nursing Facility Applicants.** (Estimated 110 explanations annually.) The selected Applicant must provide explanations of the Pennsylvania PASRR determinations issued by OLTL to all eligible participants, regardless of payer source, based on information contained in the PASRR Identification Form Level 1 Bulletin (**Appendix I**) and the Pennsylvania PASRR Evaluation Form Level 2 Bulletin (**Appendix J**). The selected Applicant must determine whether the participant has a Power of Attorney (“POA”) or guardian and, if so, determine the extent of the guardianship or POA. If the participant has a POA or guardian with decision-making authority over this subject matter, the selected Applicant must contact the participant and the participant’s POA or guardian within five business days from receipt of the participant file from OLTL to conduct the explanation or schedule the explanation if it cannot be conducted upon the initial contact. If the participant does not have a guardian or POA or the guardian or POA does not have decision-making authority, the selected Applicant must contact the participant within five business days from receipt of the participant file from

OLTL to conduct the explanation or schedule the explanation if it cannot be conducted upon the initial contact. If the participant is unable to be contacted, the selected Applicant may contact an authorized representative such as a POA or guardian; however, the participant must be involved in the explanation to the extent possible.

2. Developing SSPs and Providing Specialized Services to Participants Residing in Nursing Facilities Who Are Not Enrolled in Managed Long-Term Care. (Estimated 208 monthly and 2,500 annually.) The selected Applicant must coordinate SSP development, provide or arrange for the provision of Specialized Services, and facilitate and monitor the provision of Specialized Services for participants in nursing facilities who are not enrolled in managed long-term care in accordance with applicable regulations and directives, including **Appendix M**. The selected Applicant must monitor the quality, appropriateness, and timeliness of the Specialized Services provided to non-managed long-term care enrolled nursing facility residents throughout the Commonwealth. The selected Applicant must have the ability to provide all of the following Specialized Services:

- a. Service Coordination and Advocacy.** Service Coordination includes developing and maintaining an SSP; facilitating and monitoring the integration of Specialized Services with the provision of nursing facility and specialized rehabilitative services; and assisting and advocating for nursing facility residents on issues that pertain to residing in nursing facilities. Advocacy is assistance that helps the participant gain acceptance from others, obtain the services needed to function as independently as possible, or both. The selected Applicant shall provide Service Coordination at the frequency needed to develop and maintain the SSP and shall provide advocacy at points of contact with the participant as appropriate or as requested.
- b. Peer Counseling and Support Groups.** Peer Counseling links residents to support groups or to role models or mentors who are persons with physical disabilities and who reside outside of the nursing facility. The selected Applicant's role is to link the participant to a peer counselor, mentor, or support group as indicated in the SSP.
- c. Training.** Training is classroom instruction, individual instruction, or natural situations where the participant acquires, regains, or avoids the loss of skills in key areas. The selected Applicant's role is to assist the participant to identify training needs and provide or arrange for the appropriate trainings.
- d. Community Integration.** Community integration exposes participants to a variety of community experiences to increase their level of independence. Community integration must have goals associated with each activity. Please refer to the OLTL Bulletin, Community Integration Directive provided in the Medical Assistance Home and Community Based Waiver Programs, **Appendix N**, for information and requirements regarding community integration. The selected Applicant's role is to provide support in the development and documentation of the participant's community integration goals and to facilitate activities that will allow or help the participant to reach those goals.
- e. Equipment and Assessments.** The equipment and assessments service is only available to participants who are relocating from nursing facilities to community settings and includes the purchase of necessary equipment and related assessments. Alternate funding sources, such as Medical Assistance or other insurance, must be exhausted before the Department will reimburse for this service. The selected Applicant's role is to identify the need for equipment

and assessments and make referrals to OLTL for equipment and assessments that qualify for payment under the grant.

f. Transportation. Transportation is arranging for and, when necessary, providing the appropriate type of transportation to enable the participant to access the Specialized Services listed on the SSP.

3. Assisting Specialized Services Participants Who Are Not Enrolled in managed long-term care to Obtain Community-Based Housing. (Estimated 4 monthly and 50 annually) The selected Applicant must have the ability to provide the following services to individuals with SSPs that have a goal of returning to live in a community setting:

a. Identify the need for locating community-based housing, utilizing the information provided on the PASRR and the participant's preferences as documented in the SSP.

b. Arrange the relocation and provide Specialized Services to relocating participants as follows:

i. Specialized Services for Relocating Participants. The selected Applicant must coordinate and monitor intensive Specialized Services, whether provided by the selected Applicant or by a third party, for all relocating participants before they move to community-based housing options. The Specialized Services provided must be based on the participant's choices, needs, and capabilities so that the participant develops skills and abilities to live as independently as possible in an integrated environment. The selected Applicant must coordinate these Specialized Services with other available relocation assistance, including the NHT program. The selected Applicant must refer a participant who indicates a desire to return to a community setting to an NHT Coordinator, in accordance with the established NHT referral process as described in the NHT Referral Process Flow Chart, **Appendix O**.

ii. Community Support Team. The selected Applicant and the relocating participant together will identify a Community Support Team ("CST") to provide for a safe and orderly relocation from the nursing facility to the chosen community-based housing. The CST serves a key role in identifying the participant's total array of service needs, including housing needs and the appropriate services to meet those needs using the information obtained in the SSP. The type, duration, and arrangement of Specialized Services provided are based on input from the participant and their team members. The selected Applicant must facilitate the formation of the CST, participate in meetings and planning activities with the CST as needed, and document in the participant's SSP the type, duration, and arrangement of Specialized Services that the CST recommends.

iii. Relocation Logistics. The selected Applicant and other members of the participant's CST must assist the participant in finalizing all matters related to the actual move. The selected Applicant must facilitate timely responses of the nursing facility to all the matters related to the participant's relocation, including packing and shipping the participant's personal belongings, providing copies of medical records and other documentation to the participant, transferring the participant's personal fund balance, requesting that mail be forwarded to the participant's new address, and providing that all medication and supplies will be available to the participant upon transition from the facility.

- iv. **Back-Up Plans.** The selected Applicant must include in each relocating participant's SSP a detailed description of his or her formal and informal back-up systems. The participant has primary responsibility for arranging for people to serve in a back-up capacity to those who would normally perform daily living services for them. The selected Applicant must encourage the participant to arrange for family, friends, and neighbors to provide back-up services.

The selected Applicant must provide, coordinate, or both, the necessary training regarding a formal back-up system. Individual training activities must result in each participant having a clear understanding of and, if necessary, written instructions regarding accessing life-saving services.

The selected Applicant must assist the participant in planning for access to priority services and lifesaving services in the event that the participant is unable to access emergency services in the same manner as an individual without disabilities.

- v. **Financial Arrangements.** The selected Applicant must verify the relocating participant's income and, if necessary, assist the participant to arrange for receipt of their income in the community. Financial arrangements should begin at least 30 calendar days prior to the relocation date so that the participant has adequate income for necessities in the community. The selected Applicant must involve the participant in the application process to obtain or transfer Social Security benefits, Supplemental Security Income, and other funds and benefits.
- vi. **Arranging for the Provision of Services to Waiver Recipients.** If the relocating participant will be or may be eligible for services through a Medicaid waiver once in the community, the selected Applicant must assist the participant in applying for waiver services, including obtaining necessary documentation and facilitating the application process with other involved parties, such as the Independent Enrollment Broker and the County Assistance Offices ("CAO"). The selected Applicant and the participant will work together to locate and identify eligible waiver providers within the area to which the participant is relocating. After the participant has identified a provider, the selected Applicant must assist in finalizing the arrangements for the provision of waiver services, including the furnishing of all documentation necessary to serve the waiver recipient. The selected Applicant must verify that a participant has the necessary staff available to coordinate services in the community and will transfer coordination tasks to the waiver coordination agency when that participant is successfully enrolled in the waiver.
- vii. **Referring Participants to Appropriate Services.** In the event a participant is determined ineligible for the waiver programs by the CAO, the selected Applicant must refer the participant to other programs and agencies that may be able to provide services. The selected Applicant must verify that a participant has the necessary staff resources available to coordinate services in the community and will transfer coordination tasks to that staff when the participant is successfully transitioned to the community.
- viii. **Coordinating Specialized Services with NHT Services.** In the event that a participant has expressed a desire to return to a less restrictive community setting and meets the NHT participant definition, the selected Applicant must coordinate Specialized Services and NHT services in order to avoid gaps in or duplication of services.

Applicant Response

C. Task 3: Administer the Peer Counselors for Evaluation of Durable Medical Equipment (“PCEDME”). (Estimated 117 units monthly and 1,400 annually.)

The selected Applicant must administer the PCEDME in accordance with the requirements outlined in **Appendix Q**, as may be updated by the Department. The selected Applicant must provide Peer Counselors to meet with identified nursing facility residents (currently paraplegic, quadriplegic, and those with a diagnosis of cerebral palsy, spina bifida, amyotrophic lateral sclerosis, or multiple sclerosis), regardless of payer source, to discuss DME needs and to make recommendations to the nursing facility. The nursing facility will then request the equipment, if over \$5,000, through the Department’s DME Program for fee-for-service participants or the managed long-term care service coordinator for participants who are enrolled in managed long-term care. The Department will provide the selected Applicant a list, including location, of identified nursing facility residents who will need a non-clinical assessment completed. The selected Applicant is responsible for the following:

- 1.** Providing training to each Peer Counselor prior to permitting any Peer Counselors to meet with participants. The selected Applicant must schedule and conduct training sessions for Peer Counselors and must notify the Department of each training no fewer than 30 calendar days prior to each. In addition, the selected Applicant must develop and use procedures to monitor the work performed by Peer Counselors, including compliance with the procedures for the submission of forms and reports.
 - a.** The selected Applicant must develop and obtain the Department’s prior approval of a training manual for Peer Counselors. The selected Applicant must provide the approved training manual to each Peer Counselor in conjunction with the training described above. The training manual must include all of the following:
 - i.** An introduction to the Independent Living Philosophy;
 - ii.** An overview of the PCEDME Program;
 - iii.** A review of the Peer Counselor’s role and duties;
 - iv.** A review of the required forms and tasks, including instructions and procedures for completion and submittal;
 - v.** Guidelines on how to successfully communicate with residents and nursing facility staff; and
 - vi.** Information on the types of DME available and how they can assist residents.
- 2.** Sending a letter to the Nursing Facility Administrator listing the names of the identified residents who the Peer Counselors will visit;
- 3.** Scheduling a visit with identified residents during normal visiting hours and informing the Nursing Facility Administrator of the schedule. Notifying the OLTL Grant Administrator if the nursing facility fails to cooperate;
- 4.** Introducing him or herself to the nursing facility staff caring for the resident;
- 5.** Conducting an interview with the resident by listening to the resident and by using personal experience to decide with the resident if DME is needed and, if it is needed, explain to the resident that a clinical evaluation is needed;

6. Providing the nursing facility with a copy of the completed Peer Counselor DME Recommendation Form on the day of the interview prior to leaving the facility, and forwarding the completed Peer Counselor DME Recommendation Forms to OLTL weekly;
7. Providing the MCO DME process to the nursing facility and give a toll-free number for additional information;
8. Following up with the nursing facility within seven business days to verify that the MCO Service Coordinator has been notified by the nursing facility of the resident's need for a clinical evaluation, and verify the clinical evaluation has been scheduled and the date of the clinical evaluation. Notifying OLTL if the facility is having any issues working with the MCO's Service Coordinator;
9. Following up with the nursing facility within 15 business days after the clinical evaluation has been performed to determine whether a need for DME has been identified. If there is a need for DME, the Peer Counselor must work with the MCO or Department, depending on who the resident is enrolled with, to verify the DME company received the information needed to obtain the equipment;
10. After the MCO Service Coordinator has confirmed that DME will be provided to the resident, contact the nursing facility one month after the date of notification of the clinical evaluation to the Service Coordinator and administrator to verify the DME has been provided to the resident by the nursing facility;
11. Performing an on-site visit after delivery of the DME. If the DME has not been delivered, conduct a telephone call to research the status of the request;
12. If the DME is acceptable to the resident, no further follow up is needed. If the DME does not meet the resident's needs, the Peer Counselor must work with the nursing facility and MCO Service Coordinator to adjust equipment or request another clinical evaluation;
13. Providing information to notify the resident of all Department programs that would allow them to relocate to the community, as well as alternative living arrangements;
14. Participating in monthly meetings with OLTL as needed; and
15. Forwarding the required monthly report to OLTL by the 15th calendar day of the following month.

Applicant Response

- D. Task 4: Administer the Fee-for-Service NHT Program.** (Estimated 125 monthly, and 1,500 annually)

The selected Applicant must provide NHT services statewide to eligible individuals. An individual is eligible to participate in the fee-for-service NHT program if they meet the following NHT participant criteria:

1. Have expressed a desire to transition to the community;
2. Are not enrolled in managed long-term care; and

3. Have resided in the nursing facility for at least thirty (30) calendar days; OR have a barrier, other than a need for information or referral, that requires assistance from an NHT Coordinator and that is preventing their discharge from the nursing facility through the normal discharge process.

NHT services may be provided for up to a year for the same participant at which point, if services are needed for a longer duration, the selected Applicant must secure approval from the Department in order to continue billing for NHT services.

NHT services include but are not limited to:

- Assessing the needs and supports of the NHT participant;
- Providing information about HCBS to those individuals referred by nursing facilities;
- Developing and recording the service plan for transition and the coordination of services to allow the NHT participant to live independently in the community;
- Monitoring transition activities, including the day-of transition, as well as remaining in contact with the participant immediately following the transition to provide any necessary referrals;
- Providing information to the NHT participant about community resources;
- Assisting the NHT participant in finding housing;
- Assisting the NHT participant in establishing a household;
- Assisting the participant and family members in applying for services for which the participant may be eligible (*i.e.*, food stamps, home modifications, and other services);
- Coordinating with medical providers to obtain required documentation; and
- Other activities performed for the participant directly related to support the NHT initiative.

The selected Applicant must perform the following tasks:

1. Accepting and documenting all referrals received for NHT services. The selected Applicant must document when the referral was received, the source of the referral, and whether NHT participant criteria was met. The selected Applicant shall accept all referrals that meet NHT participant criteria. If the referral is refused, the selected Applicant must document the reason for refusal. Individuals who do not meet the NHT participant definition must be offered information and referral services, person-centered counseling services, or both.
2. Providing NHT services of the appropriate type and intensity required to assist NHT participants in overcoming identified barriers to transition from the nursing facility to the community setting of their choice, in accordance with applicable program directives;
3. Providing participants and their families or caregivers the opportunity to be fully informed of all long-term living options, including the full range of HCBS and the guidance and support needed to make informed choices about their long-term living services;
4. Conducting outreach and education to nursing facilities regarding the NHT referral process, HCBS options, and other community resources;
5. Collecting and tracking data relating to trainings and outreach provided, referrals received, referrals refused and reason for refusal, and NHT services provided, as well as completing the NHT Outreach Form, **Appendix S**, for each NHT participant;

6. Providing for an orderly and coordinated turnover of an active transition, including turnover of care planning information, to the appropriate MCO in the event of an NHT participant's enrollment into CHC or LIFE provider in the event of a transition into LIFE.
7. Conducting and participating in all technical assistance and training activities as directed by the Department, including trainings conducted by OLTL and the development of internal trainings;
8. Maintaining participant records in a uniform format and making such records available to OLTL for program and fiscal accountability;
9. Keeping records as required by the Department for program management, fiscal accountability, and evaluation of the program's effectiveness;
10. Completing and recording required elements in WellSky (formerly SAMS), including the NHT Outreach Form and any required documentation for the NHT program to include journal notes;
11. Maintaining accounting records showing all costs incurred; and
12. Complying with all program, evaluation, and administrative requirements.

Applicant Response

E. Task 5: Turnover.

Turnover is comprised of those activities necessary for the Grantee to transition the grant services to another Grantee or Commonwealth resources.

Turnover Scope. Nine months prior to the end of the grant term, or upon DHS's request, the selected Applicant must develop and submit a Turnover Plan that details the proposed transition schedule, activities, and resource requirements for the necessary turnover tasks to be implemented.

The selected Applicant must:

1. Execute the approved Turnover Plan in cooperation with the incoming selected Applicant's Transition Plan;
2. Maintain service delivery staffing levels during the turnover period unless otherwise expressly approved by the DHS Grant Administrator;
3. Not restrict or prevent the selected Applicant's staff from accepting employment or positions with DHS or with any successor Applicant. DHS will work with the incumbent and successor Applicants on the timing of any transition of incumbent staff;
4. Notify the DHS Grant Administrator of the reassignment or termination of employment of any of its staff during Turnover prior to the reassignment or termination of the staff;
5. Provide to DHS within 15 business days of the request, all documentation and records required by DHS;

6. Turnover the operation and management of all service delivery functions to DHS or a new Grantee. This turnover must be planned and managed in an orderly fashion so that no disruption of service to stakeholders occurs;
7. Work closely with DHS to complete the turnover of responsibilities and the necessary knowledge transfer by the end of the grant period; and
8. Respond in a reasonable time to all DHS requests regarding turnover information.

Applicant Response

III-8. Reports and Project Control. The selected Applicant must submit all specified reports electronically in Microsoft Word or Microsoft Excel.

At a minimum, the selected Applicant must submit the following reports to the Department:

A. Monthly Reports.

1. **Specialized Services Program.** The selected Applicant must submit a report using the Specialized Services Participant Reporting Form (DHS will specify the format prior to grant implementation), for each participant, by the 15th calendar day of each month. The Specialized Services Participant Reporting Form must include the following information for each participant: first and last name, date of birth, social security number, Medicaid ID number, service provider if different from selected Applicant, nursing facility, county, date of facility admission, date Specialized Services began, date Specialized Services ended (if applicable), reason for termination of Specialized Services (if applicable), and the types of Specialized Services received in the reporting month.
2. **PASRR Explanation Tracking.** The selected Applicant must maintain and submit a monthly report containing a complete list of individuals for whom referrals were received, the dates on which the selected Applicant received the referrals, and dates that contacts were made or attempted for the purpose of conducting the PASRR Explanation, with the date the PASRR Explanation was completed identified as the "PASRR Explanation Date," due to the Department by the 15th calendar day of the following month.
3. **PCEDME.** The selected Applicant must submit a monthly Peer Counselor DME Monthly Report of completed non-clinical assessments from each facility to the Department by the 15th calendar day of the month following the month in which assessments were completed.
4. **NHT Referral Report.** The selected Applicant must submit a monthly report identifying all NHT referrals received during the reporting period and whether the referral resulted in provision of NHT services, provision of information or referral, or the refusal of NHT services. In instances of refusal of services, the report must include the reason for refusal. The NHT Referral Report is due to the Department by the 15th calendar day of the following month.

Applicant Response

B. Personnel Training. The selected Applicant must submit a quarterly report of staff training conducted in the prior quarter using the Quarterly Personnel Training Report (**Appendix R**) by the 15th calendar day of the month following the end of the quarter.

Applicant Response

C. Staff Clearance Report. The selected Applicant must submit an as-needed monthly report identifying names of any new staff beginning work on the Project in the prior month, the date their required background clearance was received, and the date they began work on the Project. The Staff Clearance Report is due to the Department by the 15th calendar day of the month following an applicable reporting month.

Applicant Response

D. Status Report. The selected Applicant must submit a quarterly progress report covering Project activities, problems, and recommendations for the prior quarter by the 15th calendar day of the month following the end of the quarter. The selected Applicant must align this report to its application work plan, as amended or approved by OLTL, and must address each grant objective. In addition, the status report must include:

- 1. SSP.** The selected Applicant must report statistical data on the number of participants served, the average dollar amount per participant for Specialized Services, alternative living arrangements activities undertaken, trends observed, and any other relevant information that can be used to improve the program.
- 2. PCEdME.** The selected Applicant must report statistical results showing the number of participants visited, the number of DME obtained, the types of DME dispensed, trends observed, and any other relevant information that can be used to improve the program.
- 3. NHT Program.** The selected Applicant must report statistical results showing the number of unique participants served during the reporting period, the number of facilities provided with outreach and education, and any other relevant information that can be used to improve the program.

Applicant Response

E. Problem Identification Report. An “as required” quarterly report, identifying problem areas. The selected Applicant must describe the problem and its impact on the overall Project and on each affected task and list possible courses of action with advantages and disadvantages of each and include recommendations with supporting rationale.

Applicant Response

F. Final Report. OLTL will provide the format for the final report, to be submitted by the selected Applicant in draft 30 calendar days prior to expiration of the grant. Requested information will include but may not be limited to:

- 1.** A summary of the observed outcomes of services provided, in terminology that will be meaningful to management and others generally familiar with the subject areas;

2. Summarize findings, conclusions, and recommendations developed in each task;
3. Include all supporting documentation (*i.e.*, flow-charts, forms, questionnaires, and other relevant documents); and
4. Recommend a time-phased work plan for implementing the recommendations.

Applicant Response

G. Ad Hoc Reports As Required or Specified by OLTL. The selected Applicant must coordinate with the Department to determine whether additional reports will be useful to the Department, determine what information those additional reports will include, and generate any other relevant reports identified by the Department throughout the duration of the grant. The selected Applicant and the Department will mutually agree to due dates.

Applicant Response

III-9. Performance Standards. The Commonwealth has developed a set of minimum Performance Standards, which the selected Applicant must meet or exceed. The Department may, at its discretion, assess liquidated damages indicated below. The first three (3) months are a transition period and, therefore, the performance standards will be waived. Where an assessment is defined as an “up to” amount, the dollar value will be set at the discretion of the Department. The selected Applicant’s performance will be reviewed and assessed monthly. The Department’s Grant Administrator will give written notice of each failure to meet a performance standard to the selected Applicant. If the Department does not assess liquidated damages in a particular instance, the Department is not precluded from pursuing other or future assessments relating to those performance metrics and their associated damages.

CATEGORY	CRITERIA	IF NON-COMPLIANT, AMOUNT OWED
1. Reports submitted timely	90% of reports identified in RFA Part III-8 submitted timely	If the selected Applicant does not deliver 90% of the reports timely, and the selected Applicant does not advise the DHS Grant Administrator of the delay and receive Department approval, the Department may assess liquidated damages of up to \$200.00 per untimely report. DHS will track untimely reports throughout each Agreement year and deduct the total amount of liquidated damages, if any, from the final invoice of the year.
2. Reports submitted completely and accurately	90% of reports identified in RFA Part III-8 submitted with all required fields accurately completed	If the selected Applicant does not accurately complete 90% of the reports, the Department will return inaccurate or incomplete reports and may assess liquidated damages of up to \$200.00 per any returned report. DHS will track returned reports throughout

		each Agreement year and deduct the total amount of liquidated damages, if any, from the final invoice of the year.
3. Criminal background clearances	100% of staff entering nursing facilities or having contact with participants must have required clearances returned prior to beginning work on the activities included in this grant. See RFA Part III-1.F.	If the selected Applicant does not obtain 100% of criminal history clearances prior to staff beginning work on the Project, the Department may assess liquidated damages of up to \$200.00 per incident.
4. Documented contact with or attempt to contact referred individuals to provide the PASRR Explanation within 5 business days of the receipt of the participant record	Selected Applicant must contact or attempt to contact 98% of Specialized Services participants within 5 business days of receipt of the referral from OLTL. See RFA Part III-7.B.1.	The Department may assess liquidated damages of up to \$200.00 for any invoice where the percentage of participants with documented PASRR Explanation contacts or contact attempts within 5 days is less than 98%.
5. Refusal of an NHT referral without a documented, valid reason for the refusal	100% of NHT referrals must be either accepted or have a documented, valid reason that they were refused. See RFA Part III-7.D.	If the selected Applicant does not accept 100% of NHT referrals or have a documented, valid reason why a referral was refused, the Department may assess liquidated damages of up to \$50.00 per incident of refusal.

- A. For any deficiency, including ones relating to the performance standards, the selected Applicant must prepare and submit a corrective action plan. The selected Applicant must submit the corrective action plan to the Department within ten (10) business days of notification of the deficiency or such longer time as may be agreed to by the Department.
- B. The corrective action plan must include, but is not limited to:
1. Brief description of the findings;
 2. Specific steps the selected Applicant will take to correct the situation or reasons why it believes corrective action is not necessary;
 3. Name(s) and title(s) of responsible staff person(s);
 4. Timetable for performance of the corrective action steps;
 5. Signature of the selected Applicant's Project Manager or a senior executive.
- C. The selected Applicant must implement the corrective action plan within the agreed-upon timeframe. Failure to implement a corrective action plan, in the manner agreed to, may result in further action by the Department, including, but not limited to, a finding of default.
- D. In the event the Department determines a deficiency to be a serious non-compliance with the selected Applicant's obligations, the Department may find the selected Applicant in default.

Applicant Response

PART IV
COST SUBMITTAL

IV-1. Cost Submittal. The information requested in this **Part IV** shall constitute the Cost Submittal. The Cost Submittal shall be placed in a separate sealed envelope within the sealed application, separated from the Technical Submittal. The total proposed cost should be broken down into the components set forth in **Appendix D – Cost Submittal Worksheet**. Applicants should **not** include any assumptions in their cost submittals. If the Applicant includes assumptions in its cost submittal, the Department may reject the application. Applicants should direct in writing to the Issuing Officer pursuant to **Part I, Section I-8** of this RFA any questions about whether a cost or other component is included or applies. All Applicants will then have the benefit of the Department’s written answer so that all applications are submitted on the same basis.

The selected Applicant will have the opportunity to receive incentive payments in the case of NHT participants who successfully transition to the community. The incentive payments will be available for in-person follow up visits for individuals who transitioned via the fee-for-service NHT program and remain ineligible for managed long-term care in the community. In order to qualify, the contact must be made in-person with the participant present and the participant must still be residing in the community at the time of the contact. Information and referral services must be offered at the time of contact if a need is indicated verbally or based on any health or safety issues observed during the contact. The contact, including any services needed or offered, must be documented in the format indicated by the Department. The following contacts are payable if all qualifications are met:

- A. 30 cumulative days in the community for a payment of \$250.00
- B. 90 cumulative days in the community for a payment of \$250.00
- C. 180 cumulative days in the community for a payment of \$250.00
- D. 365 cumulative days in the community for a payment of \$1000.00

The Department will reimburse the selected Applicant for work satisfactorily performed after execution of a written agreement and the start of the grant agreement, in accordance with agreement requirements, and only after the Department has issued a notice to proceed.

PART V

CONTRACTOR PARTNERSHIP PROGRAM

VI-1. General Information – Contractor Partnership Program. The Contractor Partnership Program (“CPP”) was created by the Department to address workforce needs by connecting beneficiaries of Temporary Assistance for Needy Families (“TANF”) to jobs while simultaneously helping to fill the hiring needs of employers. The program is a collaborative effort between DHS and its contractors and grantees to lift families out of poverty.

CPP requires entities who are awarded a contract or agreement with DHS to establish a hiring target that supports TANF beneficiaries in obtaining employment with the contractor, grantee, or their subcontractors for jobs within their organizations that may or may not be related to the contract or grant services. The Department encourages selected Applicants to consider TANF beneficiaries not only for employment opportunities that will be created through the award of an Agreement but also for general employment opportunities within the organization. DHS staff will work cooperatively with selected Applicants to assist in meeting their hiring targets by assisting with the identification of qualified job applicants through the Department’s employment and training programs and providing technical assistance as needed. Participating Applicants may also be eligible to receive hiring incentives, such as the Work Opportunity Tax Credit.

Through CPP, DHS expects not only to increase the employment rate for individuals receiving TANF cash assistance, but to continue to contribute to the economic growth of the Commonwealth.

For more information about the Contractor Partnership Program, please contact: RA-BETPCPP@pa.gov or 1-866-840-7214.

VI-2. Participation Requirements. To receive credit towards meeting the CPP requirements and maintain good standing, these entities must hire or make good faith efforts to hire individuals currently receiving TANF cash assistance. This includes but is not limited to individuals receiving TANF who are currently participating in Department employment and training programs as well as TANF beneficiaries outside of these programs.

The Department’s vision for CPP is that selected Applicants are able to obtain employment for TANF beneficiaries in a number equal to ten percent (10%) of the average of the annual number of a selected Applicant’s new hires in Pennsylvania over each of the prior three (3) years.

VI-3. RFA Requirements. Applicants must provide a written narrative that addresses the following and must include the information in the CPP Submittal of their application.

- A. Applicant’s name, telephone number and mailing address.
- B. Type of business entity (i.e. not-for-profit, government entity, public corporation, university).
- C. Address of the company’s headquarters; if located in Pennsylvania, include county.
- D. The name, title, phone number, mailing address, and email of the Applicant’s point of contact for the CPP.
- E. Address of all satellite offices located in Pennsylvania, including the county.
- F. A list of the subcontractors’ names, address, and phone number; if located in Pennsylvania, include the county.
- G. Type of services being provided under the Agreement.
- H. Type of services provided by Applicant.

- I. Based on the calculation below, the anticipated number of positions that will be established as the hiring target.

For each of the prior three (3) years, provide the number of new hires at your organization’s Pennsylvania offices. The hiring targets will be 10% of the average of the annual number of new hires in Pennsylvania over each of the last 3 years. Hiring targets can be discussed with the Office of Income Maintenance CPP staff to determine if a waiver or reduction of this requirement is warranted.

- J. Type of positions anticipated to be available during Agreement term.
- K. Describe the strategies that will be used to identify and recruit TANF individuals.
- L. Describe the methods that will be used to retain the individuals once they are employed, including opportunities for professional development.
- M. Identify the staff and processes that will be used to meet the CPP requirement, including the reporting requirements.
- N. Provide a brief explanation of any additional efforts that will be made to meet and maintain TANF hiring commitments.

The Department’s Office of Income Maintenance Bureau of Employment Programs will review the CPP Submittal for accuracy and completeness. All information submitted is subject to approval by DHS.

VI-4. Agreement Requirements. The approved hiring target will become a performance benchmark, included as part of the agreement. Hiring targets will apply to the full term of the Agreement, including any extensions. After an Agreement has become effective, selected Applicants must establish a login for the DHS data tracking system, the Commonwealth Workforce Development System (“CWDS”), create a business folder, and complete and submit all required forms to the CPP staff. Selected Applicants must complete the Quarterly Employment Report on a quarterly basis to document the number of TANF beneficiaries hired for that quarter. The Office of Income Maintenance will monitor the submission of the Quarterly Employment Report in CWDS and will share the information with the Program Office responsible for the agreement.

Quarters	Begin Date	End Date	Reports Due*
1 – First	July 1	September 30	October 15
2 – Second	October 1	December 31	January 15
3 – Third	January 1	March 31	April 15
4 – Fourth	April 1	June 30	July 15

**if the 15th falls on a weekend or state holiday, the report is due the next business day.*

All selected Applicants, regardless of the Effective Date of the Agreement must complete the Quarterly Employment Report based on the schedule above. If an Agreement begins in the middle of a quarter, the information reported will be based on activity that occurred from the Effective Date through the end of the quarter. If no activity occurred, an entry reporting zero hires must still be submitted via CWDS.

In addition, selected Applicants must report information documenting the use and outcomes of their hiring strategies and demonstrating their good faith efforts to hire TANF beneficiaries on a quarterly basis. The Department will work with the selected Applicants to develop a form and submission requirements for this reporting.

Verification Process

Data entered in CWDS will be cross referenced with the Client Information System (“CIS”) to confirm TANF eligibility; CIS will automatically credit the selected Applicant whenever a TANF hire is submitted. The CPP staff and the Project Manager will work together to ensure that selected Applicants are meeting their hiring goals.

PART VI
STANDARD GRANT TERMS AND CONDITIONS FOR SERVICES

1. TERM OF GRANT

The term of the Grant shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Grant, subject to the other provisions of the Grant. The Effective Date shall be fixed after the Grant has been fully executed by the Grantee and by the Commonwealth and all approvals required by Commonwealth procedures have been obtained. No agency employee has the authority to verbally direct the commencement of any work under this Grant. The Commonwealth may, upon notice to the Grantee, extend the term of the Grant for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Grant coverage and only for the time necessary, up to three (3) months, to enter into a new Grant.

2. INDEPENDENT GRANTEE

In performing the services required by the Grant, the Grantee will act as an independent Grantee and not as an employee or agent of the Commonwealth.

3. COMPLIANCE WITH LAW

The Grantee shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Grant.

4. ENVIRONMENTAL PROVISIONS

In the performance of the Grant, the Grantee shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

5. POST-CONSUMER RECYCLED CONTENT

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Grant must meet the minimum percentage levels for total recycled content as specified on the Department of General Services website at www.dgs.state.pa.us on the date of submission of the application.

6. COMPENSATION/EXPENSES

The Grantee shall perform the specified services at the prices quoted in the Grant. All services shall be performed within the time periods specified in the Grant. The Grantee shall be compensated only for work performed to the satisfaction of the Commonwealth. The Grantee shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Grant.

7. INVOICES

Unless the Grantee has been authorized by the Commonwealth for Evaluated Receipt Settlement or Vendor Self-Invoicing, the Grantee shall send an *invoice itemized by line item* to the address referenced on the grant promptly after services are satisfactorily completed. The invoice should include only amounts due under the Grant agreement. The grant number must be included on all invoices. In addition, the Commonwealth shall have the right to require the Grantee to prepare and submit a "Work In Progress" sheet that contains, at a

minimum, the tasks performed, number of hours, hourly rate, and the Grant number or task order to which it refers.

8. PAYMENT

- a. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Grant; (b) thirty (30) days after a proper invoice actually is received at the "Provide Service and Bill To" address if a date on which payment is due is not specified in the Grant (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Grant. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Grantee as acceptance of the service performed by the Grantee. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Grantee agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Grantee or its subsidiaries to the Commonwealth against any payments due the Grantee under any Grant with the Commonwealth.
- b. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Grant or purchase order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Grantee will be required to pay and the Grantee will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Grantee. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Grantee or any other charges incurred by the Grantee, unless specifically stated in the terms of the Grant or purchase order.

9. TAXES

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction Grantee from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction Grant.

10. WARRANTY

The Grantee warrants that all services performed by the Grantee, its agents, subcontractors and subgrantees shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Grant, all services are warranted for a period of one year following completion of performance by the Grantee and acceptance by the Commonwealth. The Grantee shall correct any problem with the service and/or replace any defective part with a part of equivalent or superior quality without any additional cost to the Commonwealth.

11. PATENT, COPYRIGHT, AND TRADEMARK INDEMNITY

The Grantee warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Grant which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the commonwealth under the Grant. The Grantee shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Grant. This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by the Commonwealth at the Grantee's written request, it shall be at the Grantee's expense, but the responsibility for such expense shall be only that within the Grantee's written authorization. The Grantee shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Grantee or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Grant. If any of the products provided by the Grantee in such suit or proceeding are held to constitute infringement and the use is enjoined, the Grantee shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If the Grantee is unable to do any of the preceding, the Grantee agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Grantee under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Grantee without its written consent.

12. OWNERSHIP RIGHTS

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Grant.

13. ASSIGNMENT OF ANTITRUST CLAIMS

The Grantee and the Commonwealth recognize that in actual economic practice, overcharges by the Grantee's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Grant, and intending to be legally bound, the Grantee assigns to the Commonwealth all right, title and interest in and to any claims the Grantee now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Grant.

14. HOLD HARMLESS PROVISION

The Grantee shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Grantee and its

employees and agents under this Grant, provided the Commonwealth provides Grantee with prompt notice of any such claim of which it learns. Pursuant to the Commonwealth Attorneys Act (71 P.S. § 732-101 *et seq.*), the Office of Attorney General (“OAG”) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG, however, in its sole discretion and under such terms as it deems appropriate, may delegate its right of defense. If OAG delegates the defense to Grantee, the Commonwealth will cooperate with all reasonable requests of Grantee made in defense of such suits. Notwithstanding, neither party shall enter into any settlement without the other party’s written consent, which shall not be unreasonably withheld. The Commonwealth, in its sole discretion, may allow the Grantee to control the defense and any related settlement negotiations.

15. AUDIT PROVISIONS

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Grantee to the extent that the books, documents and records relate to costs or pricing data for the Grant. The Grantee agrees to maintain records that will support the prices charged and costs incurred for the Grant. The Grantee shall preserve books, documents, and records that relate to costs or pricing data for the Grant for a period of five (5) years from date of final payment. The Grantee shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

16. DEFAULT

- a. The Commonwealth may, subject to the provisions of Paragraph 17, Force Majeure, and in addition to its other rights under the Grant, declare the Grantee in default by written notice to the Grantee, and terminate (as provided in Paragraph 18, Termination Provisions) the whole or any part of this Grant for any of the following reasons:
 - 1) Failure to begin work within the time specified in the Grant or as otherwise specified;
 - 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Grant terms;
 - 3) Unsatisfactory performance of the work;
 - 4) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
 - 5) Discontinuance of work without approval;
 - 6) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
 - 7) Insolvency or bankruptcy;
 - 8) Assignment made for the benefit of creditors;
 - 9) Failure or refusal within 10 days after written notice by the Granting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
 - 10) Failure to protect, to repair, or to make good any damage or injury to property;
 - 11) Failure to comply with representations made in Grantee’s application; or
 - 12) Breach of any provision of this Grant.

- b. In the event that the Commonwealth terminates this Grant in whole or in part as provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated, and the Grantee shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical services included within the terminated part of the Grant.

- c. If the Grant is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Grantee to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Issuing Office, such partially completed work, including, where applicable, reports, working papers and other documentation, as the Grantee has specifically produced or specifically acquired for the performance of such part of the Grant as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Grant price. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Grantee and Granting Officer. The Commonwealth may withhold from amounts otherwise due the Grantee for such completed or partially completed works, such sum as the Granting Officer determines to be necessary to protect the Commonwealth against loss.
- d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Grant.
- e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- f. Following exhaustion of the Grantee's administrative remedies as set forth in Paragraph 19, the Grantee's exclusive remedy shall be to seek damages in the Board of Claims.

17. FORCE MAJEURE

Neither party will incur any liability to the other if its performance of any obligation under this Grant is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Grantee shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Grantee becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the Grant is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Grantee shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect either to cancel the Grant or to extend the time for performance as reasonably necessary to compensate for the Grantee's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Grantee, may suspend all or a portion of the Grant.

18. TERMINATION PROVISIONS

The Commonwealth has the right to terminate this Grant for any of the following reasons. Termination shall be effective upon written notice to the Grantee.

- a. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Grant for its convenience if the Commonwealth determines termination to be in its

best interest. The Grantee shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Grantee be entitled to recover loss of profits.

- b. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Grant. The Grantee shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this Grant. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid for any appropriations available for that purpose
- c. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Grant for Grantee default under Paragraph 16, Default, upon written notice to the Grantee. The Commonwealth shall also have the right, upon written notice to the Grantee, to terminate the Grant for other cause as specified in this Grant or by law. If it is later determined that the Commonwealth erred in terminating the Grant for cause, then, at the Commonwealth's discretion, the Grant shall be deemed to have been terminated for convenience under the Subparagraph 18.a.

19. GRANT CONTROVERSIES

- a. In the event of a controversy or claim arising from the Grant, the Grantee must, within six months after the cause of action accrues, file a written claim with the Granting officer for a determination. The claim shall state all grounds upon which the Grantee asserts a controversy exists. If the Grantee fails to file a claim or files an untimely claim, the Grantee is deemed to have waived its right to assert a claim in any forum. At the time the claim is filed, or within sixty (60) days, either party may request mediation through the Commonwealth Office of General Counsel Dispute Resolution Program.
- b. If the Grantee or the Grant Administrator requests mediation and the other party agrees, the Grant Administrator shall promptly make arrangements for mediation. Mediation shall be scheduled so as not to delay the issuance of the final determination beyond the required 120 days after receipt of the claim if mediation is unsuccessful. If mediation is not agreed to or if resolution is not reached through mediation, the Granting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the Granting officer and the Grantee. The Granting officer shall send his/her written determination to the Grantee. If the Granting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The Granting officer's determination shall be the final order of the agency.
- c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the Grantee may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Grantee shall proceed diligently with the performance of the Grant in a manner consistent with the determination of the Granting officer and the Commonwealth shall compensate the Grantee pursuant to the terms of the Grant.

20. ASSIGNABILITY AND SUBGRANTING

- a. Subject to the terms and conditions of this Paragraph 20, this Grant shall be binding upon the parties and their respective successors and assigns.
- b. The Grantee shall not subcontract or sub-Grant with any person or entity to perform all or any part of the work to be performed under this Grant without the prior written consent of the Granting Officer, which consent may be withheld at the sole and absolute discretion of the Granting Officer.
- c. The Grantee may not assign, in whole or in part, this Grant or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Granting Officer, which consent may be withheld at the sole and absolute discretion of the Granting Officer.
- d. Notwithstanding the foregoing, the Grantee may, without the consent of the Granting Officer, assign its rights to payment to be received under the Grant, provided that the Grantee provides written notice of such assignment to the Granting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Grant.
- e. For the purposes of this Grant, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Grantee provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.
- f. Any assignment consented to by the Granting Officer shall be evidenced by a written assignment agreement executed by the Grantee and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Grant and to assume the duties, obligations, and responsibilities being assigned.
- g. A change of name by the Grantee, following which the Grantee's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Grantee shall give the Granting Officer written notice of any such change of name.

21. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

The Grantee agrees:

- a. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the grant agreement or any subgrant agreement, contract, or subcontract, the Grantee, a subgrantee, a contractor, a subcontractor, or any person acting on behalf of the Grantee shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act (PHRA) and applicable federal laws, against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- b. The Grantee, any subgrantee, contractor or any subcontractor or any person on their behalf shall not in any manner discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, against or intimidate any of its employees.

- c. Neither the Grantee nor any subgrantee nor any contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, in the provision of services under the grant agreement, subgrant agreement, contract or subcontract.
- d. Neither the Grantee nor any subgrantee nor any contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against employees by reason of participation in or decision to refrain from participating in labor activities protected under the Public Employee Relations Act, Pennsylvania Labor Relations Act or National Labor Relations Act, as applicable and to the extent determined by entities charged with such Acts' enforcement, and shall comply with any provision of law establishing organizations as employees' exclusive representatives.
- e. The Grantee, any subgrantee, contractor or any subcontractor shall establish and maintain a written nondiscrimination and sexual harassment policy and shall inform their employees in writing of the policy. The policy must contain a provision that sexual harassment will not be tolerated and employees who practice it will be disciplined. Posting this Nondiscrimination/Sexual Harassment Clause conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the grant services are performed shall satisfy this requirement for employees with an established work site.
- f. The Grantee, any subgrantee, contractor or any subcontractor shall not discriminate by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the PHRA and applicable federal laws, against any subgrantee, contractor, subcontractor or supplier who is qualified to perform the work to which the grant relates.
- g. The Grantee and each subgrantee, contractor and subcontractor represents that it is presently in compliance with and will maintain compliance with all applicable federal, state, and local laws and regulations relating to nondiscrimination and sexual harassment. The Grantee and each subgrantee, contractor and subcontractor further represents that it has filed a Standard Form 100 Employer Information Report ("EEO-1") with the U.S. Equal Employment Opportunity Commission ("EEOC") and shall file an annual EEO-1 report with the EEOC as required for employers' subject to Title VII of the Civil Rights Act of 1964, as amended, that have 100 or more employees and employers that have federal government contracts or first-tier subcontracts and have 50 or more employees. The Grantee, any subgrantee, any contractor or any subcontractor shall, upon request and within the time periods requested by the Commonwealth, furnish all necessary employment documents and records, including EEO-1 reports, and permit access to their books, records, and accounts by the granting agency and the Bureau of Diversity, Inclusion and Small Business Opportunities for the purpose of ascertaining compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause.
- h. The Grantee, any subgrantee, contractor or any subcontractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subgrant agreement, contract or subcontract so that those provisions applicable to subgrantees, contractors or subcontractors will be binding upon each subgrantee, contractor or subcontractor.
- i. The Granter's and each subgrantee's, contractor's and subcontractor's obligations pursuant to these provisions are ongoing from and after the effective date of the grant agreement through the termination date thereof. Accordingly, the Grantee and each subgrantee, contractor and subcontractor shall have an obligation to inform the Commonwealth if, at any time during the term of the grant agreement, it becomes aware of any actions or occurrences that would result in violation of these provisions.

- j. The Commonwealth may cancel or terminate the grant agreement and all money due or to become due under the grant agreement may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the granting agency may proceed with debarment or suspension and may place the Grantee, subgrantee, contractor, or subcontractor in the Contractor Responsibility File.

22. CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to contract with the Commonwealth of Pennsylvania (“Commonwealth”) observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth contracting and procurement process.

1. **DEFINITIONS.** For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Section:
 - a. **“Affiliate”** means two or more entities where (a) a parent entity owns more than fifty percent of the voting stock of each of the entities; or (b) a common shareholder or group of shareholders owns more than fifty percent of the voting stock of each of the entities; or c) the entities have a common proprietor or general partner.
 - b. **“Consent”** means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of the execution of this contract.
 - c. **“Contractor”** means the individual or entity that has entered into this contract with the Commonwealth.
 - d. **“Contractor Related Parties”** means any affiliates of the Contractor and the Contractor’s executive officers, Pennsylvania officers and directors, or owners of 5 percent or more interest in the Contractor.
 - e. **“Financial Interest”** means either:
 - (1) Ownership of more than a five percent interest in any business; or
 - (2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
 - f. **“Gratuity”** means tendering, giving, or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the *Governor’s Code of Conduct, Executive Order 1980-18, the 4 Pa. Code §7.153(b)*, shall apply.
 - g. **“Non-bid Basis”** means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.
2. In furtherance of this policy, Contractor agrees to the following:

- a. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting or procurement with the Commonwealth.
- b. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to the Contractor activity with the Commonwealth and Commonwealth employees and which is made known to all Contractor employees. Posting these Contractor Integrity Provisions conspicuously in easily-accessible and well-lighted places customarily frequented by employees and at or near where the contract services are performed shall satisfy this requirement.
- c. Contractor, its affiliates, agents, employees and anyone in privity with Contractor shall not accept, agree to give, offer, confer, or agree to confer or promise to confer, directly or indirectly, any gratuity or pecuniary benefit to any person, or to influence or attempt to influence any person in violation of any federal or state law, regulation, executive order of the Governor of Pennsylvania, statement of policy, management directive or any other published standard of the Commonwealth in connection with performance of work under this contract, except as provided in this contract.
- d. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material under this contract, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.
- e. Contractor certifies to the best of its knowledge and belief that within the last five (5) years Contractor or Contractor Related Parties have not:
 - (1) been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
 - (2) been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
 - (3) had any business license or professional license suspended or revoked;
 - (4) had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
 - (5) been, and is not currently, the subject of a criminal investigation by any federal, state or local prosecuting or investigative agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

If Contractor cannot so certify to the above, then it must submit along with its bid, proposal or contract a written explanation of why such certification cannot be made and the Commonwealth will determine whether a contract may be entered into with the Contractor. The Contractor's

obligation pursuant to this certification is ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to immediately notify the Commonwealth in writing if at any time during the term of the contract it becomes aware of any event which would cause the Contractor's certification or explanation to change. Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause if it learns that any of the certifications made herein are currently false due to intervening factual circumstances or were false or should have been known to be false when entering into the contract.

Contractor shall comply with the requirements of the *Lobbying Disclosure Act (65 Pa.C.S. §13A01 et seq.)* regardless of the method of award. If this contract was awarded on a Non-bid Basis, Contractor must also comply with the requirements of the *Section 1641 of the Pennsylvania Election Code (25 P.S. §3260a)*.

- f. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or these Contractor Integrity Provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or the Office of the State Inspector General in writing.
- g. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these Contractor Integrity Provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract, to include any extensions thereof. Contractor shall immediately notify the Commonwealth in writing of any actions for occurrences that would result in a violation of these Contractor Integrity Provisions. Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of the State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the Contractor. Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.
- h. Contractor shall cooperate with the Office of the State Inspector General in its investigation of any alleged Commonwealth agency or employee breach of ethical standards and any alleged Contractor non-compliance with these Contractor Integrity Provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of an Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Office of the State Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refer to or concern this contract. Contractor shall incorporate this paragraph in any agreement, contract or subcontract it enters into in the course of the performance of this contract/agreement solely for the purpose of obtaining subcontractor compliance with this provision. The incorporation of this provision in a subcontract shall not create privity of contract between the Commonwealth and any such subcontractor, and no third party beneficiaries shall be created thereby.
- i. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the

value of anything received in breach of these Provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

23. GRANTEE RESPONSIBILITY PROVISIONS

- a. The Grantee certifies, for itself and all its subgrantees, that as of the date of its execution of this Bid/Grant, that neither the Grantee, nor any subgrantees, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Grantee cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.
- b. The Grantee also certifies, that as of the date of its execution of this Bid/Grant, it has no tax liabilities or other Commonwealth obligations.
- c. The Grantee's obligations pursuant to these provisions are ongoing from and after the effective date of the Grant through the termination date thereof. Accordingly, the Grantee shall have an obligation to inform the Commonwealth if, at any time during the term of the Grant, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subgrantees are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- d. The failure of the Grantee to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Grant with the Commonwealth.
- e. The Grantee agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for Investigations of the Grantee's compliance with the terms of this or any other agreement between the Grantee and the Commonwealth, which results in the suspension or debarment of the Grantee. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Grantee shall not be responsible for investigative costs for investigations that do not result in the Grantee's suspension or debarment.
- f. The Grantee may obtain a current list of suspended and debarred Commonwealth Grantees by either searching the internet at <http://www.dgs.state.pa.us> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No. (717) 783-6472
FAX No. (717) 787-9138

24. AMERICANS WITH DISABILITIES ACT

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Grantee understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Grant or from activities provided for under this Grant on the basis of the disability. As a condition of accepting this Grant, the Grantee agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through Grants with outside Grantees.
- b. The Grantee shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Grantee's failure to comply with the provisions of subparagraph a above.

25. HAZARDOUS SUBSTANCES

The Grantee shall provide information to the Commonwealth about the identity and hazards of hazardous substances supplied or used by the Grantee in the performance of the Grant. The Grantee must comply with Act 159 of October 5, 1984, known as the "Worker and Community Right to Know Act" (the "Act") and the regulations promulgated pursuant thereto at 4 Pa. Code Section 301.1 et seq.

- a. Labeling. The Grantee shall insure that each individual product (as well as the carton, container or package in which the product is shipped) of any of the following substances (as defined by the Act and the regulations) supplied by the Grantee is clearly labeled, tagged or marked with the information listed in Paragraph (1) through (4):

1) Hazardous substances:

- a) The chemical name or common name,
- b) A hazard warning, and
- c) The name, address, and telephone number of the manufacturer.

2) Hazardous mixtures:

- a) The common name, but if none exists, then the trade name,
- b) The chemical or common name of special hazardous substances comprising .01% or more of the mixture,
- c) The chemical or common name of hazardous substances consisting 1.0% or more of the mixture,
- d) A hazard warning, and
- e) The name, address, and telephone number of the manufacturer.

3) Single chemicals:

- a) The chemical name or the common name, a hazard warning, if appropriate, and
- b) The name, address, and telephone number of the manufacturer.

4) Chemical Mixtures:

- a) The common name, but if none exists, then the trade name,
- b) A hazard warning, if appropriate,
- c) The name, address, and telephone number of the manufacturer, and
- d) The chemical name or common name of either the top five substances by volume or those substances consisting of 5.0% or more of the mixture.

A common name or trade name may be used only if the use of the name more easily or readily identifies the true nature of the hazardous substance, hazardous mixture, single chemical, or mixture involved.

Container labels shall provide a warning as to the specific nature of the hazard arising from the substance in the container.

The hazard warning shall be given in conformity with one of the nationally recognized and accepted systems of providing warnings, and hazard warnings shall be consistent with one or more of the recognized systems throughout the workplace. Examples are:

- NFPA 704, Identification of the Fire Hazards of Materials.
- National Paint and Coatings Association: Hazardous Materials Identification System.
- American Society for Testing and Materials, Safety Alert Pictorial Chart.
- American National Standard Institute, Inc., for the Precautionary Labeling of Hazardous Industrial Chemicals.

Labels must be legible and prominently affixed to and displayed on the product and the carton, container, or package so that employees can easily identify the substance or mixture present therein.

- b. Material Safety Data Sheet. The Grantee shall provide Material Safety Data Sheets (MSDS) with the information required by the Act and the regulations for each hazardous substance or hazardous mixture. The Commonwealth must be provided an appropriate MSDS with the initial shipment and with the first shipment after an MSDS is updated or product changed. For any other chemical, the Grantee shall provide an appropriate MSDS, if the manufacturer, importer, or supplier produces or possesses the MSDS. The Grantee shall also notify the Commonwealth when a substance or mixture is subject to the provisions of the Act. Material Safety Data Sheets may be attached to the carton, container, or package mailed to the Commonwealth at the time of shipment.

26. COVENANT AGAINST CONTINGENT FEES

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure the Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Grant without liability or in its discretion to deduct from the Grant price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

27. APPLICABLE LAW

This Grant shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Grantee consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Grantee agrees that any such court shall have in personal jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

28. INTEGRATION

The Grant, including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Grantee has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Grant, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Grant. No modifications, alterations, changes, or waiver to the Grant or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties.

29. CHANGE ORDERS

The Commonwealth reserves the right to issue change orders at any time during the term of the Grant or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any estimated quantities in the Grant and actual quantities; 2) to make changes to the services within the scope of the Grant; 3) to notify the Grantee that the Commonwealth is exercising any Grant renewal or extension option; or 4) to modify the time of performance that does not alter the scope of the Grant to extend the completion date beyond the Expiration Date of the Grant or any renewals or extensions thereof. Any such change order shall be in writing signed by the Granting Officer. The change order shall be effective as of the date appearing on the change order, unless the change order specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Grant, nor, if performance security is being furnished in conjunction with the Grant, release the security obligation. The Grantee agrees to provide the service in accordance with the change order. Any dispute by the Grantee in regard to the performance required under any change order shall be handled through Paragraph 19, "Grant Controversies".

30. RIGHT TO KNOW LAW 8-K-1580

- a. Grantee or Subgrantee understands that this Grant Agreement and records related to or arising out of the Grant Agreement are subject to requests made pursuant to the Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL"). For the purpose of these provisions, the term "the Commonwealth" shall refer to the granting Commonwealth agency.

- b.** If the Commonwealth needs the Grantee's or Subgrantee's assistance in any matter arising out of the RTKL related to this Grant Agreement, it shall notify the Grantee or Subgrantee using the legal contact information provided in the Grant Agreement. The Grantee or Subgrantee, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.
- c.** Upon written notification from the Commonwealth that it requires Grantee's or Subgrantee's assistance in responding to a request under the RTKL for information related to this Grant Agreement that may be in Grantee's or Subgrantee's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), Grantee or Subgrantee shall:

 1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in Grantee's or Subgrantee's possession arising out of this Grant Agreement that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
 2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Grant Agreement.
- d.** If Grantee or Subgrantee considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that Grantee or Subgrantee considers exempt from production under the RTKL, Grantee or Subgrantee must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of Grantee or Subgrantee explaining why the requested material is exempt from public disclosure under the RTKL.
- e.** The Commonwealth will rely upon the written statement from Grantee or Subgrantee in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, Grantee or Subgrantee shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.
- f.** If Grantee or Subgrantee fails to provide the Requested Information within the time period required by these provisions, Grantee or Subgrantee shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of Grantee's or Subgrantee's failure, including any statutory damages assessed against the Commonwealth.
- g.** The Commonwealth will reimburse Grantee or Subgrantee for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.
- h.** Grantee or Subgrantee may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, Grantee or Subgrantee shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless

for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of Grantee's or Subgrantee's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, Grantee or Subgrantee agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

- i.** The Grantee's or Subgrantee's duties relating to the RTKL are continuing duties that survive the expiration of this Grant Agreement and shall continue as long as the Grantee or Subgrantee has Requested Information in its possession.

DEPARTMENT OF HUMAN SERVICES ADDENDUM TO
STANDARD GRANT TERMS AND CONDITIONS

A. APPLICABILITY

This Addendum is intended to supplement the Standard Terms and Conditions. To the extent any of the terms contained herein conflict with terms contained in the Standard Contract Terms and Conditions, the terms in the Standard Contract Terms and Conditions shall take precedence. Further, it is recognized that certain terms contained herein may not be applicable to all the services which may be provided through Department contracts.

B. CONFIDENTIALITY

The parties shall not use or disclose any information about a recipient of the services to be provided under this contract for any purpose not connected with the parties' contract responsibilities except with written consent of such recipient, recipient's attorney, or recipient's parent or legal guardian.

C. INFORMATION

During the period of this contract, all information obtained by the Contractor through work on the project will be made available to the Department immediately upon demand. If requested, the Contractor shall deliver to the Department background material prepared or obtained by the Contractor incident to the performance of this agreement. Background material is defined as original work, papers, notes and drafts prepared by the Contractor to support the data and conclusions in final reports, and includes completed questionnaires, materials in electronic data processing form, computer programs, other printed materials, pamphlets, maps, drawings and all data directly related to the services being rendered.

D. CERTIFICATION AND LICENSING

Contractor agrees to obtain all licenses, certifications and permits from Federal, State and Local authorities permitting it to carry on its activities under this contract.

E. PROGRAM SERVICES

Definitions of service, eligibility of recipients of service and other limitations in this contract are subject to modification by amendments to Federal, State and Local laws, regulations and program requirements without further notice to the Contractor hereunder.

F. CHILD PROTECTIVE SERVICE LAWS

In the event that the contract calls for services to minors, the contractor shall comply with the provisions of the Child Protective Services Law (Act of November 26, 1975, P.L. 438, No. 124; 23 P.S. SS 6301-6384, as amended by Act of July 1, 1985, P.L. 124, No. 33) and all regulations promulgated thereunder (55Pa. Code, chapter 3490).

G. PRO-CHILDREN ACT OF 1994

The Contractor agrees to comply with the requirements of the Pro-Children Act of 1994; Public Law 103-277, Part C-Environment Tobacco Smoke (also known as the Pro-Children Act of 1994) requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health care services, day care and education to children under the age of 18, if the services are funded by Federal programs whether directly or through State and Local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

H. MEDICARE/MEDICAID REIMBURSEMENT

1. To the extent that services are furnished by contractors, subcontractors, or organizations related to the contractor/subcontractor and such services may in whole or in part be claimed by the Commonwealth for Medicare/Medicaid reimbursements, contractor/subcontractor agrees to comply with 42 C.F.R., Part 420, including:
 - a. Preservation of books, documents and records until the expiration of four (4) years after the services are furnished under the contract.
 - b. Full and free access to (i) the Commonwealth, (ii) the U.S. Comptroller General, (iii) the U.S. Department of Health and Human Services, and their authorized representatives.
2. Your signature on the proposal certifies under penalty of law that you have not been suspended/terminated from the Medicare/Medicaid Program and will notify the contracting DHS Facility or DHS Program Office immediately should a suspension/termination occur during the contract period.

I. TRAVEL AND PER DIEM EXPENSES

Contractor shall not be allowed or paid travel or per diem expenses except as provided for in Contractor's Budget and included in the contract amount. Contractors should anticipate work related travel for meetings, trainings and visits to providers or families. Any reimbursement to the Contractor for travel, lodging or meals under this contract shall be at or below state rates as provided in Management Directive 230.10, Commonwealth Travel Policy, as may be amended, unless the Contractor has higher rates which have been established by its offices/officials, and published prior to entering into this contract. Higher rates must be supported by a copy of the minutes or other official documents, and submitted to the Department. Documentation in support of travel and per diem expenses will be the same as required of state employees.

J. INSURANCE

1. The contractor shall accept full responsibility for the payment of premiums for Workers' Compensation, Unemployment Compensation, Social Security, and all income tax deductions required by law for its employees who are performing services under this contract. As required by law, an independent contractor is responsible for Malpractice Insurance for health care personnel. Contractor shall provide insurance Policy Number and Provider's Name, or a copy of the policy with all renewals for the entire contract period.

2. The contractor shall, at its expense, procure and maintain during the term of the contract, the following types of insurance, issued by companies acceptable to the Department and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:
 - a. Worker's Compensation Insurance for all of the Contractor's employees and those of any subcontractor, engaged in work at the site of the project as required by law.
 - b. Public liability and property damage insurance to protect the Commonwealth, the Contractor, and any and all subcontractors from claim for damages for personal injury (including bodily injury), sickness or disease, accidental death and damage to property, including loss of use resulting from any property damage, which may arise from the activities performed under this contract or the failure to perform under this contract whether such performance or nonperformance be by the contractor, by any subcontractor, or by anyone directly or indirectly employed by either. The limits of such insurance shall be in an amount not less than \$500,000 each person and \$2,000,000 each occurrence, personal injury and property damage combined. Such policies shall be occurrence rather than claims-made policies and shall name the Commonwealth of Pennsylvania as an additional insured. The insurance shall not contain any endorsements or any other form designated to limit or restrict any action by the Commonwealth, as an additional insured, against the insurance coverage in regard to work performed for the Commonwealth.

Prior to commencement of the work under the contract and during the term of the contract, the Contractor shall provide the Department with current certificates of insurance. These certificates shall contain a provision that the coverages afforded under the policies will not be cancelled or changed until at least thirty (30) days' written notice has been given to the Department.

K. PROPERTY AND SUPPLIES

1. Contractor agrees to obtain all supplies and equipment for use in the performance of this contract at the lowest practicable cost and to purchase by means of competitive bidding whenever required by law.
2. Title to all property furnished in-kind by the Department shall remain with the Department.
3. Contractor has title to all personal property acquired by the contractor, including purchase by lease/purchase agreement, for which the contractor is to be reimbursed under this contract. Upon cancellation or termination of this contract, disposition of such purchased personal property which has a remaining useful life shall be made in accordance with the following provisions.
 - a. The contractor and the Department may agree to transfer any item of such purchased property to another contractor designated by the Department. Cost of transportation shall be borne by the contractor receiving the property and will be reimbursed by the Department. Title to all transferred property shall vest in the designated contractor. The Department will reimburse the Contractor for its share, if any, of the value of the remaining life of the property in the same manner as provided under subclause b of this paragraph.
 - b. If the contractor wishes to retain any items of such purchased property, depreciation tables shall be used to ascertain the value of the remaining useful life of the property. The contractor shall reimburse the Department in the amount determined from the tables.

- c. When authorized by the Department in writing, the contractor may sell the property and reimburse the Department for its share. The Department reserves the right to fix the minimum sale price it will accept.
4. All property furnished by the Department or personal property acquired by the contractor, including purchase by lease-purchase contract, for which the contractor is to be reimbursed under this contract shall be deemed "Department Property" for the purposes of subsection 5, 6 and 7 of this section.
5. Contractor shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, preservation and insurance of Department Property so as to assure its full availability and usefulness.
6. Department property shall, unless otherwise approved in writing by the Department, be used only for the performance of this contract.
7. In the event that the contractor is indemnified, reimbursed or otherwise compensated for any loss, destruction or damage to Department Property, it shall use the proceeds to replace, repair or renovate the property involved, or shall credit such proceeds against the cost of the work covered by the contract, or shall reimburse the Department, at the Department's direction.

L. DISASTERS

If, during the terms of this contract, the Commonwealth's premises are so damaged by flood, fire or other Acts of God as to render them unfit for use; then the Agency shall be under no liability or obligation to the contractor hereunder during the period of time there is no need for the services provided by the contractor except to render compensation which the contractor was entitled to under this agreement prior to such damage.

M. SUSPENSION OR DEBARMENT

In the event of suspension or debarment, 4 Pa Code Chapter 60.1 through 60.7, as it may be amended, shall apply.

N. COVENANT AGAINST CONTINGENT FEES

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee (excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business). For breach or violation of this warranty, the Department shall have the right to annul this contract without liability or, in its discretion, to deduct from the consideration otherwise due under the contract, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

O. CONTRACTOR'S CONFLICT OF INTEREST

The contractor hereby assures that it presently has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The contractor further assures that in the performance of this contract, it will not knowingly employ any person having such

interest. Contractor hereby certifies that no member of the Board of the contractor or any of its officers or directors has such an adverse interest.

P. INTEREST OF THE COMMONWEALTH AND OTHERS

No officer, member or employee of the Commonwealth and no member of its General Assembly, who exercises any functions or responsibilities under this contract, shall participate in any decision relating to this contract which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested; nor shall any such officer, member or employee of the Commonwealth or member of its General Assembly have interest, direct or indirect, in this contract or the proceeds thereof.

Q. TUBERCULOSIS CONTROL

As recommended by the Centers for Disease Control and the Occupational Safety and Health Administration, effective August 9, 1996, in all State Mental Health and Mental Retardation Facilities, all full-time and part-time employees (temporary and permanent), including contract service providers, having direct patient contact or providing service in patient care areas, are to be tested serially with PPD by Mantoux skin tests. PPD testing will be provided free of charge from the state MH/MR facility. If the contract service provider has written proof of a PPD by Mantoux method within the last six months, the MH/MR facility will accept this documentation in lieu of administration of a repeat test. In addition, documented results of a PPD by Mantoux method will be accepted by the MH/MR facility. In the event that a contractor is unwilling to submit to the test due to previous positive reading, allergy to PPD material or refusal, the risk assessment questionnaire must be completed. If a contractor refuses to be tested in accordance with this new policy, the facility will not be able to contract with this provider and will need to procure the services from another source.

R. ACT 13 APPLICATION TO CONTRACTOR

Contractor shall be required to submit with their bid information obtained within the preceding one-year period for any personnel who will have or may have direct contact with residents from the facility or unsupervised access to their personal living quarters in accordance with the following:

1. Pursuant to 18 Pa.C.S. Ch. 91(relating to criminal history record information) a report of criminal history information from the Pennsylvania State Police or a statement from the State Police that their central repository contains no such information relating to that person. The criminal history record information shall be limited to that which is disseminated pursuant to 18 Pa.C.S. 9121(b)(2) (relating to general regulations).
2. Where the applicant is not, and for the two years immediately preceding the date of application has not been a resident of this Commonwealth, the Department shall require the applicant to submit with the application a report of Federal criminal history record information pursuant to the Federal Bureau of Investigation's under Department of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1973 (Public Law 92-544, 86 Stat. 1109). For the purpose of this paragraph, the applicant shall submit a full set of fingerprints to the State Police, which shall forward them to the Federal Bureau of Investigation for a national criminal history check. The information obtained from the criminal record check shall be used by the Department to determine the applicant's eligibility. The Department shall insure confidentiality of the information.

3. The Pennsylvania State Police may charge the applicant a fee of not more than \$10 to conduct the criminal record check required under subsection 1. The State Police may charge a fee of not more than the established charge by the Federal Bureau of Investigation for the criminal history record check required under subsection 2.

The Contractor shall apply for clearance using the State Police Background Check (SP4164) at their own expense. The forms are available from any State Police Substation. When the State Police Criminal History Background Report is received, it must be forwarded to the Department. State Police Criminal History Background Reports not received within sixty (60) days may result in cancellation of the contract.

S. LOBBYING CERTIFICATION AND DISCLOSURE (applicable to contracts \$100,000 or more)

Commonwealth agencies will not contract with outside firms or individuals to perform lobbying services, regardless of the source of funds. With respect to an award of a federal contract, grant, or cooperative agreement exceeding \$100,000 or an award of a federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000 all recipients must certify that they will not use federal funds for lobbying and must disclose the use of non-federal funds for lobbying by filing required documentation. The contractor will be required to complete and return a "Lobbying Certification Form" and a "Disclosure of Lobbying Activities form" with their signed contract, which forms will be made attachments to the contract.

T. AUDIT CLAUSE (applicable to contracts \$100,000 or more)

This contract is subject to audit in accordance with the Audit Clause attached hereto and incorporated herein.

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

The Commonwealth of Pennsylvania, Department of Human Services (DHS), distributes federal and state funds to local governments, non-profit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal and state funding passed through DHS are subject to DHS audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern. The DHS provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended December 23, 2014.

Subrecipient means a non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards received directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a contractor that receives a procurement contract to provide goods or services that are required to provide the administrative support to carry out a federal program.

A. Federal Audit Requirements – Local Governments and Nonprofit Organizations

A local government and nonprofit organization must comply with all federal audit requirements, including: The Single Audit Act Amendments of 1996; 2 CFR Part 200 as amended; and any other applicable law or regulation, as well as any other applicable law or regulation that may be enacted or promulgated by the federal government.

For years beginning on or after December 26, 2014, a local government or nonprofit organization that expends federal awards of \$750,000 or more during its fiscal year, received either directly from the federal government, indirectly from a pass-through entity, or a combination of both, to carry out a federal program, **is required** to have an audit made in accordance with the provisions outlined in 2 CFR Part 200.501. Please note that for periods prior to this, the threshold is still \$500,000.

If a local government or nonprofit organization expends **total federal awards of less than \$750,000** during its fiscal year, it is exempt from these **federal** audit requirements, but is required to maintain auditable records of federal or state funds that supplement such awards. Records must be available for review by appropriate officials. **Although an audit may not be necessary under the federal requirements, DHS audit requirements may be applicable.**

B. Department of Human Services Audit Requirements

A local government or nonprofit provider must meet the DHS audit requirements.

Where a Single Audit or program-specific audit is conducted in accordance with the federal audit requirements detailed above, such an audit will be accepted by the DHS provided that:

1. A full copy of the audit report is submitted as detailed below; **and**
2. The subrecipient shall ensure that the audit requirements are met for the terms of this contract; i.e., the prescribed Agreed-Upon Procedures (AUP) Report(s) and applicable schedule requirement(s). The incremental cost for preparation of the AUP Report(s) and the schedule cannot be charged to the federal funding stream.

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

The local government or nonprofit organization must comply with all federal and state audit requirements including: the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards contained at 2 CFR 200 and any other applicable law or regulation and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government. **In the absence of a federally required audit**, the entity is responsible for the following annual audit requirements, which are based upon the program year specified in this agreement.

Organizations that **expend \$750,000 or more in combined state and federal funds, but less than \$750,000 in federal funds**, during the program year are required to have an audit of those funds made in accordance with generally accepted *Government Auditing Standards* (The Yellow Book), revised, as published by the Comptroller General of the United States. Where such an audit is not required to meet the federal requirements, the costs related to DHS audit requirements may not be charged to federal funding streams.

If in connection with the agreement, a local government or nonprofit organization **expends \$500,000 or more in combined state and federal funds, but less than \$750,000 in combined state and federal funds**, during the program year, the subrecipient shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements, No. 10, Compliance Attestation (SSAE 10), and shall be of a scope acceptable to the DHS. The initial compliance attestation shall be completed for the program year specified in the contract and conducted annually thereafter. The incremental cost for preparation of the SSAE 10 report cannot be charged to federal funding streams.

The subrecipient shall submit the compliance attestation reports (if applicable) to the DHS within 90 days after the program year has been completed. When the compliance attestation reports are other than unqualified, the subrecipient shall submit to the DHS, in addition to the compliance attestation reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue other than an unqualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable and a contact person who is responsible for the resolution of the situation

If the subrecipient enters into an agreement with a subcontractor(s) for the performance of any primary contractual duties, the audit requirements are applicable to the subcontractor(s) with whom the subrecipient has entered into an agreement. Consequently, the audit requirements should be incorporated into the sub-contractual document as entered by the subrecipient.

A local government or nonprofit entity that **expends less than \$500,000 combined state and federal funds** during the program year is exempt from DHS audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DHS or a pass-through entity.

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT

Local Governments and Nonprofit Organizations

GENERAL AUDIT PROVISIONS

A local government or nonprofit organization is responsible for obtaining the necessary audit and securing the services of an independent, licensed certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for federal and state agencies, or their authorized representatives, to perform additional audits of a financial and/or performance nature, if deemed necessary by Commonwealth or federal agencies. Any such additional audit work may rely on the work already performed by the subrecipient's auditor, and the costs for any additional work performed by the federal or state agency will be borne by those agencies at no additional expense to the subrecipient.

If it is decided that an audit of this contract will be performed, the subrecipient will be given advance notice. The subrecipient shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with the contract terms and conditions. The subrecipient agrees to make available, upon reasonable notice, at the office of the subrecipient, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The subrecipient shall preserve all books, records, and documents related to this contract for a period of time that is the greater of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

Audit documentation and audit reports must be retained by the subrecipient's independent auditor for a minimum of five years from the date of issuance of the audit report, unless the subrecipient's auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit documentation must be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the Government Accountability Office.

Records that relate to litigation of the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors shall be retained by the subrecipient or provided to the Commonwealth at the DHS' option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of the contract, the subrecipient may, in fulfillment of its obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

SUBMISSION OF AUDIT REPORTS TO THE COMMONWEALTH

A. Federally Required Audit Reports

For years beginning prior to December 26, 2014: submit an electronic copy of federally required audit reports to the Commonwealth, which shall include:

1. Auditor's reports
 - a. Independent auditor's report on the financial statements, which expresses an opinion on whether the financial statements are presented fairly in all material respects in conformity with the stated basis of accounting.
 - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should express an opinion on whether the SEFA is fairly stated in all material respects in relation to the subrecipient's basic financial statements taken as a whole. This report can be combined with the independent auditor's report on the basic financial statements or may appear separately in the auditor-submitted document.
 - c. Report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
 - d. Report on compliance and internal control over compliance applicable to each major program in accordance with OMB Circular A-133.
 - e. Schedule of findings and questioned costs.
2. Financial statements and notes thereto
3. SEFA and notes thereto
4. Summary schedule of prior audit findings
5. Corrective action plan (if applicable)
6. Data collection form
7. Management letter (if applicable)

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB Circular A-133.

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The reporting package must be submitted electronically in single Portable Document Format (PDF) file to RA-BOASingleAudit@pa.gov.

Steps for submission:

1. Complete the Single Audit/Program Specific Audit Reporting Package Checklist available on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The Single Audit/Program Specific Audit Reporting Package Checklist ensures the subrecipient's reporting package contains all required elements.
2. Upload the completed Single Audit/Program-Specific Audit Reporting Package along with the Single Audit/Program Specific Audit Reporting Package Checklist in a single PDF file in an e-mail addressed to RA-BOASingleAudit@pa.gov. In the subject line of the e-mail the subrecipient must identify the exact name on the Single Audit/Program-Specific Audit Reporting Package and the period end date to which the reporting package applies.

The subrecipient will receive an email to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

For years beginning on or after December 26, 2014: submit an electronic copy of the audit report package to the Federal Audit Clearinghouse, which shall include the elements outlined in 2 CFR Part 200, Subpart F – Audit Requirements (Subpart F).

In addition, the subrecipient must send a copy of the confirmation from the Federal Audit Clearinghouse to the resource account RA-BOASingleAudit@pa.gov.

B. DHS Required Audit Reports and Additional Submission by Subrecipients

1. Independent Accountant's Report on Applying Agreed-Upon Procedures – which consist of the following procedures for the funding provided by this agreement for the contract year ending within the entity's fiscal year end under audit:
 - (a) Verify by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DHS for fiscal year ended {CONTRACT YEAR END}, have been accurately compiled and reflect the audited books and records of (Auditee). Also verify by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail that directly mirrors the budget page (Rider 3) of the contract. The Schedule of Revenues and Expenditures should mirror the line items on the budget pages of the contract and include a budget and an actual expenditure column pertaining to this period.

Program Name/ Contract Number Referenced Schedule/Exhibit

(List each individual schedule for all contracts in which the auditee participated.)

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT

Local Governments and Nonprofit Organizations

- (b) Inquire of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DHS for the period in question.
- (c) Based on the procedures detailed in paragraphs (a) and (b) above, disclose any adjustments and/or findings and identify which have (have not) been reflected on the corresponding schedules.

(List each separately. Indicate whether it has/has not been reflected on the schedule.)

2. Independent Accountant's Report on Applying Agreed-Upon Procedures – which consist of the following procedures for the entity's fiscal year end under audit. All Local Governments and Nonprofit Organizations who are submitting a single audit in accordance with 2 CFR Part 200, Subpart F are also required to include in their single audit reporting package a supplemental schedule, which is to be subjected to an Agreed-Upon Procedures engagement. The schedule, for which an example is included in this audit clause as Enclosure I, is a reconciliation of the expenditures listed on the Schedule of Expenditures of Federal Awards (SEFA) to the Federal award income received from the Pennsylvania Department of Human Services (DHS), as noted in the revenue audit confirmation received from the Commonwealth of Pennsylvania. The procedures to be performed on the reconciliation schedule are as follows:

- (a) Agree the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column to the audited Schedule of Expenditures of Federal Awards (SEFA).
- (b) Agree the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- (c) Recalculate the amounts listed under the "Difference" column.
- (d) Agree the amounts listed under the "Difference" column to the audited books and records of the Provider.
- (e) Agree the "Detailed Explanation of the Differences" to the audited books and records of the Provider.
- (f) Based on the procedures detailed in paragraphs (a) through (e) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (List each separately.).

SUBRECIPIENT / CONTRACTOR AUDITS

AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

PERIOD SUBJECT TO AUDIT

A federally required audit, conducted in accordance with Subpart F, encompasses the fiscal period of the provider. **Therefore, the period of the federally required audit may differ from the official reporting period as specified in this agreement.** Where these periods differ, the required supplemental schedule(s) of Revenues and Expenditures and the related Independent Accountant's Report on Applying Agreed-Upon Procedures must be completed for the official annual reporting period of this agreement that ended during the period under audit and shall accompany the federally required audit.

CORRECTIVE ACTION PLAN

The provider shall prepare a corrective action plan (CAP) to address all findings of noncompliance, internal control weaknesses, and/or reportable conditions disclosed in the audit report. For each finding noted, the CAP should include: (1) a brief description identifying the findings; (2) whether the provider agrees with the finding; (3) the specific steps taken or to be taken to correct the deficiency or specific reasons why corrective action is not necessary; (4) a timetable for completion of the corrective action steps; (5) a description of monitoring to be performed to ensure that the steps are taken; and (6) the responsible party for the CAP.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DHS' not accepting the report and initiating sanctions against the provider that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Withholding or disallowing administrative costs.
- Suspending subsequent contract funding pending compliance.

TECHNICAL ASSISTANCE

Technical assistance on the DHS' audit requirements and the integration of those requirements with the federal Single Audit requirements will be provided by:

Department of Human Services
Bureau of Financial Operations
Division of Audit and Review
Audit Resolution Section
1st Floor, Forum Place
555 Walnut Street
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Email: RA-pwauditresolution@pa.gov

SUBRECIPIENT / CONTRACTOR AUDITS

<u>SUBRECIPIENT / CONTRACTOR AUDITS</u>						
AUDIT CLAUSE A – SUBRECIPIENT						
Local Governments and Nonprofit Organizations						
<u>ENCLOSURE I</u>						
Entity Name						
Year Ended (ORGANIZATION'S FINANCIAL STATEMENT DATE)						
SUPPLEMENTAL SCHEDULE						
RECONCILIATION						
Federal Awards Passed through the Pennsylvania Department of Human Services						
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply						
<u>CFDA Name</u>	<u>CFDA Number</u>	<u>Federal Expenditures per the SEFA</u>	<u>Federal Awards Received per the audit confirmation reply from Pennsylvania</u>	<u>Difference</u>	<u>Detailed Explanation of the Differences</u>	
		\$	\$	\$		

SUBRECIPEINT / CONTRACTOR AUDITS

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

The Commonwealth of Pennsylvania, Department of Human Services (DHS), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal and state funding passed through DHS are subject to DHS audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern. The DHS provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended December 23, 2014.

Subrecipient means an entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards received directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a contractor that receives a procurement contract to provide goods or services that are required to provide the administrative support to carry out a federal program.

A. Federal Audit Requirements – For-Profit Organizations

The for-profit organization must comply with all federal and state audit requirements including: The Single Audit Act Amendments of 1996; 2 CFR Part 200 as amended; and any other applicable law or regulation, as well as any other applicable law or regulation that may be enacted or promulgated by the federal government.

For years beginning on or after December 26, 2014, a for-profit organization **is required** to have an audit if it expends a total of \$750,000 or more in federal funds under one or more Department of Health and Human Services (DHHS) federal awards. Title 45, CFR 75.501(i) incorporates the thresholds and deadlines of 2 CFR Part 200 as amended, and provides for-profit organizations with two options regarding the type of audit that will satisfy the audit requirements:

1. A financial audit conducted in accordance with generally accepted *Government Auditing Standards* (The Yellow Book), revised; or
2. An audit that meets the requirements contained in 2 CFR Part 200.

If a for-profit organization expends **total federal awards of less than \$750,000** during its fiscal year, it is exempt from these **federal** audit requirements, but is required to maintain auditable records of federal or state funds that supplement such awards. Records must be available for review by appropriate officials. **Although an audit may not be necessary under the federal requirements, DHS audit requirements may be applicable.**

SUBRECIPEINT / CONTRACTOR AUDITS

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

B. Department of Human Services Audit Requirements

A for-profit provider must meet the DHS audit requirements.

Where a Single Audit or program-specific audit is conducted in accordance with the federal audit requirements detailed above, such an audit will be accepted by the DHS provided that:

1. A full copy of the audit report is submitted as detailed below; **and**
2. The subrecipient shall ensure that the audit requirements are met for the terms of this contract; i.e., the prescribed Agreed-Upon Procedures (AUP) Report(s) and applicable schedule requirement(s). The incremental cost for preparation of the AUP Report(s) and the schedule cannot be charged to federal funding streams.

In the absence of a federally required audit, the entity is responsible for the following annual audit requirements, which are based upon the program year specified in this agreement.

If in connection with the agreement, a for-profit organization **expends \$500,000 or more in combined state and federal funds, but less than \$750,000 in federal funds**, during the program year, the subrecipient shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements, No. 10, Compliance Attestation (SSAE 10), and shall be of a scope acceptable to the DHS. The initial compliance attestation shall be completed for the program year specified in the contract and conducted annually thereafter. The incremental cost for preparation of the SSAE 10 report cannot be charged to federal funding streams.

The subrecipient shall submit the compliance attestation reports (if applicable) to the DHS within 90 days after the program year has been completed. When the compliance attestation reports are other than unqualified, the subrecipient shall submit to the DHS, in addition to the compliance attestation reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue other than an unqualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable and a contact person who is responsible for the resolution of the situation.

If the subrecipient enters into an agreement with a subcontractor(s) for performance of any primary contractual duties, the audit requirements are applicable to the subcontractor(s) with whom the subrecipient has entered into an agreement. Consequently, the audit requirements should be incorporated into the sub-contractual document as entered by the subrecipient.

A for-profit entity that **expends less than \$500,000 combined state and federal funds** during the program year is exempt from DHS audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DHS or a pass-through entity.

SUBRECIPEINT / CONTRACTOR AUDITS

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

GENERAL AUDIT PROVISIONS

A for-profit organization is responsible for obtaining the necessary audit and securing the services of an independent, licensed certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary by the Commonwealth or federal agencies. Any such additional audit work may rely on the work already performed by the subrecipient's auditor, and the costs for any additional work performed by the federal or state agency will be borne by those agencies at no additional expense to the subrecipient.

If it is decided that an audit of this contract will be performed, the subrecipient will be given advance notice. The subrecipient shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with the contract terms and conditions. The subrecipient agrees to make available, upon reasonable notice, at the office of the subrecipient, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The subrecipient shall maintain books, records, and documents related to this contract for a period of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. Any records that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with contract terms and conditions must be maintained.

Audit documentation and audit reports must be retained by the subrecipient's independent auditor for a minimum of five years from the date of issuance of the audit report, unless the subrecipient's auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit documentation must be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the Government Accountability Office.

Records that relate to litigation of the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors shall be retained by the subrecipient or provided to the Commonwealth at the DHS' option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of the contract, the subrecipient may, in fulfillment of its obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

SUBRECIPEINT / CONTRACTOR AUDITS

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

SUBMISSION OF AUDIT REPORT TO THE COMMONWEALTH

A. Federally Required Audit Reports

For years beginning prior to December 26, 2014: Submit an electronic copy of federally required audit reports to the Commonwealth, which shall include:

1. Auditor's reports (The reports will vary depending on whether it is an audit that meets the requirements contained in OMB Circular A-133, or a financial audit conducted in accordance with generally accepted Government Auditing Standards (The Yellow Book), revised)
 - a. Independent auditor's report on the financial statements, which expresses an opinion on whether the financial statements are presented fairly in all material respects in conformity with the stated basis of accounting.
 - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should express an opinion on whether the SEFA is fairly stated in all material respects in relation to the subrecipient's basic financial statements taken as a whole. This report can be combined with the independent auditor's report on the basic financial statements or may appear separately in the auditor-submitted document.
 - c. Report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
 - d. Report on compliance and internal control over compliance applicable to each major program in accordance with OMB Circular A-133.
 - e. Schedule of findings and questioned costs.
2. Financial statements and notes thereto
3. SEFA and notes thereto (only for an audit that meets the requirements contained in OMB Circular A-133)
4. Summary schedule of prior audit findings
5. Corrective action plan (if applicable)
6. Management letter (if applicable)

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB Circular A-133.

Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The reporting package must be submitted electronically in single Portable Document Format (PDF) file to RA-BOASingleAudit@pa.gov.

SUBRECIPEINT / CONTRACTOR AUDITS

SUBRECIPIENT AUDIT CLAUSE B For-Profit Organization

Steps for submission:

1. Complete the Single Audit/Program Specific Audit Reporting Package Checklist available on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The Single Audit/Program Specific Audit Reporting Package Checklist ensures the subrecipient's reporting package contains all required elements.
2. Upload the completed Single Audit/Program-Specific Audit Reporting Package along with the Single Audit/Program Specific Audit Reporting Package Checklist in a single PDF file in an e-mail addressed to RA-BOASingleAudit@pa.gov. In the subject line of the e-mail the subrecipient must identify the exact name on the Single Audit/Program-Specific Audit Reporting Package and the period end date to which the reporting package applies.

The subrecipient will receive an email to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

For years beginning on or after December 26, 2014: submit an electronic copy of the audit report package to the Federal Audit Clearinghouse, which shall include the elements outlined in 2 CFR Part 200, Subpart F – Audit Requirements (Subpart F).

In addition, the subrecipient must send a copy of the confirmation from the Federal Audit Clearinghouse to the resource account RA-BOASingleAudit@pa.gov.

B. DHS Required Audit Reports and Additional Submission by Subrecipients

1. Independent Accountant's Report on Applying Agreed-Upon Procedures – which consist of the following procedures for the funding provided by this agreement for the contract year ending within the entity's fiscal year end under audit:
 - (a) Verify by comparison of the amounts and classifications that the supplemental financial schedules listed below, which summarize amounts reported to DHS for fiscal year ended {CONTRACT YEAR END}, have been accurately compiled and reflect the audited books and records of (Auditee). Also verify by comparison to the example schedules that these schedules are presented, at a minimum, at the level of detail that directly mirrors the budget page (Rider 3) of the contract. The Schedule of Revenues and Expenditures should mirror the line items on the budget pages of the contract and include a budget and an actual expenditure column pertaining to this period.

Program Name/ Contract Number Referenced Schedule/Exhibit

(List each individual schedule for all contracts in which the auditee participated.)

- (b) Inquire of management regarding adjustments to reported revenues or expenditures, which were not reflected on the reports submitted to DHS for the period in question.

SUBRECIPEINT / CONTRACTOR AUDITS

SUBRECIPIENT AUDIT CLAUSE B For-Profit Organization

- (c) Based on the procedures detailed in paragraphs (a) and (b) above, disclose any adjustments and/or findings and identify which have (have not) been reflected on the corresponding schedules.

(List each separately. Indicate whether it has/has not been reflected on the schedule.)

2. Independent Accountant's Report on Applying Agreed-Upon Procedures – which consist of the following procedures for the entity's fiscal year end under audit. All For-Profit Organizations who are submitting a single audit in accordance with Title 45, CFR 75.501(i) are also required to include in their single audit reporting package a supplemental schedule, which is to be subjected to an Agreed-Upon Procedures engagement. The schedule, for which an example is included in this audit clause as Enclosure I, is a reconciliation of the expenditures listed on the Schedule of Expenditures of Federal Awards (SEFA) to the Federal award income received from the Pennsylvania Department of Human Services (DHS), as noted in the revenue audit confirmation received from the Commonwealth of Pennsylvania. The procedures to be performed on the reconciliation schedule are as follows:

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- (e) Agree the "Detailed Explanation of the Differences" to the audited books and records of the Provider.
- (f) Based on the procedures detailed in paragraphs (a) through (e) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (List each separately.).

SUBRECIPEINT / CONTRACTOR AUDITS

SUBRECIPIENT AUDIT CLAUSE B For-Profit Organization

PERIOD SUBJECT TO AUDIT

A federally required audit, conducted in accordance with Subpart F, or Title 45, CFR 75.501(i), as appropriate, encompasses the fiscal period of the auditee. **Therefore, the period of the federally required audit may differ from the official reporting period as specified in this agreement.** Where these periods differ, the required supplemental schedule(s) of Revenues and Expenditures and the related Independent Accountant's Report on Applying Agreed-Upon Procedures must be completed for the official annual reporting period of this agreement that ended during the period under audit and shall accompany the federally required audit.

CORRECTIVE ACTION PLAN

The provider shall prepare a corrective action plan (CAP) to address all findings of noncompliance, internal control weaknesses, and/or reportable conditions disclosed in the audit report. For each finding noted, the CAP should include: (1) a brief description identifying the findings; (2) whether the auditee agrees with the finding; (3) the specific steps taken or to be taken to correct the deficiency or specific reasons why corrective action is not necessary; (4) a timetable for completion of the corrective action steps; (5) a description of monitoring to be performed to ensure that the steps are taken; and (6) the responsible party for the CAP.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DHS' not accepting the report and initiating sanctions against the Provider that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Withholding or disallowing administrative costs.
- Suspending subsequent contract funding pending compliance.

TECHNICAL ASSISTANCE

Technical assistance on the DHS' audit requirements and the integration of those requirements with the federal Single Audit requirements will be provided by:

Department of Human Services
Bureau of Financial Operations
Division of Audit and Review
Audit Resolution Section
1st Floor, Forum Place
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P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Email: RA-pwauditresolution@pa.gov

SUBRECIPIENT / CONTRACTOR AUDITS

<u>SUBRECIPIENT / CONTRACTOR AUDITS</u>									
AUDIT CLAUSE B – SUBRECIPIENT									
For-Profit Organizations									
<u>ENCLOSURE I</u>									
Entity Name									
Year Ended (ORGANIZATION'S FINANCIAL STATEMENT DATE)									
SUPPLEMENTAL SCHEDULE									
RECONCILIATION									
Federal Awards Passed through the Pennsylvania Department of Human Services									
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply									
<u>CFDA Name</u>	<u>CFDA Number</u>	<u>Federal Expenditures per the SEFA</u>	<u>Federal Awards Received per the audit confirmation reply from Pennsylvania</u>	<u>Difference</u>	<u>Detailed Explanation of the Differences</u>				
		\$	\$	\$					