



COMMONWEALTH OF PENNSYLVANIA  
**DEPARTMENT OF PUBLIC WELFARE**  
Division of Procurement  
Room 525, Health & Welfare Building  
Commonwealth Avenue & Forster Street  
Harrisburg, PA 17120

BUREAU OF FINANCIAL OPERATIONS  
DIVISION OF PROCUREMENT

**March 7, 2011**

**SUBJECT: RFA 01-11**

Dear Prospective Bidder:

You are invited to submit a proposal for the above subject RFA for the Commonwealth of Pennsylvania, Department of Public Welfare in accordance with the attached Request for Application (RFA).

All applications must be submitted to the Pennsylvania Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Building, 625 Forster Street, Harrisburg, Pennsylvania 17120. **Proposals must be received at the above address no later than 2:00 p.m. on May 10, 2011. Late proposals will not be considered regardless of the reason.**

A pre-proposal webinar will be held on March 24, 2011 from 9:30 a.m. to 11:30 a.m. for the purpose of answering any questions related to this RFA. The pre-proposal webinar is the only opportunity for applicants to ask questions and discuss the specifics of this RFA and the application package. Attendance at the pre-proposal webinar is optional. The webinar will be coordinated by the Center for Schools and Communities and a registration link will be located on their website at [www.center-school.org/ctf](http://www.center-school.org/ctf). The deadline for registration is March 23, 2011.

If an applicant has any questions regarding this RFA, the applicant must submit the questions via email (with the subject line "RFA #01-11 Question") to the RFA Project Officer named on the cover page of the RFA. The applicant shall not attempt to contact the RFA Project Officer by any other means. Questions must be submitted via email *no later than* March 16, 2011 to ensure adequate time for analysis before DPW provides an answer. The applicant may also ask questions during the pre-proposal webinar. No questions will be accepted either verbally or in writing after the end of the pre-proposal webinar. The pre-proposal webinar is for information only. Any answers furnished during the webinar will not be official until they have been verified, in writing, by the Issuing Office. The Issuing Office shall post all written answers to the questions submitted on the Department of General Services' (DGS) website at <http://www.emarketplace.state.pa.us/Search.aspx>, Solicitation #: RFA 01-11.

Applications must be signed by an official authorized to bind the vendor to its provisions. Evaluation of proposals and selection of vendors will be completed as quickly as possible after receipt of proposal.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel R. Boyd".

Daniel R. Boyd  
Director of Procurement

Attachments

**REQUEST FOR APPLICATIONS**  
**FOR**  
**CHILDREN'S TRUST FUND**

**RFA # 01-11**

**Date of Issuance**

March 7, 2011

**ISSUING OFFICE:**

Commonwealth of Pennsylvania  
Department of Public Welfare  
Office of Administration  
Procurement Section  
Room 525 Health and Welfare Building  
Commonwealth Avenue and Forster Street  
Harrisburg, PA 17120  
Website: <http://www.emarketplace.state.pa.us/Search.aspx>  
Enter Solicitation #: **01-11**  
(enter numbers and dashes only)

**RFA PROJECT OFFICER:**

Carrie Collins  
Department of Public Welfare  
Office of Child Development and Early Learning  
Address: 333 Market Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17126-0333  
E-mail: [ccollins@state.pa.us](mailto:ccollins@state.pa.us)  
Fax: (717) 346-9330  
Website: [www.pactf.org](http://www.pactf.org)

**REQUEST FOR APPLICATIONS FOR**

**CHILDREN’S TRUST FUND**

**RFA #01-11**

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## PART I

### GENERAL INFORMATION

#### I-1. Statement of Purpose and General Award Information.

The purpose of the Children's Trust Fund (CTF) grants, which operate under the administration of the CTF Board and the Department of Public Welfare (DPW), is to promote innovative and creative primary and secondary child abuse and neglect prevention programs in community-based settings in order to prevent the first occurrence of abuse and neglect of children in the Commonwealth. Any community-based organization located and operating in Pennsylvania that provides direct services and meets specific criteria discussed within the Request for Applications (RFA) is eligible to apply for a CTF grant.

Grant applications are accepted once a year in accordance with this RFA. Funds are available for a three-year grant cycle that begins November 1, 2011 to support innovative and creative community-based child abuse and neglect prevention projects that address the prevention strategies noted in *Part I, Section I-4* and throughout this RFA and appropriately target areas of need. The maximum CTF grant award is \$40,000 each year for up to three years. A minimum *local* match of 25 percent of the requested CTF grant award for the first year is required. Second and third grant years require a 50 percent match of the requested grant award. The renewal of CTF grants each year is contingent upon the availability of funds and successful evaluation of the project.

#### I-2. Issuing Office.

This RFA is issued for the Commonwealth by the Department of Public Welfare's Bureau of Financial Operations, Division of Procurement, on behalf of the Office of Child Development and Early Learning (OCDEL) and the CTF Board. The RFA Project Officer is the sole point of contact in the Commonwealth for this RFA. The Issuing Office and the RFA Project Officer are listed on the cover page of this RFA.

#### I-3. Scope.

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-4. RFA Focus Statement.

***Selected grantees will use evidence- or research-based methods to provide comprehensive support services to pregnant and parenting teens and young adults that will strengthen families and build protective factors to prevent child abuse and neglect.***

Additional points will be awarded to:

1. applicants whose legal address is located in a county that has received fewer than two CTF grants since 1990.
2. applicants that provide services to counties or communities that do not have a Project ELECT program funded by the Pennsylvania Department of Education (PDE).

**I-5. Type of Grant.**

It is proposed that if DPW enters into an agreement(s) as a result of this RFA, it will be executed as a grant agreement containing all of the Riders attached to this RFA as well as grant language and a grant signature page. DPW, in its sole discretion, may undertake negotiations with applicants whose proposals, in the judgment of DPW, show them to be qualified, responsible and capable of performing the Project.

**I-6. Term of Grant.**

The term of the grant agreement will commence on November 1, 2011 and will end no later than October 31, 2014. The selected grantees shall not start the performance of any work prior to the effective date of the grant agreement.

**I-7. Incurring Costs.**

The Commonwealth is not liable for any costs incurred by the applicant in preparation and submission of its proposal, in participating in the RFA process or for any service or work performed or expenses incurred prior to the effective date and issuance of a fully executed grant agreement.

**I-8. Pre-proposal Conference.**

A pre-proposal webinar will be held on March 24, 2011 from 9:30 a.m. to 11:30 a.m. for the purpose of answering any questions related to this RFA. The pre-proposal webinar is the only opportunity for applicants to ask questions and discuss the specifics of this RFA and the application package.

Attendance at the pre-proposal webinar is optional. The webinar will be coordinated by the Center for Schools and Communities and a registration link will be located on their website at [www.center-school.org/ctf](http://www.center-school.org/ctf). The deadline for registration is March 23, 2011.

**I-9. Questions & Answers.**

If an applicant has any questions regarding this RFA, the applicant must submit the questions via email (with the subject line "RFA #01-11 Question") to the RFA Project Officer named on the cover page of the RFA. The applicant shall not attempt to contact the RFA Project Officer by any other means. **Questions must be submitted via email *no later than March 16, 2011* to**

ensure adequate time for analysis before DPW provides an answer. **The applicant may also ask questions during the pre-proposal webinar. No questions will be accepted either verbally or in writing after the end of the pre-proposal webinar.** The pre-proposal webinar is for information only. **Any answers furnished during the webinar will not be official until they have been verified, in writing, by the Issuing Office.** The Issuing Office shall post all written answers to the questions submitted on the Department of General Services' (DGS) website at <http://www.emarketplace.state.pa.us/Search.aspx>, Solicitation #: 01-11.

#### **I-10. Addenda to the RFA.**

If DPW deems it necessary to revise any part of this RFA before the application response date, the Issuing Office will post an addendum to the RFA on the DGS website listed above. All questions and answers generated from the pre-proposal webinar are considered an addendum to, and part of, this RFA, and will also be posted on the DGS website. Each applicant shall be responsible for monitoring the DGS website for new or revised RFA information. DPW 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 by the Issuing Office.

#### **I-11. Response Date and Grounds for Disqualification.**

To be considered for selection, hard copies of applications are due and must be received and date-stamped by the Issuing Office *no later than 2:00 p.m. on May 10, 2011*. DPW will not accept applications via email or facsimile transmission.

Applications received and date-stamped any time after the due date and time specified, including those that are late due to the delivery service used, will automatically be disqualified and will not be opened for review. Applicants who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. 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.

#### **I-12. Submission Instructions and Checklist.**

To be considered for selection, applicants must submit a complete response to this RFA, using the checklist below to ensure that all required items requested within this RFA are completed and submitted as part of the application package.

## RFA CHECKLIST

### Technical Portion

Do not include cost information or dollar amounts in any part of the Technical portion of the application.

\_\_\_\_\_ *Attachment 1 - Applicant Data Form:* This five-page form must be completed and *signed* by all parties identified in #8 of the form. Please ensure that all portions of this form, #1 to #8, are completed.

\_\_\_\_\_ *Attachment 2 - Grant Signature Page:* The grant agreement document will become part of the grant agreement once a grant is executed. For the purposes of this application, please review the document and *submit only the signature page* (page 4) of this document, *signed* by two agency representatives who are authorized to bind the agency to the grant provisions. *Do not complete any other part of the document and do not submit the entire document.*

\_\_\_\_\_ *Rider 2 - Work Statement:* Please complete the Work Statement in clear, specific language. You must respond to all questions in the Work Statement within the 15-page limit, not including the cover page. Do not attach additional pages or write on the back of this form. Any information provided outside of the page limit will not be reviewed (with the exception of permissible attachments), and will affect the total score. Please refer to *Part II, Program Requirements and Work Statement.*

\_\_\_\_\_ *Rider L - Lobbying Certification Form:* The applicant agency and any subcontracting agencies under this grant must each review and sign this form that will become part of the grant agreement if a grant is awarded and executed.

\_\_\_\_\_ *Permissible Attachments:* In addition to the documents listed above, attachments that are permitted to be included with this application are:

- Letters of commitment or support from organizations that participated in the planning and/or implementation of the proposed program, as identified on the signature page of Attachment 1, Applicant Data Form.
- *Do not* include supplemental attachments or appendices including, but not limited to, needs assessments, evaluation materials, newspaper articles, brochures, pamphlets, timetables, maps and letters of support that are not *specifically* required within this application.

### Cost Portion

\_\_\_\_\_ *Rider 3 - Budget Form and Narrative:* A budget form and accompanying budget narrative must be completed for each year of the project, including a minimum allocation each year of \$500 under line item 390 for grantee professional development.

\_\_\_\_\_ *Rider 4 - Local Match Verification Letter(s):* Local Match Verification Letters for the cash and in-kind portions of the local match for the first grant year only must be completed and signed by the contributor(s), equal to the amount of cash and in-kind match listed in the first year budget form. Match letters for the second and third grant years will be submitted before the start of each grant year after the grant is executed.

\_\_\_\_\_ *Rider 5 - State and Federal Funding Assurance:* Identify the source of any state or federal funds received by the agency and sign the form stating that no state or federal funds will be used as local matching funds for the grant.

### Application Submission

Each application shall consist of two *separately* sealed envelopes, one containing the Technical portion (with no cost or dollar amounts included) and one containing the Cost portion.

\_\_\_\_\_ Submit one original and nine (9) binder-clipped copies of the Technical portion in a sealed envelope labeled "Technical."

\_\_\_\_\_ Submit one original and two (2) binder-clipped copies of the Cost portion in a sealed envelope labeled "Cost."

\_\_\_\_\_ In addition to the hard copies, applicants shall submit one **complete and exact** copy of the entire application (Technical and Cost portions) on CD-ROM or 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. The applicants may not lock or protect any cells or tabs. The CD or Flash drive should clearly identify the applicant and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted.

*Each portion of the application must be identified by using the sample label provided below.* These labels will ensure that both portions of your application are properly identified. Attach one label to the outside of the envelope containing the Technical portion of the application and label the envelope "TECHNICAL." Attach the other label to the outside of the envelope containing the Cost portion of the application and label this envelope "COST." The two separately sealed envelopes and the CD-ROM or Flash drive may be mailed in one larger package to the address indicated on the sample label.

<b>FROM:</b>		
<b>TO:</b>	<b>BID:</b>	<b>RFA NUMBER: #01-11</b>
		<b>DEADLINE DATE AND TIME: MAY 10, 2011 2:00 p.m.</b>
<b>DEPARTMENT OF PUBLIC WELFARE DIVISION OF PROCUREMENT HEALTH &amp; WELFARE BUILDING, ROOM 525 COMMONWEALTH &amp; FORSTER STS. HARRISBURG, PA 17120</b>		



Applications must be received and date-stamped by the Issuing Office listed on the label no later than 2:00 p.m. on May 10, 2011 or disqualification will occur.

The applicant shall make no other distribution of its proposal to any other applicant or Commonwealth official or Commonwealth consultant. If DPW selects the applicant's proposal for award, the contents of the selected applicant's proposal will become obligations, except to the extent the contents are changed through negotiations.

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

### **I-13. General Eligibility Criteria.**

Applicants must submit their applications by the due date and time specified, in the format outlined in *Part I, Section I-12*, and signed by two agency representatives who are authorized to bind the agency to the grant provisions. All cost information and dollar amounts relating to this application must be kept separate from, and not included in, the Technical section.

Any organization or agency located and operating in Pennsylvania may apply for CTF funding to implement innovative and creative community-based child abuse and neglect prevention programs as outlined in this RFA. Applicants may submit only one application per year. No single entity may be the primary recipient of more than one CTF grant at any time. Current CTF grantees may apply for a new grant during the third or final year of their current grant. Former and current CTF grantees must complete #7 of the Applicant Data Form (Attachment 1).

Organizations with multiple partners may apply as one entity. Each organization's role should be clearly addressed and understood with one partner designated as the primary grantee and contact point. The primary grantee's federal identification number must be indicated on the Applicant Data Form.

If an applicant is subcontracting with a current CTF grantee, the applicant must ensure that they receive 25 percent or less of the current grantee's CTF award to be eligible for funding under this application.

Programs that provide *primary* and *secondary* child abuse and neglect prevention services, as opposed to tertiary prevention services, will be eligible for funding. Research literature strongly suggests that primary prevention is most often the least expensive and most effective means of solving a wide range of social problems, including child abuse and neglect. It is proactive,

providing help before crisis begins. Primary and secondary prevention efforts take measures to keep abuse and neglect from occurring for the first time in a family and build on family strengths, as opposed to family deficits.

Primary prevention includes services that promote the general welfare of children and families by *preventing the first occurrence* of child abuse and neglect. Primary prevention services are available to the general public and there is no screening for child abuse risk. Secondary prevention includes services that identify children and families who are in circumstances where there is an increased risk for child abuse and neglect. Although these families are thought to be at greater risk, the provision of assistance is also to *prevent the first occurrence* of child abuse and neglect. Tertiary prevention services are services that provide intervention-based or treatment services and are not eligible for funding, as described in the Ineligible Programs section below.

*Ineligible Programs:*

Programs that provide intervention-based or treatment services to families where maltreatment has already occurred are considered tertiary prevention services. The goal is to prevent further maltreatment and to break the family cycle of abuse. CTF grants are not intended to fund services that focus on symptomatic behaviors that are the result of specific incidences of child abuse and neglect. Programs providing tertiary prevention services are not eligible for funding.

The CTF Board reserves the right to disqualify any program they feel to be programmatically or clinically unsound or that does not meet the eligibility requirements stated in this RFA. Based on the findings of the CTF Evaluation Committee, applicants chosen for funding may be requested to make revisions to their program work statements, as part of the grant negotiation process, at the discretion of the CTF Board.

*Conflict of Interest:*

All members of the CTF Board are bound by applicable state law regarding conflict of interest in granting or receiving funds from the Children's Trust Fund. No organization shall be barred from applying for funding from the Children's Trust Fund solely because an employee or board member of the organization is also a Children's Trust Fund Board member. However, that board member shall recuse himself or herself from any discussion or deliberation regarding that organization's application or funding.

In addition, the CTF Board may disqualify a grant applicant if a grant applicant or an agent of the grant applicant attempts to unduly influence a member of the CTF Board, Evaluation Committee or CTF staff. Please refer to Appendix A for a listing of CTF Board members.

**I-14. Restriction of Agreement.**

From the issue date of this RFA until DPW selects the awards, the RFA Project Officer is the sole point of contact concerning this RFA. Any violation of this condition may be cause for DPW to reject the offending applicant's proposal. If DPW later discovers that the applicant has engaged in any violations of this condition, DPW may reject the offending applicant's proposal or rescind its contract award. Applicants must agree not to distribute any part of their proposals beyond the Issuing Office. An applicant who shares information contained in its proposal with other Commonwealth personnel and/or competing applicant personnel may be disqualified.

**I-15. Economy of Preparation.**

Applicants should prepare proposals simply and economically, providing a straightforward, concise description of the applicant's ability to meet the requirements of the RFA.

**I-16. 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 acknowledges and accepts full responsibility to insure 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.

**I-17. Alternate Applications.**

DPW has identified the basic approach to meeting its requirements, allowing applicants to be creative and propose their best solution to meeting these requirements. Therefore, DPW will not accept alternate applications.

**I-18. Application Confidentiality.**

Applicants should not label application submissions as confidential or proprietary. DPW will hold all applications in confidence and will not reveal or discuss any application with competitors for the grant, unless disclosure is required: 1) Under the provisions of any Commonwealth or United States statute or regulation; or 2) By rule or order of any court of competent jurisdiction.

After a grant is executed, however, applications are considered public record under the *Commonwealth Right-to-Know Law*, and, therefore, are subject to disclosure. All material submitted with the application becomes the property of the Commonwealth of Pennsylvania and may be returned only at DPW's option. DPW, in its sole discretion, may include any person other than competing applicants on the proposal evaluation committee. The Commonwealth may use any or all ideas presented in any application regardless of whether the application becomes part of a contract.

**I-19. Discussions for Clarification.**

Applicants may be required to make an oral or written clarification of their applications to DPW to ensure thorough mutual understanding and applicant responsiveness to the solicitation requirements. The RFA Project Officer will initiate requests for clarification. DPW may request additional information, which, in the DPW'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.

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

**I-20. Rejection of Applications.**

DPW may, in its sole and complete discretion, reject any application received in response to this RFA.

**I-21. Debriefing Conferences.**

Applicants whose proposals are not selected will be notified of the name of the selected grantees and given the opportunity to be debriefed. The RFA Project Officer will schedule the time and location of the debriefing. The debriefing will not compare the applicant with other applicants, other than the position of the applicant's proposal in relation to all other applicant proposals. An applicant's exercise of the opportunity to be debriefed does not constitute the filing of a protest.

**I-22. Notification of Selection.**

DPW will notify the selected applicants in writing of its selection for negotiation after DPW has determined, taking into consideration all of the evaluation factors, the proposals that are the most advantageous to DPW.

**I-23. Prime Grantee Responsibilities.**

The grant will require the selected applicant to assume responsibility for all services offered in its application whether it produces them itself or by subcontract. DPW will consider the selected applicant to be the sole point of contact with regard to Program matters.

#### **I-24. News Releases.**

Applicants shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this project until after the grant is executed. News releases and other public communications must be forwarded to the RFA Project Officer for review.

#### **I-25. 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 proposal are material and important, and DPW may rely upon the contents of the proposal in making awards.
- b. The applicant has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other applicant or potential offeror.
- c. The applicant has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal 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 proposal submission deadline.
- d. The applicant has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- e. The applicant makes its proposal 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 proposal.
- f. To the best knowledge of the person signing the proposal 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* 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 proposal.
- g. To the best of the knowledge of the person signing the proposal for the applicant and except as the applicant has otherwise disclosed in its proposal, 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 by the Commonwealth, any other state or the federal government, and if the applicant cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- i. The applicant has not made, under separate contract with the DPW, any recommendations to DPW concerning the need for the services described in its proposal or the specifications for the services described in the proposal.

- j. Each applicant, by submitting its proposal, 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 DPW, there is no legal and valid agreement, in law or in equity, and the applicant shall not begin to perform.

## PART II

### PROGRAM REQUIREMENTS AND WORK STATEMENT

#### II-1. Description of Program Requirements.

##### Strengthening Families to Prevent Child Abuse and Neglect

Recent research indicates that efforts to reduce and prevent child abuse and neglect are most successful when services and supports embody a strength-based, family support approach that builds on assets and protective factors to strengthen families. The Annie E. Casey Foundation defines family strengthening as “a deliberate and sustained effort to ensure that parents have the necessary opportunities, relationships, networks and supports to raise their children successfully.” *This is the basis for the Children’s Trust Fund’s ongoing support of strategies that focus on strengthening families and building protective factors and resiliency within parents, caregivers and children in order to prevent child abuse and neglect. “Children do better when their families are strong, and families do better when they live in communities that help them succeed.”*<sup>1</sup>

“For years, researchers have been studying risk factors for many social problems, including child abuse and neglect. This ‘risk factors’ approach looks for characteristics that are common among families experiencing abuse and neglect – thus identifying families that might be ‘at risk’ for abuse and neglect. In contrast, a ‘protective factors’ approach looks for attributes that might serve as buffers, helping parents who might otherwise be at risk of abusing and neglecting their children to find alternate resources, supports or coping strategies that allow them to parent effectively, even under stress. This is particularly important for parents who, as children, experienced abusive parenting.”<sup>2</sup>

Adolescents experience a variety of physical, cognitive, social and emotional changes throughout their development and young mothers and fathers face even greater obstacles. While some adolescent parents and their children have favorable outcomes and do very well in spite of numerous adversities, in general, young parents and their children are at higher risk in a number of areas.<sup>3</sup> Parent education programs for adolescent parents have yielded positive results in terms of increasing both knowledge of child development and parent-child interaction skills, as well as changing parental attitudes (Clewell, Brooks-Gunn, & Benasich, 1989; Coren, Barlow, & Stewart-Brown, 2003; Weinman, Schreiber, & Robinson, 1992).<sup>4</sup>

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<sup>1</sup> Annie E. Casey Foundation; National Human Services Assembly, Family Strengthening Policy Center; <http://www.nationalassembly.org/fspc/documents/PolicyBriefs/FSPBrief23FINAL.pdf>.

<sup>2</sup> *Protecting Children by Strengthening Families: A Guidebook for Early Childhood Programs*; page 1-4; Center for the Study of Social Policy; Washington, D.C.; April 2004. [http://www.strengtheningfamilies.net/images/uploads/program\\_tools/SF\\_Guidebook\\_2nd\\_Ed.pdf](http://www.strengtheningfamilies.net/images/uploads/program_tools/SF_Guidebook_2nd_Ed.pdf).

<sup>3</sup> Zeanah, C.H., Boria, N.W., & Larieu, J.A. (1997). Infant development and developmental risk: A review of the past ten years. *Journal of the American Academy of Adolescent Psychiatry*, 36(2), 165-178. [http://www.cpeip.fsu.edu/resourceFiles/resourceFile\\_75.pdf](http://www.cpeip.fsu.edu/resourceFiles/resourceFile_75.pdf).

<sup>4</sup> Mann, M.B. (2004) *Effects of parent education on knowledge and attitudes*. [http://findarticles.com/p/articles/mi\\_m2248/is\\_154\\_39/ai\\_n6364181/](http://findarticles.com/p/articles/mi_m2248/is_154_39/ai_n6364181/).

## Teen Pregnancy Statistics

### *National Statistics:*<sup>5</sup>

- The national teen pregnancy rate for girls ages 15 to 19 peaked in 1990 at 116.9 pregnancies per 1,000 girls.
- After steadily decreasing a total of 41 percent from 1990 to 2005, the rate for girls in this age range increased by 3 percent from 69.5 in 2005 to 71.5 pregnancies per 1,000 girls in 2006, and preliminary reports show a further increase in 2007.
- In 2006, 750,000 women younger than 20 became pregnant, about 7 percent of all women in this age group.

### *Pennsylvania Statistics:*<sup>6</sup>

- In Pennsylvania, the teen pregnancy rate for girls ages 15 to 19 has averaged below the national rate.
- From 1988 to 2005, the pregnancy rate for girls in this age range decreased 39 percent.
- In 2005, the rate was 53 pregnancies per 1,000 girls, ranking Pennsylvania the 12<sup>th</sup> lowest rate of teen pregnancy amongst all states. The national average was 70 and the highest rate was the District of Columbia at 165 pregnancies per 1,000 girls.
- Pennsylvania's rate decreased drastically in 2006, 42.7 pregnancies per 1,000 girls, then increased again in 2007 and 2008 to 43.7 and 44.3 pregnancies per 1,000 respectively.
- From 1992 to 2005, the pregnancy rate for Non-Hispanic White and African-American teens decreased at a higher percentage, 43 percent and 46 percent respectively, than for Hispanic teens, where there was a 21 percent decrease.
- In 2005, the pregnancy rate for Non-Hispanic White girls ages 15-19 was 34 pregnancies per 1,000 girls; for African-American and Hispanic girls in this age range, the rate was 141 and 147 pregnancies per 1,000 girls respectively, much higher than the national rate.

The declining teen birth rate trend of the 1990s and early 2000s has shown to have significantly improved overall child well-being, and more specifically, has had a direct impact on improving child poverty in all 50 states and the District of Columbia. According to the *What If Project* of the National Campaign to Prevent Teen and Unplanned Pregnancy, if teen pregnancy and birth rates had not declined over the years, more children would have been born to teen mothers, and therefore, in 2005 the child poverty rate would have been much higher.<sup>7</sup>

The increase in the pregnancy and birth rates over the last two years has generated much discussion and debate as to the contributing factors. The National Campaign to Prevent Teen

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<sup>5</sup> Kost, K., Henshaw, S., & Carlin, L. (2010). *U.S. Teenage Pregnancies, Births and Abortions: National and State Trends and Trends by Race and Ethnicity*. Retrieved January 2010, from <http://www.guttmacher.org/pubs/USTPTrends.pdf>. Percent change in rates calculated by the National Campaign to Prevent Teen and Unplanned Pregnancy.

<sup>6</sup> Kost, K., Henshaw, S., & Carlin, L. (2010). *U.S. Teenage Pregnancies, Births and Abortions: National and State Trends and Trends by Race and Ethnicity*. Retrieved January 2010, from <http://www.guttmacher.org/pubs/USTPTrends.pdf>. Percent change in rates calculated by the National Campaign to Prevent Teen and Unplanned Pregnancy.

<sup>7</sup> *The What-If Project*; The National Campaign to Prevent Teen and Unplanned Pregnancy; State-by-state analysis, 2005; <http://www.thenationalcampaign.org/national-data/the-what-if-project.aspx>.



and Unplanned Pregnancy compiled suggested factors from limited available data, observations of those that work in the directly with teens, and researchers who study the issue. Following are several of their suggestions:<sup>8</sup>

- More sex, less contraception;
- Limited information about contraception and an emphasis on abstinence only;
- Less concern about HIV/AIDS;
- The need to continue prevention and intervention strategies with older teens (ages 18 - 19);
- Changes in the racial/ethnic makeup of the teen population;
- Complacency, fewer resources and prevention fatigue; and
- An “anything goes” culture.

Despite the overall declining trend and its positive effects on child well-being and child poverty, the United States continues to have the highest rate of teen pregnancy and births when compared to other industrialized nations.<sup>9</sup>

*Thirty-five percent of girls get pregnant at least once before the age of 20 in this nation – nearly 850,000 teen pregnancies annually – and nearly one-quarter of teen mothers have a second birth before turning 20.*<sup>10</sup>

Early pregnancy and childbearing is a critical social issue that results in a host of other adverse effects for young mothers and fathers, their children and society as a whole. Comprehensive teen pregnancy prevention programs, including abstinence, sex and contraception education, are needed to give teens and young adults accurate and reliable information to make responsible decisions that will impact their future.

### Effects of Early Pregnancy and Childbearing<sup>11</sup>

#### *For Teen Parents:*

- Teenage mothers are more likely to drop out of school. Only one-third of teen mothers receive a high school diploma.
- Teen mothers who complete high school are less likely to go to college than young women who delay childbearing.
- Teenage births are associated with lower annual income.
- 78% of births to teens occur outside of marriage.
- Nearly 80% of unmarried teen mothers end up on welfare.
- One-fourth of teenage mothers have a second child within two years of their first.

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<sup>8</sup> *Why are the Teen Pregnancy and Birth Rates Increasing?*; The National Campaign to Prevent Teen and Unplanned Pregnancy; January 2010; [http://www.thenationalcampaign.org/resources/pdf/Briefly\\_Why-Are-the-Rates-Increasing.pdf](http://www.thenationalcampaign.org/resources/pdf/Briefly_Why-Are-the-Rates-Increasing.pdf).

<sup>9</sup> United States: Martin, J.A., Hamilton, B.E., Sutton, P.D., Ventura, S.J., Matthews, T.J., Kirmeyer, S. & Osterman, M.J.K.. (2010). Births: Final data for 2007. *National Vital Statistics Reports*, 58 (24). Other Countries: United Nations Statistical Division. Demographic Yearbook 2007. New York: United Nations. [http://www.thenationalcampaign.org/resources/pdf/TBR\\_InternationalComparison.pdf](http://www.thenationalcampaign.org/resources/pdf/TBR_InternationalComparison.pdf).

<sup>10</sup> *What Docs Should Know About the Impact of Teen Pregnancy on Young Children*; The National Campaign to Prevent Teen and Unplanned Pregnancy; <http://www.docsfortots.org/resources/talkingPoints/docs/teenpregnancy.pdf>.

<sup>11</sup> *Providing Educational Services and Support to Pregnant and Parenting Teen Students*; page 1-2; Center for Schools and Communities under contract with the Pennsylvania Department of Education, Harrisburg, PA; April 2007; <http://ppt-elect.center-school.org/providers/304/PPT%20Guidebook.pdf>.

- About one in four sexually experienced teens contract a sexually transmitted disease each year.
- For adolescent boys involved in teenage pregnancy, there is an increased rate of delinquent behavior, including alcohol and substance abuse, lower educational level, and reduced earning potential. Teen fathers will achieve less in terms of economic and educational success, will work more hours and will work for far more years than those who do not father a child in adolescence.

*For Children of Teen Parents:*

Children born to teenage mothers are more likely to experience problems throughout life related to teenage pregnancy and parenting. They are at increased risk of school failure, poverty, physical and mental illness.

- One-third of pregnant teens receive inadequate prenatal care.
- Babies born to teen mothers are more likely to have low birth weight. Low birth weight is associated with infant and childhood health problems and a high rate of infant mortality.
- At risk for receiving inadequate nutrition, health care, and intellectual and social stimulation, babies born to teen mothers may have underdeveloped intellect and ultimately lower academic achievement.
- Babies and children born to teenage mothers are at greater risk for abuse and neglect. Many young mothers have unrealistic expectations about their parenting role and are easily frustrated by the constant demands of caring for a child.
- Boys born to teenage mothers are 13% more likely to be incarcerated.
- Girls born to teenage mothers are 22% more likely to become teenage mothers.

Public Costs<sup>12</sup>

Teen childbearing is costly to the public sector—federal, state, and local governments and the taxpayers who support them.

*Nationally:*

- Teen childbearing costs taxpayers at least \$9 billion each year, including public sector health care costs, increased child welfare costs, increased prison costs, and lost tax revenue.
- Between 1991 and 2004 there were over 6 million births to teens in the United States. The estimated cumulative public cost of teen childbearing during this time period is \$161 billion.
- Due to the dramatic decline in the teen birth rate between 1991 and 2004, taxpayers saved an estimated \$6.7 billion in 2004 alone.

*In Pennsylvania:*<sup>13</sup>

- In 2004, childbearing to teens 19 and younger cost Pennsylvania taxpayers approximately \$389 million – 37 percent federal costs and 63 percent state and local costs.

<sup>12</sup> *Why It Matters: Linking Teen Pregnancy Prevention to Other Critical Social Issues*; The National Campaign to Prevent Teen and Unplanned Pregnancy; March 2010; <http://www.thenationalcampaign.org/why-it-matters/pdf/introduction.pdf>.

<sup>13</sup> *By the Numbers: The Public Costs of Teen Childbearing in Pennsylvania*; The National Campaign to Prevent Teen Pregnancy; November 2006; <http://www.thenationalcampaign.org/costs/pdf/states/pennsylvania/fact-sheet.pdf>.

- Most of the costs of teen childbearing are associated with negative consequences for the *children* of teen mothers. In Pennsylvania, in 2004, annual taxpayer costs associated with children born to teen mothers included: \$68 million for public health care (Medicaid and SCHIP); \$168 million for child welfare; \$87 million for incarceration; and \$93 million in lost tax revenue, due to decreased earnings and spending.
- There were more than 214,000 teen births between 1991 and 2004, costing taxpayers approximately \$7 billion over that time period. The declining pregnancy and birth rates between 1990 and 2005 has resulted in reduced costs for teen childbearing. In 2004 alone, an estimated \$287 million was saved.

### **Statement of Purpose**

Young parents are simultaneously faced with the developmental challenges of adolescence; the demands of parenting; and the responsibility for the cognitive, social and emotional development of a child. The most effective teen parenting programs are multi-faceted and comprehensive, addressing adolescent issues, parenting concerns and child development topics.<sup>14</sup>

***Selected grantees will use evidence- or research-based methods to provide comprehensive support services to pregnant and parenting teens and young adults that will strengthen families and build protective factors to prevent child abuse and neglect.***

### **Applicant Requirements**

1. Develop and implement strategies for supporting pregnant and parenting teens and young adults in building protective factors and strengthening their families' effective functioning to prevent child abuse and neglect. Applicants must:
  - Identify evidence- or research-based curricula, materials and/or resources that will be used to support and educate program participants;
  - Utilize the Ages and Stages Questionnaire with the children of the young parents being served to identify potential developmental delays and refer for Early Intervention services when appropriate; and
  - Demonstrate how their chosen strategies are aligned with the Strengthening Families™ Protective Factors framework.

Comprehensive programs are multi-faceted and include multiple support services and education topics that focus on the various aspects of young parents' lives. Comprehensive strength-based pregnant and parenting programs for teens and young adults funded under this application *must* include:

- case management services to address the individual needs of each teen or young parent and their children;

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<sup>14</sup> *Providing Educational Services and Support to Pregnant and Parenting Teen Students*; page 19; Center for Schools and Communities under contract with the Pennsylvania Department of Education, Harrisburg, PA; April 2007; <http://ppt-elect.center-school.org/providers/304/PPT%20Guidebook.pdf>.

- parenting education on such topics as child development, brain development, attachment, play, literacy, discipline, pre- and post-natal care, nutrition, safety, child abuse and neglect prevention; and
  - family engagement using one or more methods, including home visitation, support groups, community classes, individual or group counseling, and/or technology such as texting and virtual home visits.
2. Demonstrate knowledge of community resources and linkages that will be used to help strengthen and support pregnant and parenting teens and young adults. Applicants must detail how they will effectively share this information with parents and the extended family when a need is present.
  3. Collaborate and coordinate with overarching county or community collaborative or advisory groups and services that focus on early childhood and child abuse and neglect prevention issues to identify needs, avoid duplication of services and assure sustainability of the services. This includes, *but is not limited to*:
    - the county children and youth agency;
    - school districts, Intermediate Units, and Title IX Coordinators;
    - existing pregnant and parenting teen programs and advisory groups;
    - the county’s Community Engagement Group (CEG);
    - health departments; and
    - other early childhood, home visiting, child abuse and neglect prevention and family support services within the community.

The county children and youth agency’s support for the proposed program is required and the agency representative must provide his/her signature within #8 of *Attachment 1 – Applicant Data Form*. Representatives from other agencies that were involved in the planning and implementation of the proposed program are very strongly encouraged to provide their support by signing #8 of the *Applicant Data Form*, as well as by providing letters of support for your proposed program as attachments to your application.

### Funding Priorities

Additional points will be awarded to:

1. Applicants whose legal address is located in a county that has received fewer than two CTF grants since 1990. Refer to Appendix B for a listing of CTF grants awarded by county.
2. Applicants that provide services to counties or communities that do not have a Project ELECT (Education Leading to Employment and Career Training) program funded by the Pennsylvania Department of Education (PDE). Refer to the Center for Schools and Communities website at <http://ppt-elect.center-school.org/index.cfm?pageid=3488> for a listing of PDE-funded Project ELECT sites by county.

## Strengthening Families™ Framework

The 2011 Children’s Trust Fund Request for Application will focus on the prevention of child abuse and neglect by providing supportive services to pregnant and parenting teens and young adults that ultimately strengthen families through the use of five protective factors outlined in the Center for the Study of Social Policy’s Strengthening Families™ approach. Ongoing research conducted by the Center for the Study of Social Policy has shown that the presence and prominence of five protective factors in families reduces the likelihood of child abuse and neglect and contributes to excellent outcomes for young children.

## Strengthening Families™ Protective Factors

- **Parental resilience** – parents maintain a positive attitude and have the ability to cope with, creatively solve, and bounce back from all types of life challenges;
- **Social connections** – parents have a network of people, agencies, and organizations that provide emotional support and concrete assistance;
- **Knowledge of parenting and child development** – parents understand what to expect at different stages of child development, effective parenting skills, and ways of finding help with specific developmental and behavioral problems;
- **Concrete support in times of need** – parents have access to formal and informal services and support from social networks in times of family crisis; and
- **Social and emotional competence of children** – parents work with children to help them learn to interact positively with others, communicate their emotions, and feel good about themselves.<sup>15</sup>

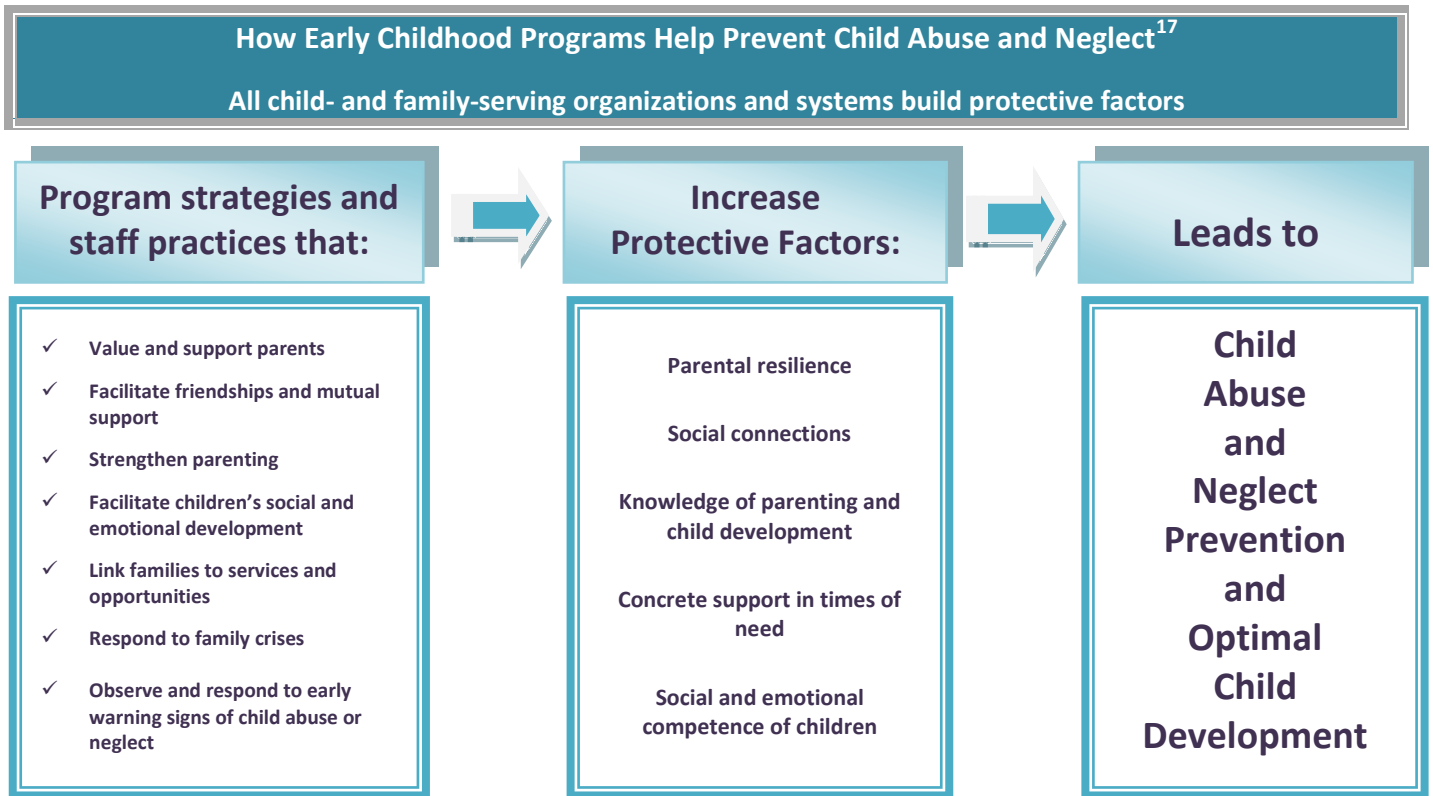
“In keeping with the goal of focusing on strengths instead of deficits, the Strengthening Families™ approach uses a logic model for reducing child abuse and neglect based on building resiliency rather than reducing risk.”<sup>16</sup> The logic model that follows was developed by first identifying protective factors that were correlated to child abuse and neglect prevention and then identifying program strategies that build these protective factors. Based on observations and study of exemplary early care and education programs in the field, several programmatic elements were identified that build protective factors. The program strategies described for Quality Early Care and Education organizations may be effectively used as a basis for any community-based service or care provider to develop programming related to strengthening and supporting families in order to prevent child abuse and neglect.

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<sup>15</sup> *Strengthening Families Self-Assessment for Family Child Care Providers*; page i; Center for the Study of Social Policy; Washington, D.C.; October 2009. [http://strengtheningfamilies.net/images/uploads/pdf\\_uploads/Family\\_Child\\_Care\\_Self\\_Assessment.pdf](http://strengtheningfamilies.net/images/uploads/pdf_uploads/Family_Child_Care_Self_Assessment.pdf).

<sup>16</sup> *Protecting Children by Strengthening Families: A Guidebook for Early Childhood Programs*; page 1-5; Center for the Study of Social Policy; Washington, D.C.; April 2004. [http://www.strengtheningfamilies.net/images/uploads/program\\_tools/SF\\_Guidebook\\_2nd\\_Ed.pdf](http://www.strengtheningfamilies.net/images/uploads/program_tools/SF_Guidebook_2nd_Ed.pdf).

This logic model should become the foundation of the applicant’s program design and provide the areas for service delivery and evaluation of the programs’ impact on children’s healthy social-emotional functioning and family strengthening.



Evidence- or research-based curricula, materials and/or resources must be utilized within the services and supports provided to pregnant and parenting teens and young adults that will provide young parents with strategies to strengthen their resilience and functioning; deepen their understanding of child development and use of positive learning strategies to guide children’s behavior and social/emotional development; and assist in building a network of supports and connections to family and services when in need. Applicants must demonstrate the evidence- or research-base that supports the effectiveness of the chosen curricula, materials and/or resources.

Within the framework of the program design, applicants must detail the methods and experiences that will be used with young parents that align with the seven strategies identified in the Logic Model as a means of building protective factors and preventing child abuse and neglect. Following are some examples of strategies that can be used within the chosen research- or evidence-based curriculum, materials and/or resources to support young parents, children and families.

<sup>17</sup> *Protecting Children by Strengthening Families: A Guidebook for Early Childhood Programs*; page 1-7; Center for the Study of Social Policy; Washington, D.C.; April 2004. [http://www.strengtheningfamilies.net/images/uploads/program\\_tools/SF\\_Guidebook\\_2nd\\_Ed.pdf](http://www.strengtheningfamilies.net/images/uploads/program_tools/SF_Guidebook_2nd_Ed.pdf).

1. Value and support parents
  - Support families in effectively building and enhancing positive relationships and interactions between young parents and their children and between young parents and other adults who care for their children, including young fathers and the young parents' extended families.
  - Serve as a partner with young parents in their child's development, learning and education and listen to young parents' questions, concerns and opinions.
  - Help young parents to understand their role as their child's first and most important teacher.
  - Help to develop leadership and advocacy skills in young parents.
  - Provide specific services focused on young fathers.
  - Provide education and support around typical developmental, academic and social issues that affect adolescents.
2. Facilitate friendships and mutual support
  - Develop strong relationships between the service provider and the young parents and children served, as well as the young parent's extended family when appropriate.
  - Assist young parents and families to develop and maintain connections with each other.
3. Strengthen parenting
  - Identify and implement activities that engage both young parents and children together.
  - Model parenting skills and techniques to the young parents you will serve.
  - Provide information on additional community-based resources and classes on parenting, child development, developmentally appropriate discipline, etc. that are available to the young parents and families you will serve.
4. Facilitate children's social and emotional development
  - Provide coaching and mentoring on the development of experiences and activities that support young children's healthy social and emotional growth and development.
  - Mentor the young parents' use of positive reinforcement and praise with their child.
  - Offer support and training on positive methods of child guidance and behavior.
5. Link families to services and opportunities
  - Be knowledgeable of community-based service agencies including the referral process, funding assistance, and the identification of the best service for specific family needs. This may include, but is not limited to, accessing health insurance, child care and subsidies, Early Intervention, transportation, housing, finance management, domestic/partner violence, sexual abuse.
  - Help young parents ensure they are receiving adequate prenatal care while pregnant and pediatric health care for their child once born.
  - Provide reproductive health education to prevent second pregnancies.
  - Assist young parents in setting goals to complete their secondary education, obtain higher education, and gain employment.
  - Develop a resource library that describes community agencies and the services offered.

6. Respond to families who may be in crisis
  - Be available to young parents and their extended family to discuss and seek support for difficult home situations.
  - Describe the importance of confidentiality.
  - Understand the characteristics of high-risk behaviors, as appropriate, in family dynamics.
7. Observe and respond to early warning signs of child abuse or neglect
  - Provide ongoing staff professional development on recognizing child abuse and neglect.
  - Understand the mandated reporter role, including the process for reporting potential abuse or neglect to the authorities and for constructively discussing the situation with young parents and families.

### Building Community Linkages

Collaborative efforts to child abuse and neglect prevention require a significant shift in ownership so that everyone in a community believes they have a role in keeping children safe and supporting families. This collaboration involves parents, the public child protection agency, community-based child abuse and neglect prevention service providers, schools and the early care and education community to enhance sustainable prevention efforts that increase and promote safety, stability and well-being for all families and builds upon families' strengths and protective factors. Therefore, in addition to having knowledge of resources and referral networks within the community, the process of assessing and evaluating ongoing community data and service strategies that impact young parents, their children and families will also be integral parts of the application.

### **II-2. Work Statement.**

The CTF Board has identified the following five work statement sections, which must be addressed within the Work Statement (WS), attached as Rider 2 of this RFA. The Work Statement will be used to review and score the technical portion of the application. *Applicants must not include any cost information or dollar amounts in the Work Statement or any other part of the technical portion of the application.* Eighty-five percent (85%) of the total score will be based on the Work Statement, and each section is listed by percentage of the total score.

#### **WS Section 1 - Program Design (30%)**

This section will include a description of the program design as required within this RFA, which identifies the chosen service strategies and curricula, materials and/or resources that will help to build protective factors of the pregnant and parenting teens and young adults that will be served, the rationale and evidence-base for selecting them, demographic information for the target population and the community being served, and clearly details for reviewers what the program will look like when in operation.



## **A. Service Strategies**

1. Describe the service strategies and methods that will be used to provide comprehensive support to pregnant and parenting teens and young adults. Include details on the service schedule, the number and type of contacts that will be made within a particular time period and the length and content of the services provided.
2. Identify the research- or evidence-based curricula, materials and/or resources that will be used, describe their research- or evidence-base that supports their effectiveness and how they will be delivered with fidelity to their models.
3. Describe how the chosen service strategies align with the Strengthening Families™ Protective Factors framework as well as the strategies identified in the Strengthening Families™ Logic Model. Detail how they will enhance the participating families' understanding of the protective factors.
4. Create a timeline for implementation and delivery of the program over the three-year grant period.

## **B. Target Population**

1. Describe the overall community's socio-economic and cultural demographics.
2. Provide information on pregnant and parenting teens and young adults in your service area, including, but not limited to, pregnancy and birth rates, socio-economic and cultural demographics.
3. Identify the anticipated number of pregnant and parenting teens and young adults that will be served over the course of the grant, as it relates to the total number of pregnant and parenting teens and young adults that are in your service area.
4. Identify the number of FTE staff that will be involved in the provision of services. Include the amount and type of contact that is expected with each program participant.
5. Describe how age-, culturally- and linguistically-appropriate services will be provided to program participants **whether or not** your community has substantial diversity by race and ethnicity and English Language Learner status in the target population. If not, describe what you would do to address these issues if they should arise.

## **WS Section 2 - Outcomes, Indicators and Evaluation (15%)**

Improving participant outcomes is the hallmark of a program – “*Did the strategies and services implemented result in better conditions for those participating in the program?*” The content and structure of projects will vary; however, applicants will be required to develop outcomes and indicators under the following broad-based outcome areas:

- Healthy Child Development – including children’s physical health, mental health and social-emotional health
- Safe and Stable Families – focusing on the five Protective Factors and the resource and referral system that will be in place for families

The success of the program will be based on outcomes for the pregnant and parenting teens and young adults and their children participating in the program. Additionally, applicants must detail program evaluation methods to ensure overall effectiveness of the program and continued quality improvement.

1. Identify the specific indicators under each of the two outcome areas described above that will be tracked over the course of the grant. Indicators should demonstrate ways the use of the chosen curriculum and service strategies will increase and enhance protective factors within the teen parents and children served to prevent child abuse and neglect.
2. Describe how the chosen indicators support the chosen service strategies that align with the service strategies in the Strengthening Families™ Logic Model.
3. Describe methods for program evaluation, specifically how each indicator will be measured to insure overall effectiveness of the program and continuous quality improvement. This may be accomplished through the use of tools including, but not limited to, pre and post surveys, observations and discussions with families, or standardized assessments. Grantees are required to use the Ages and Stages Questionnaire to identify potential developmental delays in the children of the teens and young adults being served. The screening tool must be given within 45 days after the child’s birth, or if the child has been born, within 45 days of enrollment into the program. Referrals to Early Intervention services should be provided when appropriate.

## **WS Section 3 - Collaborative Relationships and Coordination of Services (15%)**

Collaborative efforts should be one of the first steps made in the program planning, implementation and evaluation process to ensure that the proposed program is a worthwhile and necessary endeavor and compliments the broader system of service delivery in the community. Applicants must demonstrate their participation in collaborative efforts within the community and service integration among various agencies in order to identify the needs of a community, to avoid any duplication of services and to ensure sustainability of efforts.

## **A. Collaborative Relationships**

1. Describe your involvement with existing overarching county or community child abuse prevention efforts.
2. Describe your county's children and youth agency's involvement in the proposed project.
3. Describe your collaboration and coordination with school districts and Intermediate Units or other agencies or organizations that work with pregnant and parenting teen and Project ELECT programs. Include information about your involvement with existing community collaborative or advisory groups that focus on early childhood issues, such as your county's Early Childhood Community Engagement Group (CEG).
4. List your partners directly involved in and the role each will play in the design, implementation, evaluation and sustainability of the proposed project.

## **B. Coordination of Services**

1. Describe your understanding of and coordination with other pregnant and parenting programs for teens and young adults and child abuse and neglect prevention programs/activities within your service area.
2. Demonstrate your past experience in each of these three areas:
  - delivering services to teens and young adults;
  - delivering maternal and child health and development services to young families; and
  - working with child abuse and neglect prevention services.
3. Describe how the proposed project complements the community's efforts to meet the needs of the target population.
4. Describe the community resources and existing linkages that will be used to help strengthen and support pregnant and parenting teens and their children and families. Detail how service providers will effectively share this information with parents and the extended family when a need is present.

## **WS Section 4 - Human Resources and Professional Development (12.5%)**

Applicants must ensure that the number, education and experience of the direct service providers meet the needs of the program. Additionally, staff should have an annual training plan in place to receive ongoing professional development that enables them to understand new research and best practices that guide their work.

1. Describe the program supervision and FTE staffing needed to provide the services. Include the responsibilities for each position.

2. Describe the education and experience of each staff involved in the program that will enable them to effectively establish a relationship with the teens and families they will serve. Include their experience in offering services to pregnant and parenting teens and young adults and services focusing on child abuse and neglect prevention.
3. Describe the annual training plan for grantee agency staff and how this training will enable staff to improve their delivery of services to the target population.
4. Identify subcontractors (including education and experience of staff) who will be working on the project and your specific plans to assure the quality of their work, if applicable.

### **WS Section 5 - Program Sustainability (12.5%)**

Sustainability planning is a key element for programs to ensure continuation and support of quality prevention planning and efforts. Proposals must include a strategy that will be used to obtain ongoing funding and to secure broad-based community support of the program services and the overall program philosophy, which will ensure its continuation within the community. Early sustainability planning from the onset of program development is a critical element in program continuation.

1. Describe specific short-term (beginning at program inception) and long-term (over the duration of the grant) strategies that will be used to solicit and obtain continued funding for the proposed program after CTF funding expires.
2. Identify potential strategies for longitudinal follow-up with the children and families who participated in the project to determine that long-term outcomes related to resilience, family functioning and child development have been maintained.
3. Describe your plans to sustain and expand the Strengthening Families/Protective Factors philosophy within the broader system of services within the community.

### **II-3. 2011 Funding Priorities for Grants.**

Five percent (5%) of the total score will be based on meeting one or more of the funding priorities established for this grant. Please address whether you meet each funding priority in *Attachment 1 – Applicant Data Form*. Additional points will be awarded to:

- Applicants whose legal address is located in a county that has received fewer than two CTF grants since 1990 (Appendix B).
- Applicants that provide services to counties or communities that do not have a PDE-funded Project ELECT site (<http://ppt-elect.center-school.org/index.cfm?pageid=3488>).

### PART III

#### COST GUIDELINES

##### III-1. Cost Guidelines.

Ten percent (10%) of the total score will be based on the total cost of the project. The maximum amount of CTF funds that will be awarded to any one grantee is \$40,000 each year for up to three years, for a total of \$120,000. A minimum *local* match of 25 percent of the requested CTF grant award for the first year is required. Second and third grant years require a 50 percent match of the requested grant award. The local match has two parts, cash and in-kind. *At least 50 percent of the total match must be cash.* The balance may be either cash or in-kind. Local matching funds may not be from a state or federal source. Following is an example:

*Year One:*

CTF Grant:	\$ 40,000
<u>Minimum Total Match:</u>	<u>\$ 10,000</u> ...(minimum <i>cash</i> match \$5,000)
Total Project Budget:	\$ 50,000

*Years Two and Three:*

CTF Grant:	\$ 40,000
<u>Minimum Total Match:</u>	<u>\$ 20,000</u> ...(minimum <i>cash</i> match \$10,000)
Total Project Budget:	\$ 60,000

Opportunities for continued professional development are an integral part of program development. *Therefore, all CTF grantees are required to allocate a total of at least \$500 within each budget year (under line item 390) to attend appropriate professional development events.* All grantees will be invited to attend a statewide CTF meeting, held annually. This meeting is not required, but grantees are strongly encouraged to attend. Additionally, first-year grantees will be required to attend a New Grantee Orientation meeting held in the first month of the grant. Grantees will be required to outline their annual staff training plan and report on all professional development opportunities attended within the Quarterly Program Report.

## PART IV

### CRITERIA FOR SELECTION

#### IV-1. Mandatory Responsiveness Requirements.

To be eligible for selection, a proposal must be:

- a. received by the due date and time;
- b. properly signed by the applicant.

#### IV-2. Technical Nonconforming Proposals.

DPW may, in its sole discretion, waive technical or immaterial nonconformities in an applicant's proposal.

#### IV-3. Evaluation.

The CTF is administered by a 15-member board, composed of three members of the Senate, three members of the House of Representatives and nine public members appointed by the Governor and confirmed by the Senate. The CTF Board will appoint an Evaluation Committee who will competitively score the applications received based on pre-approved evaluation criteria. Each application is reviewed and scored on its own merits. The process for soliciting and reviewing applications and recommending CTF awards will be as follows:

- An announcement regarding the availability of the application was sent directly to those agencies and organizations already on the CTF mailing list. The entire application packet is available on the DGS website at, <http://www.emarketplace.state.pa.us/Search.aspx>, Solicitation #: 01-11.
- Hard copies of the application packet may be obtained by contacting the RFA Project Officer.
- Applications must be received and date-stamped by the Issuing Office per the time schedule stated in the RFA. DPW and CTF staff will perform a preliminary review of each application to ensure that all requirements listed on the RFA Checklist (*Part I, Section I-12*) have been submitted.
- The CTF Evaluation Committee will review all applications that pass the preliminary review. The CTF Evaluation Committee will evaluate and score each application individually, assign the budget score as determined by the Public Health and Human Services (PHHS) Comptroller's Office, apply the additional funding priority criteria as established by the CTF Board, and make a recommendation for funding to the full CTF Board based on this selection process.
- The CTF Board will vote on the Evaluation Committee's recommendation at the next scheduled Board meeting. Grant announcements will be made after the CTF Board and DPW approve the Evaluation Committee's recommendations.
- Applicants will be notified by letter as to whether or not they have received a CTF award. A required orientation meeting will be held for selected grantees in November. Applicants not funded are given the opportunity for a debriefing interview to review the

strengths and weaknesses of their proposals with members of the Evaluation Committee.

**IV-4. Criteria for Selection.** The following criteria will be used, in order of relative importance from the highest to the lowest weighted factors, in evaluating each proposal:

- a. **Technical:** Refer to the checklist in *Part I, Section I-12* for all items that must be submitted as part of the technical portion of the application. Applicants must address the five sections of the Work Statement (refer to *Part II* for further guidance; the Work Statement template is attached as Rider 2). Applicants must also complete the Applicant Data Form (Attachment 1) listing their contact information, indicating whether funding priorities are met, and having all parties involved in the planning of the program sign the application. Applicants must not include any cost information or dollar amounts in the technical portion of the application. Based on the findings of the Evaluation Committee, applicants chosen for funding may be requested to make revisions to their program work statements as part of the grant negotiation process.

Ninety percent (90%) of the total score will be based on the technical portion of the application – 85 percent for the Work Statement and 5 percent for the Funding Priorities. Evaluation of the Work Statement and Funding Priorities will be based on the following:

- Program Design – 30%
- Outcomes, Indicators and Evaluation – 15%
- Collaborative Relationships and Organizations – 15%
- Human Resources and Professional Development – 12.5%
- Program Stability and Sustainability – 12.5%
- Funding Priority – up to 5 % if met

- b. **Cost:** Refer to the checklist in *Part I, Section I-12* for all items that must be submitted as part of the cost portion of the application. Applicants may apply to develop projects up to a maximum grant amount of \$120,000 over three year, \$40,000 each year, to achieve their stated goals. The cost of the project will be a selection factor but will not necessarily be the deciding factor in the selection process.

Ten percent (10%) of the total score will be based on the total cost of the project; however, the CTF Board may renegotiate any budget prior to approval. Applicants must demonstrate the ability to match award money received through *local* cash and in-kind sources. A minimum local match of 25 percent of the requested CTF grant award for the first year is required. Second and third grant years require a 50 percent local match of the requested grant award.

- c. **Equitable Distribution of Funds:** To assure an equitable geographic distribution of funds, the CTF Board will fund at least one project in four of the seven CTF Regions across the Commonwealth. A state map of CTF Regions is included as Appendix B.

**PENNSYLVANIA CHILDREN’S TRUST FUND  
APPLICANT DATA FORM RFA #01-11**

*Do not include any budget information on this form.*

**1. Applicant Agency Information**

<i>Full Legal Name of Applicant Agency</i>	
<i>Legal Address</i>	
<i>County and CTF Region (see App. B)</i>	
<i>Funding Priority #1</i>	Indicate if the applicant’s legal address is located in a county that has received fewer than two CTF grants in the past (Appendix B)... Yes                  No
<i>Applicant’s Federal Identification Number</i>	
<i>Type of Agency (i.e. private non-profit, 501(c)(3) status, private for-profit, public)</i>	

**2. Program Contact** – please identify the main contact person for the grant program

<i>Name</i>	
<i>Title</i>	
<i>Address</i>	
<i>Phone</i>	
<i>Fax</i>	
<i>E-mail</i>	

**Fiscal Contact** – please identify the person responsible for fiscal issues for the grant

<i>Name</i>	
<i>Title</i>	
<i>Address (for payment)</i>	
<i>Phone</i>	
<i>Fax</i>	
<i>E-mail</i>	

**3. Program Information**

<b>3a.</b> <i>Name of Program</i>	
<b>3b.</b> <i>Check the number of years, up to three years, of funding requested from CTF:</i>	<input type="checkbox"/> One Year <input type="checkbox"/> Two Years <input type="checkbox"/> Three Years
<b>3c.</b> <i>Name the geographic area(s) that will be served by the proposed program.</i>	



<b>3d. Funding Priority #2</b>	Indicate if there are existing PDE-funded Project ELECT sites in the proposed service area (Appendix C)... Yes                  No
--------------------------------	---

<b>3e.</b>	<i>Estimate the numbers of parents and children to be served <u>for each year</u>: (Add lines and/or columns as needed).</i>		
	<b>Children</b>	<b>Parents</b>	<b>Other</b>
<b>Year One</b>			
<b>Year Two</b>			
<b>Year Three</b>			

**4. Subcontracting Agencies**

**4a.** List all subcontracting agencies and the *percentage* of the CTF award each will receive as a subcontracting collaborating agency in the project. *Do not list dollar amounts.*

\_\_\_\_\_ (% of Award)

\_\_\_\_\_ (% of Award)

\_\_\_\_\_ (% of Award)

**4b.** If any of the subcontracting agencies listed above have previously received CTF funds, please list the name of the agency and the dates they received funding.

\_\_\_\_\_ (Date Funded)

\_\_\_\_\_ (Date Funded)

\_\_\_\_\_ (Date Funded)

**5. Local Match Share**

List the names of all Local Match share contributors. *Do not list dollar amounts.*

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**6. Executive Summary**

In the space below please provide a brief overview of the proposed project and specifically how it meets the program requirements of the RFA. Do not use additional pages.

**7. Current or Former CTF Grantee Statement**

Has the applicant agency received a CTF grant in prior years? \_\_\_\_\_ Yes \_\_\_\_\_ No

If yes, in the space below: (Use additional pages if necessary)

- indicate which year(s) you received CTF funding and provide a description of the former CTF project;
- provide information about whether or not the project continued after CTF funding expired/will expire;
- provide a summary of the program evaluation; and
- compare the former or current project and the newly proposed project and describe the reasons for developing the new project.

**8. Signature Page**

*Please have all parties involved in the planning and implementation of the proposed program sign the following (add additional pages if necessary):*

**I/We have reviewed the CTF grant application and are in agreement with its submission.**

Signature of Applicant Agency representative (required):

Signature of Community Engagement Group representative involved in planning and implementation (if applicable):

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

Print Name:

Print Name:

Title/Agency:

Title/Agency:

Signature of Program Contact if different from above (required):

Signature of school district(s)/IU(s) involved in planning and implementation (if applicable):

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

Print Name:

Print Name:

Title/Agency:

Title/Agency:

Signature of County Children and Youth Director (required):

Signature of other party involved in planning and implementation of program (if applicable):

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

Print Name:

Print Name:

Title/Agency:

Title/Agency:

Signature of chair or head of local or county community collaborative board (if applicable):

Signature of other party involved in planning and implementation of program (if applicable):

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Signature Date

Print Name:

Print Name:

Title/Agency:

Title/Agency:

**GRANT AGREEMENT**

***Applicants: Do not complete this portion of the grant agreement. Please review the entire document and sign and submit the last page of this document only.***

This GRANT AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_ 2011, between the COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF PUBLIC WELFARE ("Department"), and [enter grantee name] ("Grantee"), operating at [enter grantee address].

WITNESSETH:

WHEREAS, the Department of Public Welfare, created by Act 390, approved July 13, 1957, P.L. 852, is responsible for the administration of public assistance programs in the Commonwealth (62 P.S. §403); and

WHEREAS, Section 205 of the Public Welfare Code, 62 P.S. §205, authorizes the Department to make grants of appropriated funds to programs in fields in which the Department has responsibility; and

WHEREAS, the Department expects to allocate \$[grant amount] from funds expected to be appropriated for the Children's Trust Fund Program; and

WHEREAS, the Grantee will operate the program described in detail in Rider 2 to this grant, which program meets the Department's standards; and

WHEREAS, the Grantee was selected to receive this grant in accordance with the Department's established grant policy and procedure.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. The term of this grant shall be from November 1, 2011 to October 31, 2014.
2. The Grantee shall use the funds granted hereunder to faithfully implement the conditions of this grant and operate the program described in Rider 2, subject to the terms and conditions contained herein.
3. The services described in Paragraph 2 above shall be provided in conformity with:

Rider 1	Payment Provisions
Rider 2	Work Statement
Rider 3	Budget
Rider 4	Local Match Verification Letter
Rider 5	State and Federal Funding Assurance
Rider 6	Standard Contract Terms and Conditions
Rider 7	DPW Addendum to Standard Contract Terms and Conditions
Rider A	Audit Clause "A-E"
Rider L	Lobbying Certification and Disclosure
Rider R	Commonwealth Travel Rates
4. The Riders listed above, as they may be applicable to this grant, are hereby attached and made a part of this Grant Agreement.
5. Subject to the availability of State and Federal funds, the Department will pay the Grantee, in accordance with the terms of Rider 1, as soon as practical after the Grant Agreement has received final approval from all necessary parties. The total amount of this grant is \$[grant amount], and no payments shall be made under this agreement in excess of that amount. At its discretion, the Department may increase or decrease this total grant amount through a revised Miscellaneous Encumbrance as a result of changes in applicable appropriations or allocations or certifications of available funds.

6. This Grant Agreement may be cancelled by the Department, in accordance with Paragraph 18 of Rider 6, upon thirty (30) days prior written notice.
7. This Grant Agreement contains all the terms and conditions agreed on by the parties. Any modifications or waivers of this agreement shall only be valid when they have been reduced to writing, duly signed, and attached to the original of this agreement. No other agreements, oral or otherwise, regarding the subject matter of this agreement, shall be deemed to exist or to bind any of the parties hereto.
8. Grant Provisions – 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.

***Applicants: On the following page, two agency representatives must sign in the Grantee spaces (in blue ink) to bind the applicant agency to the terms and conditions of the grant agreement, should the application be selected for funding. Do not write below the Grantee section. Submit the signature page only as part of the technical portion of the application.***

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by its duly authorized officials.

**NAME OF GRANTEE** \_\_\_\_\_

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**Print or type name and title**

\_\_\_\_\_  
**Print or type name and title**

---

**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE**

**Program Deputy Secretary**

**Secretary**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
SIGNATURE

**COMPTROLLER – DEPARTMENT OF PUBLIC WELFARE**

I hereby certify that funds in the amount shown are available under the Appropriation Symbols as shown.

AMOUNT	SOURCE	APPROPRIATION SYMBOL	PROGRAM

\_\_\_\_\_  
SIGNATURE

**COMPTROLLER FOR BUDGET SECRETARY**

\_\_\_\_\_  
SIGNATURE

**Approved as to Legality and Form:**

\_\_\_\_\_  
OFFICE OF LEGAL COUNSEL  
DEPARTMENT OF PUBLIC WELFARE

\_\_\_\_\_  
DEPUTY ATTORNEY GENERAL  
OFFICE OF ATTORNEY GENERAL  
(when required)

\_\_\_\_\_  
DEPUTY GENERAL COUNSEL  
OFFICE OF GENERAL COUNSEL  
(when required)



If selected, the following rider will become part of a grant agreement that will be executed at a later date.

**PAYMENT PROVISIONS**

**Please do not complete or submit this section at this time.**

The Department agrees to pay the Grantee for the services rendered pursuant to this Grant Agreement as follows:

1. Subject to the availability of state and federal funds and the other terms and conditions of this Grant, the Grantor will pay the Grantee in accordance with the approved budget for the costs in providing the services described in the Work Statement, up to the maximum amount of \_\_\_\_\_. This grant is in effect for \_\_\_\_\_ years.

Year One                    \$

Year Two                    \$

Year Three                    \$

Payments will be made according to the following schedule:

Year One                    25% of grant award in November 2011  
                                   25% of grant award in February 2012  
                                   25% of grant award in May 2012  
                                   12.5% of grant award in August 2012  
                                   12.5% of grant award upon receipt of final quarterly expenditures report

Year Two                    25% of grant award in November 2012  
                                   25% of grant award in February 2013  
                                   25% of grant award in May 2013  
                                   12.5% of grant award in August 2013  
                                   12.5% of grant award upon receipt of final quarterly expenditures report

Year Three                    25% of grant award in November 2013  
                                   25% of grant award in February 2014  
                                   25% of grant award in May 2014  
                                   12.5% of grant award in August 2014  
                                   12.5% of grant award upon receipt of final quarterly expenditures report

2. Grantee must submit quarterly expenditure reports to Department of Public Welfare, Office of Child Development and Early Learning, 333 Market Street, 6<sup>th</sup> Floor, Harrisburg, PA 17126-0333. The Grantee shall use the Quarterly Expenditure Form to complete all expenditure reports. The Grantee must submit Quarterly and Final Expenditure Reports within 15 days after the end of each quarter. The Department reserves the right to withhold payments due to late submission of reports. Subsequent to the final payment being released by the Department, OCDEL will review the cumulative expenses to

determine if the remainder of the allocation (12.5%) will be issued to the Grantee. Any excess funds or interest earned and not expended must revert to the Department at the end of each year.

3. Submission of invoices for purposes of reimbursement shall be made in accordance with Amended Commonwealth Management Directive 310.30, issued May 22, 2009, relating to the Pennsylvania Electronic Payment Program and the establishment of the Automated Clearing House Network (“ACH”) as the Commonwealth’s preferred method of payment.
  - a) The Department will make payments to the Grantee through ACH. Within 10 days of the grant award, the Grantee must submit or must have already submitted its ACH and electronic addenda information (obtained at [www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf](http://www.vendorregistration.state.pa.us/cvmu/paper/Forms/ACH-EFTenrollmentform.pdf)) to the Commonwealth’s Payable Service Center, Vendor Data Management Unit at 717-214-0140 (FAX) or by mail to the Office of Comptroller Operations, Bureau of Payable Services, Payable Service Center, Vendor Data Management Unit, 555 Walnut Street – 9<sup>th</sup> Floor, Harrisburg, PA 17101.
  - b) The Grantee must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania’s ACH remittance advice to enable the Grantee to properly apply the state agency’s payment to the respective invoice or program.
  - c) It is the responsibility of the Grantee to ensure that the ACH information contained in the Commonwealth’s central vendor master file is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.
4. The Grantor shall have the right to disapprove any expenditures made by the Grantee which are not in accordance with the terms of this Grant Agreement and adjust payment to the Grantee accordingly.
5. Indirect Costs are limited to two percent (2%) of the total program operations amount.
6. Grantee shall have unused funds in an interest bearing account. The grantee shall account for all interest earned on the payments made under this grant, and interest must be used to enhance the services provided under this Grant Agreement or be returned to the Department.
7. The Grantee shall submit quarterly Program Reports due 30 days after the end of each reporting period, which summarize the progress of tasks associated with the Work Statement, in a format specified by the Department.
8. Program and Budget Revisions

**Budget Revision Policy:**

CTF Executive Director approval is required to reallocate funds between major categories (Personnel, Operations, Fixed Assets) totaling 10 percent or more of the category total. The total CTF award amount may not change. Documentation must be included detailing the changes made. Grantees are required to provide justification and documentation for budget revisions sufficient to demonstrate that the purpose and activities of the original grant will be served by the revision.

Program Revision Policy:

Board approval is required for major program revisions, which include:

- A substantial redefinition and/or increase or decrease of the population to be served;
- A major change in the design of the program which potentially alters the program's objectives; and
- A change in the entity responsible for administering the grant agreement.

CTF Executive Director approval is required for minor program revisions, which include:

- A change in a subcontractor responsible for completion of components of the grant program; and
- A change in curriculum or assessment tools used that does not alter the program's objectives or deviate from a model program's requirements.

9. This grant is subject to audit in accordance with the Audit Clause, attached as part of Rider A. In addition to the standard audit requirements, DPW requires completion of agreed upon procedures that provide for the presentation of functional schedules specific to CTF grant revenues and expenditures. The application of these procedures provide independent verification of the expenditures as reported by the grant recipient. Finally, these procedures and related schedules should be based upon the grant budget and invoice format already provided.
10. Grantees shall cooperate and participate with the Grantor in periodic monitoring and evaluation activities for the purpose of verifying that all grant requirements are met.
11. At the beginning of each new grant year, a review of the previous grant year will be conducted by the CTF Board to determine continuation of the grant for the second and third grant years before payments are initiated.
12. The CTF Logo must be displayed on all publications and documents produced by the Grantee for the funded program. Recognition or credit must be given that the Grantee's program is funded all or in part by CTF. News releases pertaining to this project must be forwarded to the CTF program office.

**CHILDREN'S TRUST FUND  
WORK STATEMENT  
RFA #01-11**

**Agency:**

**Program:**

**Instructions:**

Please respond to each question under each of the five sections of the Work Statement within a total of 15 pages, not including this cover page.

Do not use more than 15 pages in responding to each of these sections. Each question must be directly responded to and the text of the question must be included as part of the 15 page limit. Any information provided outside of the 15 page limit will not be reviewed (with the exception of permissible attachments, refer to page 6 of the RFA), which will affect your total score.

A font size of 10 to 12 points (Calibri, Arial or Times New Roman) in normal font (not bold or italics) must be used. Right and left margins may not be less than one inch. Top and bottom margins may not be less than a half inch.

Refer to the application instructions under *Part II* of the RFA, *Program Requirements and Work Statement*, for more detailed information on each of the questions within the five sections.

**A. Service Strategies**

1. Describe the service strategies and methods that will be used to provide comprehensive support to pregnant and parenting teens and young adults. Include details on the service schedule, the number and type of contacts that will be made within a particular time period and the length and content of the services provided.

*Response:*

2. Identify the research- or evidence-based curricula, materials and/or resources that will be used, describe their research- or evidence-base that supports their effectiveness and how they will be delivered with fidelity to their models.

*Response:*

3. Describe how the chosen service strategies align with the Strengthening Families™ Protective Factors framework as well as the strategies identified in the Strengthening Families™ Logic Model. Detail how they will enhance the participating families' understanding of the protective factors.

*Response:*

4. Create a timeline for implementation and delivery of the program over the three-year grant period.

*Response:*

**B. Target Population**

1. Describe the overall community's socio-economic and cultural demographics.

*Response:*

2. Provide information on pregnant and parenting teens and young adults in your service area, including, but not limited to, pregnancy and birth rates, socio-economic and cultural demographics.

*Response:*

3. Identify the anticipated number of pregnant and parenting teens and young adults that will be served over the course of the grant, as it relates to the total number of pregnant and parenting teens and young adults that are in your service area.

*Response:*

4. Identify the number of FTE staff that will be involved in the provision of services. Include the amount and type of contact that is expected with each program participant.

*Response:*

5. Describe how age-, culturally- and linguistically-appropriate services will be provided to program participants *whether or not* your community has substantial diversity by race and ethnicity and English Language Learner status in the target population. If not, describe what you would do to address these issues if they should arise.

*Response:*

**WS Section 2 - Outcomes, Indicators and Evaluation (15%)**

1. Identify the specific indicators under each of the two outcome areas described above that will be tracked over the course of the grant. Indicators should demonstrate ways the use of the chosen curriculum and service strategies will increase and enhance protective factors within the teen parents and children served to prevent child abuse and neglect.

*Response:*

2. Describe how the chosen indicators support the chosen service strategies that align with the service strategies in the Strengthening Families™ Logic Model.

*Response:*

3. Describe methods for program evaluation, specifically how each indicator will be measured to insure overall effectiveness of the program and continuous quality improvement.

*Response:*

**WS Section 3 - Collaborative Relationships and Coordination of Services (15%)**

**A. Collaborative Relationships**

1. Describe your involvement with existing overarching county or community child abuse prevention efforts.

*Response:*

2. Describe your county's children and youth agency's involvement in the proposed project.

*Response:*

3. Describe your collaboration and coordination with school districts and Intermediate Units or other agencies or organizations that work with pregnant and parenting teen and Project ELECT programs. Include information about your involvement with existing community collaborative or advisory groups that focus on early childhood issues, such as your county's Early Childhood Community Engagement Group (CEG).

*Response:*

4. List your partners directly involved in and the role each will play in the design, implementation, evaluation and sustainability of the proposed project.

*Response:*

## B. Coordination of Services

1. Describe your understanding of and coordination with other pregnant and parenting programs for teens and young adults and child abuse and neglect prevention programs/activities within your service area.

*Response:*

2. Demonstrate your past experience in each of these three areas:
  - delivering services to teens and young adults;
  - delivering maternal and child health and development services to young families; and
  - working with child abuse and neglect prevention services.

*Response:*

3. Describe how the proposed project complements the community's efforts to meet the needs of the target population.

*Response:*

4. Describe the community resources and existing linkages that will be used to help strengthen and support pregnant and parenting teens and their children and families. Detail how service providers will effectively share this information with parents and the extended family when a need is present.

*Response:*

## WS Section 4 - Human Resources and Professional Development (12.5%)

1. Describe the program supervision and FTE staffing needed to provide the services. Include the responsibilities for each position.

*Response:*

2. Describe the education and experience of each staff involved in the program that will enable them to effectively establish a relationship with the teens and families they will serve. Include their experience in offering services to pregnant and parenting teens and young adults and services focusing on child abuse and neglect prevention.

*Response:*

3. Describe the annual training plan for grantee agency staff and how this training will enable staff to improve their delivery of services to the target population.

*Response:*

4. Identify subcontractors (including education and experience of staff) who will be working on the project and your specific plans to assure the quality of their work, if applicable.

*Response:*

WS Section 5 - Program Sustainability (12.5%)

1. Describe specific short-term (beginning at program inception) and long-term (over the duration of the grant) strategies that will be used to solicit and obtain continued funding for the proposed program after CTF funding expires.

*Response:*

2. Identify potential strategies for longitudinal follow-up with the children and families who participated in the project to determine that long-term outcomes related to resilience, family functioning and child development have been maintained.

*Response:*

3. Describe your plans to sustain and expand the Strengthening Families/Protective Factors philosophy within the broader system of services within the community.

*Response:*



**CHILDREN'S TRUST FUND**  
**LOCAL MATCH VERIFICATION LETTER**  
**(Cash and In-Kind Match)**

Complete one original form for each type of match (cash and in-kind) for each contributor. Duplicate this form as needed.

CTF Applicant Name: \_\_\_\_\_

Project Title: \_\_\_\_\_

I certify that \$ \_\_\_\_\_ in [CASH or IN-KIND] match has been designated by:

\_\_\_\_\_

(Name of Local Match Share Contributor)

to be used solely for the purposes of the above-referenced grant

for the period of November 1, 2011 to October 31, 2012.  
(Date) (Date)

and in accordance with Children's Trust Fund definitions and  
guidelines regarding local match.

**CONTRIBUTOR COMPLETING THIS FORM:**

\_\_\_\_\_

(Signature of the Contributor's Authorized Official)

(Date)

**STATE AND FEDERAL FUNDING ASSURANCE**

\_\_\_\_\_ currently receives state and/or  
(applicant agency name)

federal funding from the following sources (attach additional pages if necessary):

The undersigned certifies that any state or federal funds received by this agency will not be used as local matching funds for the proposed Children's Trust Fund program.

\_\_\_\_\_  
(Name of Project Director)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

## 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 by the Granting Officer after the Grant has been fully executed by the Grantee and by the Commonwealth and all approvals required by Commonwealth Granting procedures have been obtained. The Grant shall not be a legally binding Grant until after the Effective Date is affixed and the fully-executed Grant has been sent to the Grantee. The Granting Officer shall issue a written Notice to Proceed to the Grantee directing the Grantee to start performance on a date which is on or after the Effective Date. The Grantee shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the Commonwealth shall not be liable to pay the Grantee for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No agency employee has the authority to verbally direct the commencement of any work under this Grant. The Commonwealth reserves the right, upon notice to the Grantee, to 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 in Exhibits A-1 through A-8 to these Standard Grant Terms and Conditions.

### 6. COMPENSATION/EXPENSES

The Grantee shall be required to perform the specified services at the price(s) quoted in the Grant. All services shall be performed within the time period(s) 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 purchase order promptly after services are satisfactorily completed. The invoice should include only amounts due under the Grant/purchase order. The purchase order 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 purchase order 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 and subGrantees shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Grant, all services and parts 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 and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.

#### **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 which 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 three (3) 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 thereof 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; or
  - 11) 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.
- b. 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 purchasing 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 subGrant 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**

During the term of the Grant, the Grantee agrees as follows:

- 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, by reason of gender, race, creed, or color, discriminate 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 against or intimidate any of its employees on account of gender, race, creed, or color.
- c. The Grantee, any subgrantee, contractor or any subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Grantee, any subgrantee, contractor or any subcontractor shall not discriminate by reason of gender, race, creed, or color against any subgrantee, contractor, subcontractor or supplier who is qualified to perform the work to which the grant relates.
- e. The Grantee, any subgrantee, any contractor or any subcontractor shall, within the time periods requested by the commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the granting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within thirty (30) days after award of any grant, the Grantee shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. Grantees who have fewer than five employees or whose employees are all from the same family or who have completed the STD-21 form within the past 12 months may, within the 30 days, request an exemption from the STD-21 form from the granting agency.
- f. 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.
- g. 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 Grant with the 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 procurement process. In furtherance of this policy, Grantee agrees to the following:

- a. Grantee shall maintain the highest standards of honesty and integrity during the performance of this Grant 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 Grantee or that govern Granting with the Commonwealth.

- b. Grantee shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Grantee employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Grantee employees.
- c. Grantee, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.*, or to breach any other state or federal law or regulation.
- d. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
- e. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.
- f. Grantee, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
- g. Grantee, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the Grant, except as provided in the Grant.
- h. Grantee shall not have a financial interest in any other Grantee, subGrantee, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Grantee's financial interest prior to Commonwealth execution of the Grant. Grantee 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 Grantee's submission of the Grant signed by Grantee.
- i. Grantee, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Grantee under this Grant without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this Grant. Any information, documents, reports, data, or records secured by Grantee from the Commonwealth or a third party in connection with the performance of this Grant shall be kept confidential unless disclosure of such information is:
  - 1) Approved in writing by the Commonwealth prior to its disclosure; or
  - 2) Directed by a court or other tribunal of competent jurisdiction unless the Grant requires prior Commonwealth approval; or
  - 3) Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
  - 4) Necessary for purposes of Grantee's internal assessment and review; or
  - 5) Deemed necessary by Grantee in any action to enforce the provisions of this Grant or to defend or prosecute claims by or against parties other than the Commonwealth; or
  - 6) Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain: or
  - 7) Otherwise required by law.

j. Grantee certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has not been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency Granting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

- 1) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- 2) Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Grantee or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
  - a) obtaining;
  - b) attempting to obtain; or
  - c) performing a public Grant or subGrant.

Grantee's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- 3) Violation of federal or state antitrust statutes.
- 4) Violation of any federal or state law regulating campaign contributions.
- 5) Violation of any federal or state environmental law
- 6) Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- 7) Violation of the *Act of June 2, 1915 (P.L. 736, No. 338)*, known as the *Workers' Compensation Act*, 77 P.S. 1 *et seq.*
- 8) Violation of any federal or state law prohibiting discrimination in employment.
- 9) Debarment by any agency or department of the federal government or by any other state.
- 10) Any other crime involving moral turpitude or business honesty or integrity.

Grantee acknowledges that the Commonwealth may, in its sole discretion, terminate the Grant for cause upon such notification or when the Commonwealth otherwise learns that Grantee has been officially notified, charged, or convicted.

k. If this Grant was awarded to Grantee on a non-bid basis, Grantee must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Grantee by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

- 1) Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
- 2) Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Grantee shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office

Building, Harrisburg, PA 17120.

- l. Grantee shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Grantee employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Grantee employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Grantee's behalf, no matter the procurement stage, are not exempt and must be reported.
- m. When Grantee has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these 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, Grantee shall immediately notify the Commonwealth Granting officer or Commonwealth Inspector General in writing.
- n. Grantee, by submission of its bid or proposal and/or execution of this Grant and by the submission of any bills, invoices or requests for payment pursuant to the Grant, certifies and represents that it has not violated any of these Grantee integrity provisions in connection with the submission of the bid or proposal, during any Grant negotiations or during the term of the Grant.
- o. Grantee shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Grantee non-compliance with these provisions. Grantee agrees to make identified Grantee employees available for interviews at reasonable times and places. Grantee, upon the inquiry or request of the Office of 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 Inspector General to Grantee's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Grantee's business or financial records, documents or files of any type or form that refers to or concern this Grant.
- p. For violation of any of these Grantee Integrity Provisions, the Commonwealth may terminate this and any other Grant with Grantee, 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 Grantee to complete performance under this Grant, and debar and suspend Grantee 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.
- q. For purposes of these Grantee Integrity Provisions, the following terms shall have the meanings found in this Paragraph.
  - 1) "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Grantee from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Grantee; or e) has not been independently developed by Grantee without the use of confidential information of the Commonwealth.
  - 2) "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 pre-qualification, bid, proposal, or Grantual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this Grant.
  - 3) "Grantee" means the individual or entity that has entered into this Grant with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Grantee.
  - 4) "Financial interest" means:
    - (a) Ownership of more than a five percent interest in any business; or
    - (b) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
  - 5) "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 Grants 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.
  - 6) "Immediate family" means a spouse and any unemancipated child.

- 7) "Non-bid basis" means a Grant awarded or executed by the Commonwealth with Grantee without seeking bids or proposals from any other potential bidder or offeror.
- 8) "Political contribution" means any payment, gift, subscription, assessment, Grant, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

**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 personam 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. All such amendments will be made using the appropriate Commonwealth form.

#### **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".

For purposes of this Grant, "change order" is defined as a written order signed by the Granting Officer directing the Grantee to make changes authorized under this clause.

**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 PUBLIC WELFARE ADDENDUM TO  
STANDARD CONTRACT 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 DPW Facility or DPW 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. Any reimbursement to the Contractor for travel, lodging or meals under this contract shall be at or below state rates as provided in Rider R, Commonwealth Travel Rates, attached hereto and incorporated herein, 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 born 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 not interest and will not acquired 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. CONTRACTOR RESPONSIBILITY TO EMPLOY WELFARE CLIENTS**

**(Applicable to contracts \$25,000 or more)**

1. The contractor, within 10 days of receiving the notice to proceed, must contact the Department of Public Welfare's Contractor Partnership Program (CPP) to present, for review and approval, the contractor's plan for recruiting and hiring recipients currently receiving cash assistance. If the contract was not procured via Request for Proposal (RFP); such plan must be submitted on Form PA-778. The plan must identify a specified number (not percentage) of hires to be made under this contract. If no employment opportunities arise as a result of this contract, the contractor must identify other employment opportunities available within the organization that are not a result of this contract. The entire completed plan (Form PA-778) must be submitted to the Bureau of Employment and Training Programs (BETP): Attention CPP Division. (Note: Do not keep the pink copy of Form PA-778). The approved plan will become a part of the contract.
2. The contractor's CPP approved recruiting and hiring plan shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to the CPP Division which will make a recommendation to the Contracting Officer regarding course of action. If a contract is assigned to another contractor, the new contractor must maintain the CPP recruiting and hiring plan of the original contract.
3. The contractor, within 10 days of receiving the notice to proceed, must register in the Commonwealth Workforce Development System (CWDS). In order to register the selected contractor must provide business, location and contact details by creating an Employer Business Folder for review and approval, within CWDS at <HTTPS://WWW.CWDS.STATE.PA.US>. Upon CPP review and approval of Form PA-778 and the Employer Business Folder in CWDS, the Contractor will receive written notice (via the pink Contractor's copy of Form PA-778) that the plan has been approved.
4. Hiring under the approved plan will be monitored and verified by Quarterly Employment Reports (Form PA-1540); submitted by the contractor to the Central Office of Employment and Training – CPP Division. A copy of the submitted Form PA-1540 must also be submitted (by the contractor) to the DPW Contract Monitor (i.e. Contract Officer). The reports must be submitted on the DPW Form PA-1540. The form may not be revised, altered, or re-created.
5. If the contractor is non-compliant, CPP Division will contact the Contract Monitor to request corrective action. The Department may cancel this contract upon thirty (30) days written notice in the event of the contractor's failure to implement or abide by the approved plan.

## **R. 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.

## **S. 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.

## **T. 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.

U. **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.

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

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The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), 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 DPW are subject to DPW 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 DPW provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended August 20, 2009.

**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 directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a vendor 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, as amended; the revised Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*; 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.

A local government or nonprofit organization that expends federal awards of \$500,000 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 of OMB Circular A-133, as revised.

If a local government or nonprofit organization expends **total federal awards of less than \$500,000** 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, DPW audit requirements may be applicable.**

#### **B. Department of Public Welfare Audit Requirements**

**A local government or nonprofit provider must meet the DPW 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 DPW 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 Attestation Report and applicable schedule requirement(s). The incremental cost for preparation of the Attestation Report and the schedule cannot be charged to the federal funding stream.

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

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The local government or nonprofit organization must comply with all federal and state audit requirements including: the Single Audit Act Amendments of 1996; Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended; 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.

Institutions that **expends \$500,000 or more in combined state and federal funds** during the program year is 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 DPW audit requirements may not be charged to federal funding streams.

If in connection with the agreement, a local government or nonprofit organization **expends \$300,000 or more 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, as well as applicable program regulations. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial Section 601 compliance examination shall be completed for the program year specified in the contract and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination as defined in SSAE, Section 601. The incremental cost for preparation of the SSAE cannot be charged to federal funding streams.

The subrecipient shall submit the SSAE, Section 601, audit report (if applicable) to the DPW within 90 days after the program year has been completed. When SSAE, Section 601, audit reports are other than unqualified, the subrecipient shall submit to the DPW, in addition to the audit reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, 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 \$300,000 combined state and federal funds** during the program year is exempt from DPW audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DPW or a pass-through entity.



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## **SUBRECIPIENT / VENDOR AUDITS**

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### **AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations**

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#### **GENERAL AUDIT PROVISIONS**

A local government or nonprofit organization is responsible for obtaining the necessary audit and securing the services of a 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 will 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.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary. 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 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 will 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 DPW's 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 his 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.

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

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#### SUBMISSION OF AUDIT REPORTS TO THE COMMONWEALTH

##### **A. Federally Required Audit Reports**

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 accounting policies.
  - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should determine and provide an opinion on whether the SEFA is presented fairly in all material respects in relation to the subrecipient's financial statements taken as a whole. This report can be issued separately or combined with the independent auditor's report on the financial statements.
  - c. Report on internal control over financial reporting, compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
  - d. Report on compliance with requirements applicable to each major program and report on internal control in accordance with the circular.
  - e. Schedule of findings and questioned costs.
2. Financial statements and notes to the financial statements
3. SEFA and notes to the SEFA
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.

Effective July 1, 2009, the Office of the Budget, Office of Comptroller Operations, Bureau of Audits will begin accepting electronic submission of single audit/program-specific audit reporting packages. Electronic submission is required for the fiscal year ending December 31, 2008 and subsequent years. Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

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reporting package must be submitted electronically in single Portable Document Format (PDF) file to [RA-BOASingleAudit@state.pa.us](mailto:RA-BOASingleAudit@state.pa.us).

**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 to an e-mail addressed to [RA-BOASingleAudit@state.pa.us](mailto:RA-BOASingleAudit@state.pa.us). 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 e-mail to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

#### **B. DPW Required Audit Reports and Additional Submission by Subrecipients**

Submit **three copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. In addition, if OMB Circular A-133, §\_\_.320 (e), *Submission by Subrecipients*, applies, please submit the audit requirements directly to:

U.S. Postal Service: Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P. O. Box 2675  
Harrisburg, Pennsylvania 17102-2675

Special Deliveries: 3<sup>rd</sup> Floor, Bertolino Building  
1401 North Seventh Street  
Harrisburg, Pennsylvania 17102  
Phone: (717) 787-8890 Fax: (717) 772-2522

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations

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#### PERIOD SUBJECT TO AUDIT

A federally required audit, made in accordance with OMB Circular A-133, 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 supplement schedule(s) and Independent Auditor's Report on the Attestation 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 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; and (5) a description of monitoring to be performed to ensure that the steps are taken (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 DPW's 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 DPW's audit requirements, and the integration of those requirements with the federal Single Audit requirements, will be provided by:

Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P.O. Box 2675  
Harrisburg, Pennsylvania 17105-2675  
Phone: (717) 787-8890 FAX: (717) 772-2522

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE A – SUBRECIPIENT Local Governments and Nonprofit Organizations ENCLOSURE I

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The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

#### Independent Accountant's Report

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with [*list specific compliance requirement*] during the [*period*] ended [*date*]. Management is responsible for [*name of entity*]'s compliance with those requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

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## SUBRECIPEINT / VENDOR AUDITS

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### AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

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The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), 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 DPW are subject to DPW 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 DPW provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended August 20, 2009.

**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 directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a vendor 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; Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended; 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.

A for-profit organization **is required** to have an audit if it expends a total of \$500,000 or more in federal funds under one or more Department of Health and Human Services (DHHS) federal awards. Title 45, CFR 74.26, incorporates the thresholds and deadlines of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*, but provides for-profit organizations with two options regarding the type of audit that will satisfy the audit requirements:

1. An audit made in accordance with generally accepted *Government Auditing Standards* (The Yellow Book), revised; or
2. An audit that meets the requirements contained in OMB Circular A-133.

A for-profit organization **is required** to have an audit, in accordance with the above audit requirements, if it expends a total of \$500,000 or more of federal awards directly or indirectly during its fiscal year.

If a for-profit organization expends **total federal awards of less than \$500,000** 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, DPW audit requirements may be applicable.**

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## SUBRECIPEINT / VENDOR AUDITS

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### AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

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#### **B. Department of Public Welfare Audit Requirements**

**A for-profit provider must meet the DPW 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 DPW 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 Attestation Report and applicable schedule requirement(s). The incremental cost for preparation of the Attestation Report and the schedule cannot be charged to the federal funding stream.

**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 \$300,000 or more 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 (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial Section 601 compliance examination shall be completed for the program year specified in the contract and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination as defined in SSAE, Section 601. The incremental cost for preparation of the SSAE cannot be charged to federal funding streams.

The subrecipient shall submit the SSAE, Section 601, audit reports (if applicable) to the DPW within 90 days after the program year has been completed. When the SSAE, Section 601, audit reports are other than unqualified, the subrecipient shall submit to the DPW, in addition to the audit reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue a qualified 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 \$300,000 combined state and federal funds** during the program year is exempt from DPW audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DPW or a pass-through entity.

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## **SUBRECIPEINT / VENDOR AUDITS**

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### **AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations**

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#### **GENERAL AUDIT PROVISIONS**

A for-profit organization is responsible for obtaining the necessary audit and securing the services of a 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 will 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.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary. 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. 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.

Audit documentation and audit reports must be retained by the subrecipient's 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 will 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 DPW's option until such litigation, claim, or exceptions have reached final disposition.



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## SUBRECIPEINT / VENDOR AUDITS

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### AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

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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 his 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.

#### **SUBMISSION OF AUDIT REPORT TO THE COMMONWEALTH**

##### **A. Federally Required Audit Reports**

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 accounting policies.
  - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should determine and provide an opinion on whether the SEFA is presented fairly in all material respects in relation to the subrecipient's financial statements taken as a whole. This report can be issued separately or combined with the independent auditor's report on the financial statements.
  - c. Report on internal control over financial reporting, compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
  - d. Report on compliance with requirements applicable to each major program and report on internal control in accordance with the circular.
  - e. Schedule of findings and questioned costs.
2. Financial statements and notes to the financial statements
3. SEFA and notes to the SEFA
4. Summary schedule of prior audit findings
5. Corrective action plan (if applicable)
6. Data collection form
7. Management letter (if applicable)

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## SUBRECIPEINT / VENDOR AUDITS

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### SUBRECIPIENT AUDIT CLAUSE B For-Profit Organization

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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.

Effective July 1, 2009, the Office of the Budget, Office of Comptroller Operations, Bureau of Audits will begin accepting electronic submission of single audit/program-specific audit reporting packages. Electronic submission is required for the fiscal year ending December 31, 2008 and subsequent years. Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on 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@state.pa.us](mailto:RA-BOASingleAudit@state.pa.us).

#### 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 to an e-mail addressed to [RA-BOASingleAudit@state.pa.us](mailto:RA-BOASingleAudit@state.pa.us). 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 e-mail to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

#### **B. DPW Required Audit Reports and Additional Submission by Subrecipients**

Submit **three copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. In addition, if OMB Circular A-133, §\_\_\_.320 (e), *Submission by Subrecipients*, applies, please submit the audit requirements directly to:

U.S. Postal Service: Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P. O. Box 2675  
Harrisburg, Pennsylvania 17102-2675

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## SUBRECIPEINT / VENDOR AUDITS

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### SUBRECIPIENT AUDIT CLAUSE B For-Profit Organization

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Special Deliveries 3<sup>rd</sup> Floor, Bertolino Building  
1401 North Seventh Street  
Harrisburg, Pennsylvania 17102  
Phone: (717) 787-8890 Fax: (717) 772-2522

#### PERIOD SUBJECT TO AUDIT

A federally required audit, made in accordance with OMB Circular A-133, 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 supplement schedule and an Independent Auditor's Report on the Attestation 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 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; and (5) a description of monitoring to be performed to ensure that the steps are taken. (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 DPW's 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 DPW's audit requirements, and the integration of those requirements with the federal Single Audit requirements, will be provided by:

Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P.O. Box 2675  
Harrisburg, Pennsylvania 17105-2675  
Phone: (717) 787-8890 FAX: (717) 772-2522

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## SUBRECIPEINT / VENDOR AUDITS

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### AUDIT CLAUSE B For-Profit Organization ENCLOSURE I

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#### Independent Accountant's Report

The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

#### Independent Accountant's Report

[Introductory Paragraph]

We have examined *[name of entity]*'s compliance with *[list specific compliance requirement]* during the *[period]* ended *[date]*. Management is responsible for *[name of entity]*'s compliance with those requirements. Our responsibility is to express an opinion on *[name of entity]*'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about *[name of entity]*'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on *[name of entity]*'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, *[name of entity]* complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

# SUBRECIPIENT / VENDOR AUDITS

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## AUDIT CLAUSE C – VENDOR Service Organizations

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The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal funding and state funding passed through DPW are subject to DPW 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.

**Vendor** means a dealer, distributor, merchant, or other seller providing goods or services to an auditee that are required for the **administrative support** of a program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. The vendor's responsibility is to meet the requirements of the procurement contract.

### Department of Public Welfare Audit Requirements

If in connection with the agreement, an entity **expends \$300,000 or more in combined state and federal funds** during the program year, the entity 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 (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The contractor shall also ensure that an independent auditor performs an audit of its policies and procedures applicable to the processing of transactions. These audits shall be performed in accordance with the Statement on Auditing Standards 70 (SAS 70), *Reports on the Processing of Transactions by Service Organizations*. The initial SAS 70 audit shall be completed for the official annual reporting period of this agreement and conducted annually thereafter. The independent auditor shall issue reports on its compliance examination, as defined in the SSAE, Section 601, and on the policies and procedures placed in operation and the tests of operating effectiveness, as defined in SAS 70.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, 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 contractor 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.

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE C – VENDOR Service Organizations

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Records that relate to litigation or 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 contractor or provided to the Commonwealth at the DPW's 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 this contract, the contractor may, in fulfillment of his 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.

#### **DPW Required Audit Report Submission**

The contractor shall submit the SSAE, Section 601, and SAS 70 audit reports to the DPW within 90 days after the required period of audit has ended. When either the SSAE, Section 601, or SAS 70 audit reports are other than unqualified, the contractor shall submit to the DPW, in addition to the audit reports, a plan describing what actions the contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable and the contact person who is responsible for resolution.

Submit **two copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. Submit the audit report directly to the program office.

#### **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 DPW's not accepting the report and initiating sanctions against the contractor that may include the following:

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

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## **SUBRECIPIENT / VENDOR AUDITS**

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### **AUDIT CLAUSE C – VENDOR Service Organizations**

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#### **TECHNICAL ASSISTANCE**

Technical assistance on the DPW's audit requirements, will be provided by:

Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P.O. Box 2675  
Harrisburg, Pennsylvania 17105-2675  
Phone: (717) 787-8890 FAX: (717) 772-2522

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE C – VENDOR Service Organizations ENCLOSURE I

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The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

#### Independent Accountant's Report

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with [*list specific compliance requirement*] during the [*period*] ended [*date*]. Management is responsible for [*name of entity*]'s compliance with those requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]



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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE D – VENDOR

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The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal funding and state funding passed through DPW are subject to DPW 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.

**Vendor** means a dealer, distributor, merchant, or other seller providing goods or services to an auditee that are required for the **administrative support** of a program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. The vendor's responsibility is to meet the requirements of the procurement contract.

#### **Department of Public Welfare Audit Requirement**

If in connection with the agreement, an entity **expends \$300,000 or more in combined state and federal funds** during the program year, the entity 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 (SSAE), examinations, Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial SSAE, Section 601, compliance examination shall be completed for the official annual reporting period of this agreement and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination, as defined in the SSAE, Section 601.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, 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 contractor 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.

Records that relate to litigation or 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 contractor or provided to the Commonwealth at the DPW's option until such litigation, claim, or exceptions have reached final disposition.

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE D – VENDOR

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Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of this contract, the contractor may, in fulfillment of his 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

#### **DPW Required Audit Report Submission**

The contractor shall submit the SSAE, Section 601 audit report to the DPW within 90 days after the required period of audit has ended. When the SSAE, Section 601, audit report is other than unqualified, the contractor shall submit to the DPW, in addition to the audit reports, a plan describing what actions the contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable.

Submit **two copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. Submit the audit report directly to the program office.

#### **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 DPW's not accepting the report and initiating sanctions against the contractor that may include the following:

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

#### **TECHNICAL ASSISTANCE**

Technical assistance on the DPW's audit requirements, will be provided by:

Department of Public Welfare  
Bureau of Financial Operations  
Division of Financial Policy and Operations  
Audit Resolution Section  
3<sup>rd</sup> Floor, Bertolino Building  
P.O. Box 2675  
Harrisburg, Pennsylvania 17105-2675  
Phone: (717) 787-8890    FAX: (717) 772-2522

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE D – VENDOR ENCLOSURE I

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The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

#### Independent Accountant's Report

[Introductory Paragraph]

We have examined *[name of entity]*'s compliance with *[list specific compliance requirement]* during the *[period]* ended *[date]*. Management is responsible for *[name of entity]*'s compliance with those requirements. Our responsibility is to express an opinion on *[name of entity]*'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about *[name of entity]*'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on *[name of entity]*'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, *[name of entity]* complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

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## SUBRECIPIENT / VENDOR AUDITS

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### AUDIT CLAUSE E – VENDOR Exceptions

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**NOTE: This Audit Clause should not be used in most instances – only for instances when no specific audit requirement is warranted.**

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, 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 contractor 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 four years from the date of any resulting final settlement.

Records that relate to litigation or 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 contractor or provided to the Commonwealth at the Department of Public Welfare's 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 this contract, the contractor may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other acceptable 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.

**LOBBYING CERTIFICATION FORM**

**Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure of Lobbying Activities, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under *Section 1352, Title 31, U. S. Code*. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U S C section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

- 1 Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action
- 2 Identify the status of the covered Federal action.
- 3 Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
- 4 Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
- 5 If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
- 6 Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
- 7 Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
- 8 Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
- 9 For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
- 10 (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

## DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB

0348-0046

(See reverse for public burden disclosure.)

<b>1. Type of Federal Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	<b>2. Status of Federal Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:  Congressional District, if known: <sup>4c</sup>	<b>5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:</b>  Congressional District, if known:	
<b>6. Federal Department/Agency:</b>	<b>7. Federal Program Name/Description:</b>  CFDA Number, if applicable: _____	
<b>8. Federal Action Number, if known:</b>	<b>9. Award Amount, if known:</b> \$ _____	
<b>10. a. Name and Address of Lobbying Registrant</b> <i>(if individual, last name, first name, MI):</i>	<b>b. Individuals Performing Services</b> <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
<b>11.</b> Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
<b>Federal Use Only:</b>		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

**COMMONWEALTH TRAVEL RATES**

THE FOLLOWING RATES ESTABLISHED BY THE DEPARTMENT FOR ITS CONTRACTORS SHALL APPLY.

**TRAVEL**

EFFECTIVE JANUARY 1, 2011, THE MILEAGE ALLOWANCE SHALL BE FIFTY-ONE (51) CENTS PER MILE FOR MILES INCURRED BY THE CONTRACTOR'S EMPLOYEES IN DRIVING HIS/HER PERSONAL VEHICLE. TRAVEL COSTS WILL ONLY BE ALLOWED IN THE PERFORMANCE OF THIS CONTRACT.

**LODGING RATE ALLOWANCES**

- (1) THE PER NIGHT LODGING RATE ALLOWANCES LISTED BELOW ARE TO BE USED BY EMPLOYEES AUTHORIZED TO INCUR OVERNIGHT LODGING EXPENSES:

<b><u>CITY LOCATION</u></b>	<b><u>COUNTY</u></b>	<b><u>ALLOWANCE</u></b>
Beaver Falls	Beaver	\$100 plus tax
Burlington , NJ	Burlington, NJ	\$100 plus tax
Butler	Butler	\$100 plus tax
Camden , NJ	Camden, NJ	\$100 plus tax
Chester/Radnor	Delaware	\$100 plus tax
Greensburg	Westmoreland	\$100 plus tax
King of Prussia/Fort Washington	Montgomery	\$100 plus tax
Kittanning	Armstrong	\$100 plus tax
Philadelphia	Philadelphia	\$100 plus tax
Pittsburgh	Allegheny	\$100 plus tax
Valley Forge/Malvern	Chester	\$100 plus tax
Washington	Washington	\$100 plus tax
Woodbury, NJ	Gloucester, NJ	\$100 plus tax
All Other Locations	PA/U.S.	\$75 plus tax



**NOTE: THE ABOVE LODGING RATE ALLOWANCES ARE NOT FLAT ALLOWANCES. EMPLOYEES WILL ONLY BE REIMBURSED FOR ACTUAL EXPENSES INCURRED. COPIES OF THE EMPLOYEE'S HOTEL RECEIPT, HOTEL ORDER, CHARGE CARD RECEIPT, ETC. ARE TO BE ATTACHED TO THE STD-191 FORM WHEN REQUESTING REIMBURSEMENT. EMPLOYEES OBTAINING LODGING WITHIN THE ABOVE ALLOWANCES WILL NOT BE REQUIRED TO PROVIDE WRITTEN JUSTIFICATION ON THEIR STD-191 FORM FOR THE SELECTION OF THE LODGING FACILITY.**

- (2) IN THOSE INSTANCES WHEN LODGING CANNOT BE SECURED WITHIN THE ESTABLISHED LODGING RATE ALLOWANCE, EMPLOYEES MAY EXCEED THE ALLOWANCE IF WRITTEN JUSTIFICATION IS PROVIDED ON THE STD-191 FORM. EMPLOYEES ARE REQUIRED TO PROVIDE, ON THE STD-191 FORM, THE REASON FOR SELECTING THE LODGING FACILITY (E.G., CLOSEST LODGING FACILITY TO WORKSITE – NEXT HOTEL 25 MILES AWAY; NO ROOMS AVAILABLE AT HOTEL WITH LOWEST RATE; LODGING FACILITY BOOKED BY COMMONWEALTH TRAVEL CENTER; INCLEMENT WEATHER; LATENESS OF THE HOUR; ETC.). ALTHOUGH EMPLOYEES ARE NOT REQUIRED TO LIST LODGING ESTABLISHMENTS CONTACTED, THEY ARE, HOWEVER, STILL EXPECTED TO SECURE LODGING AT THE AVAILABLE FACILITY OFFERING THE BEST LODGING RATE WITHIN THE IMMEDIATE AREA OF THE TRAVEL ASSIGNMENT.**
  
- (3) LODGING RATE ALLOWANCES MAY BE EXCEEDED WHEN AN EMPLOYEE MUST STAY AT A SPECIFIC LODGING FACILITY WHERE ROOMS WITHIN THE ALLOWANCE ARE NOT AVAILABLE AND WHERE THE EMPLOYEE'S PRESENCE IS REQUIRED BY THE NATURE OF THE OFFICIAL BUSINESS (E.G., LOCATION OF CONFERENCE, TRAINING COURSE, CONVENTION). A WRITTEN EXPLANATION MUST BE PROVIDED ON THE STD-191 FORM.**
  
- (4) LODGING ACCOMODATIONS OBTAINED BY COMMONWEALTH EMPLOYEES TRAVELING ON OFFICIAL BUSINESS CAN BE SUBJECT TO SEVERAL DIFFERENT TAXES. THE MOST FREQUENTLY ENCOUNTERED TAXES ARE LISTED BELOW WITH GUIDELINES FOR TRAVELERS REGARDING THE COMMONWEALTH'S OBLIGATION TO PAY:**
  - (a) THE COMMONWEALTH IS SUBJECT TO THE FOLLOWING TAX WHICH MUST BE PAID AND WILL BE REIMBURSED:**
    - \*HOTEL OCCUPANCY TAX (72 P.S. §7209 ET SEQ.)**
    - A SIX PERCENT ROOM RENTAL EXCISE TAX APPLICABLE TO EVERY ROOM OCCUPANCY.**

- (b) THE COMMONWEALTH IS NOT SUBJECT TO THE FOLLOWING TAXES AND EMPLOYEES SHOULD MAKE EVERY EFFORT TO HAVE THEM ELIMINATED. HOWEVER, IF THE TAX MUST BE PAID, THE COMMONWEALTH WILL REIMBURSE THE EMPLOYEE FOR ACTUAL EXPENSES INCURRED. COMPTROLLERS SHOULD DELETE THESE TAXES FROM THE HOTEL/MOTEL INVOICE WHEN A HOTEL ORDER IS USED.

**\*HOTEL ROOM RENTAL TAX (53 P.S. §16223) *PENNSYLVANIA CONVENTION CENTER AUTHORITY ACT*. A LOCAL HOTEL ROOM RENTAL TAX IMPOSED BY FIRST CLASS CITIES OR FIRST CLASS COUNTIES TO FUND CONSTRUCTION OF CONVENTION CENTERS (ALLEGHENY, BUCKS, DELAWARE, MONTGOMERY AND PHILADELPHIA). THE AMOUNT OF THE TAX CAN RANGE FROM ONE TO SIX PERCENT.**

**\*LOCAL SALES, USE AND HOTEL OCCUPANCY TAX AUTHORIZED BY THE *PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY ACT* FOR CITIES OF THE FIRST CLASS (53 P.S. §17220.501 ET SEQ.) AND THE SECOND CLASS COUNTY CODE (16 P.S. §6152-B). THE ONE PERCENT TAX IS IMPOSED IN A TAXABLE COUNTY ON THE OCCUPANCY OF HOTEL/MOTEL ROOMS (PHILADELPHIA, ALLEGHENY).**

**NOTE: *MANAGEMENT DIRECTIVE 230.13, COMMONWEALTH CORPORATE CARD PROGRAM, REVISION NO. 1*, CONTAINS A COPY OF THE PENNSYLVANIA EXEMPTION CERTIFICATE TO BE USED WITH THE CORPORATE CARD TO EXEMPT EMPLOYEES TRAVELING ON OFFICIAL BUSINESS FROM LOCAL OCCUPANCY TAXES.**

### **SUBSISTENCE-OVERNIGHT TRAVEL**

**REIMBURSEMENT FOR MEALS AND OTHER SUBSISTENCE EXPENSES IS ALLOWED TO A MAXIMUM OF \$36, WHICH INCLUDES TIPS AND SALES TAX, FOR EACH TWENTY-FOUR HOUR PERIOD SPENT IN A CONTINUOUS OVERNIGHT TRAVEL STATUS. THE TWENTY-FOUR HOUR PERIOD BEGINS AT ANY TIME OF DAY OR NIGHT THAT THE CONTRACTOR LEAVES HEADQUARTERS OR RESIDENCE TO EMBARK UPON OVERNIGHT TRAVEL ON OFFICIAL BUSINESS.**

**OVERNIGHT TRAVEL NOT PART OF A FULL TWENTY-FOUR HOUR PERIOD WILL BE DIVIDED INTO SIX-HOUR PERIODS. THE SIX-HOUR PERIODS NEED NOT HAVE BEEN IMMEDIATELY PRECEDED BY, AND IN CONNECTION WITH, A 24-HOUR**

**TRAVEL PERIOD. CONTRACTOR ON OVERNIGHT TRAVEL STATUS UNDER THESE CONDITIONS SHALL BE ELIGIBLE FOR AN ALLOWANCE OF \$9 FOR HALF OR MORE OF EACH SIX-HOUR PERIOD. REIMBURSEMENT IS CALCULATED AS FOLLOWS:**

<b>0 to less than 3 hours</b>	<b>\$ 0.00</b>
<b>3 to less than 9 hours</b>	<b>\$ 9.00</b>
<b>9 to less than 15 hours</b>	<b>\$18.00</b>
<b>15 to less than 21 hours</b>	<b>\$27.00</b>
<b>21 to 24 hours</b>	<b>\$36.00</b>

**NON-OVERNIGHT TRAVEL**

- (1) AN EMPLOYEE IN A NON-OVERNIGHT TRAVEL ASSIGNMENT THAT TAKES THE EMPLOYEE 50 MILES OR MORE FROM BOTH RESIDENCE AND HEADQUARTERS WHO WORKS MORE THAN TWO HOURS PAST SCHEDULED QUITTING TIME WITH OR WITHOUT PRIOR NOTICE WILL BE REIMBURSED FOR THE COST OF A MEAL UP TO A MAXIMUM OF \$8.00. THE EMPLOYEE MUST STATE HIS NORMAL WORK HOURS ON THE STD-191.**
- (2) AN EMPLOYEE IN A NON-OVERNIGHT TRAVEL ASSIGNMENT THAT IS LESS THAN 50 MILES FROM RESIDENCE AND HEADQUARTERS WHO WORKS MORE THAN TWO HOURS PAST SCHEDULED QUITTING TIME AND WAS NOT GIVEN NOTICE AT LEAST TWO HOURS PRIOR TO THE COMMENCEMENT OF THE REGULAR SHIFT WILL BE REIMBURSED FOR A MEAL UP TO A MAXIMUM OF \$8.00. AN EMPLOYEE MUST STATE HIS NORMAL WORK HOURS ON THE STD-191 AND CERTIFY THAT THE REQUIRED NOTICE HAD NOT BEEN GIVEN.**
- (3) AN ALLOWANCE OF \$9.00 IS GRANTED FOR HALF OR MORE OF EACH SIX-HOUR PERIOD SPENT IN A REQUIRED NON-OVERNIGHT TRAVEL ASSIGNMENT ON A DAY NOT PART OF AN EMPLOYEE’S REGULAR WORK SCHEDULE, THAT IS, A HOLIDAY OR SCHEDULED DAY OFF. THE SIX-HOUR PERIOD NEED NOT HAVE BEEN IMMEDIATELY PRECEDED BY AND IN CONNECTION WITH A 24-HOUR PERIOD. SUCH ALLOWANCES CAN NOT EXCEED THE FULL-DAY RATE OF \$36.00. REIMBURSEMENT IS CALCULATED AS FOLLOWS:**

<b>0 to less than 3 hours</b>	<b>\$ 0.00</b>
<b>3 to less than 9 hours</b>	<b>\$ 9.00</b>
<b>9 to less than 15 hours</b>	<b>\$18.00</b>
<b>15 to less than 21 hours</b>	<b>\$27.00</b>
<b>21 to 24 hours</b>	<b>\$36.00</b>

**DOCUMENTATION**

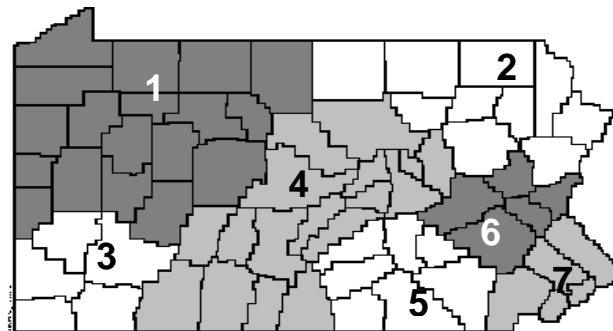
ITEMIZED RECEIPTS FOR TRAVEL AND SUBSISTENCE MUST BE ON FILE TO SUPPORT REIMBURSEMENTS.

**NOTE:**

**ALL RATES LISTED ABOVE ARE SUBJECT TO CHANGE IN ACCORDANCE WITH CURRENT RATES ESTABLISHED BY MANAGEMENT DIRECTIVE 230.10.**

**CHILDREN'S TRUST FUND BOARD MEMBERS**

as of February 2011



Glen Bartlett, M.D., Ph.D.  
Hershey Pediatrics  
Dauphin County – Region 5

Representative Louise Bishop  
House of Representatives  
Philadelphia – Region 7

Frank Cervone  
Support Center for Child Advocates  
Philadelphia – Region 7

Senator Bob Mensch  
Senate of Pennsylvania  
parts of Bucks, Montgomery, Lehigh,  
Northampton – Regions 6 & 7

Susan Eckert  
United Way of Lancaster County  
Lancaster County – Region 5

Representative Phyllis Mundy  
House of Representatives  
Luzerne County – Region 2

Carole Haas Gravagno  
Philadelphia – Region 7

Representative Dennis O'Brien  
House of Representatives  
Philadelphia – Region 7

Harry Hamilton, Esq.  
Luzerne County – Region 2

Senator Kim Ward  
Senate of Pennsylvania  
Westmoreland County – Region 3

Linda Rich  
Best Practices Institute  
Philadelphia – Region 7

Senator LeAnna Washington  
Senate of Pennsylvania  
Philadelphia – Region 7

Barbara Spencer  
Philadelphia – Region 7

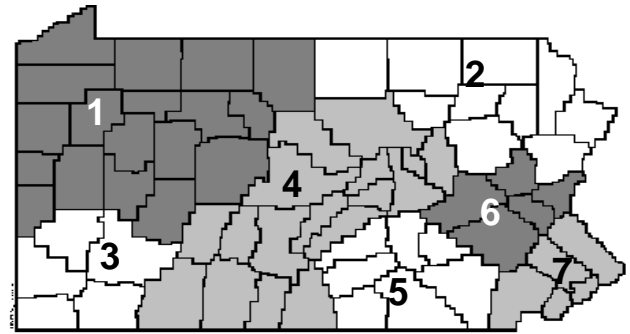
# PENNSYLVANIA CHILDREN'S TRUST FUND

## DISTRIBUTION OF FUNDS BY REGION AND COUNTY

Appendix B

**STATE FUNDING TOTAL = \$30,375,387**  
**239 GRANTS AWARDED<sup>1</sup>**

as of November 1, 2010



REGION 1	\$5,183,054	44 Grants	REGION 4	\$4,132,974	35 Grants
Armstrong	\$179,417	1	Bedford	-	-
Beaver	\$297,700	2	Blair	\$496,560	6
Butler	\$422,499	2	Cambria	\$367,921	4
Cameron	-	-	Centre	\$150,000	1
Clarion	\$135,000	1	Clinton	\$355,704	3
Clearfield	\$624,052	5	Columbia	\$357,500	3
Crawford	\$465,497	4	Franklin	\$363,561	3
Elk	\$124,488	2	Fulton	\$285,000	2
Erie	\$765,571	6	Huntingdon	\$300,000	2
Forest	\$137,718	1	Juniata	\$148,874	1
Indiana	\$396,806	4	Lycoming	\$84,564	1
Jefferson	\$29,501	1	Mifflin	\$299,730	2
Lawrence	\$517,294	6	Montour	-	-
McKean	\$300,000	2	Northumberland	\$150,000	1
Mercer	\$403,860	4	Snyder	\$120,000	1
Potter	\$150,000	1	Somerset	\$239,000	2
Venango	\$150,000	1	Union	\$414,560	3
Warren	\$83,651	1	<b>REGION 5</b>	<b>\$2,205,647</b>	<b>16 Grants</b>
<b>REGION 2</b>	<b>\$1,504,250</b>	<b>15 Grants</b>	Adams	\$150,000	1
Bradford	\$15,522	1	Cumberland	\$366,357	3
Lackawanna	\$450,000	3	Dauphin	\$779,200	5
Luzerne	\$494,070	5	Lancaster	\$300,000	2
Monroe	-	-	Lebanon	-	-
Pike	-	-	Perry	-	-
Sullivan	\$29,000	2	York	\$610,090	5
Susquehanna	-	-	<b>REGION 6</b>	<b>\$1,977,926</b>	<b>16 Grants</b>
Tioga	\$110,658	1	Berks	\$421,234	3
Wayne	-	-	Carbon	\$300,000	2
Wyoming	\$405,000	3	Lehigh	\$963,731	8
<b>REGION 3</b>	<b>\$6,337,741</b>	<b>44 Grants</b>	Northampton	\$210,000	2
Allegheny	\$4,633,538	30	Schuylkill	\$82,961	1
Fayette	\$604,244	5	<b>REGION 7</b>	<b>\$9,033,795</b>	<b>69 Grants</b>
Greene	\$35,000	1	Bucks	\$907,315	8
Washington	\$848,459	6	Chester	\$515,594	4
Westmoreland	\$216,500	2	Delaware	\$211,209	2
			Montgomery	\$1,579,453	13
			Philadelphia	\$5,820,224	42

<sup>1</sup> Funds are distributed by the county in which the grantee is based, not the counties in which services are rendered.

**COMMONWEALTH OF PENNSYLVANIA  
BUSINESS ASSOCIATE APPENDIX**

**Health Insurance Portability and Accountability Act (HIPAA) Compliance**

**WHEREAS, the Pennsylvania Department of Public Welfare and the Contractor (Business Associate),** intend to protect the privacy and provide for the security of certain Protected Health Information (PHI) to which Business Associate may have access in order to provide goods or services to or on behalf of Covered Entity, in accordance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), the HIPAA Privacy Rule (Privacy Rule), 45 CFR Parts 160 and 164, and the HIPAA Security Rule (Security Rule), 45 CFR Parts 160, 162 and 164.

**WHEREAS,** Business Associate may receive PHI from Covered Entity, or may create or obtain PHI from other parties for use on behalf of Covered Entity, which PHI can be used or disclosed only in accordance with this Appendix and the standards established by HIPAA and the Privacy Rule.

**WHEREAS,** Business Associate may receive PHI from Covered Entity, or may create or obtain PHI from other parties for use on behalf of Covered Entity, that is in electronic form, which PHI must be handled in accordance with this Appendix and the standards established by HIPAA and the Security Rule, beginning as soon as practicable but in no event later than the effective date of the Security Rule.

**NOW, THEREFORE,** Covered Entity and Business Associate agree as follows:

**1. Definitions.**

- a. "Business Associate" shall have the meaning given to such term under the Privacy and Security Rules, including but not limited to, 45 CFR §160.103.
- b. "Covered Entity" shall have the meaning given to such term under the Privacy and Security Rules, including, but not limited to, 45 CFR §160.103.
- c. "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- d. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164.
- e. "Protected Health Information" or "PHI" means any information, transmitted or recorded in any form or medium; (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under HIPAA and the HIPAA Regulations at 45 CFR Parts 160, 162 and 164, including, but not limited to 45 CFR §164.501.

- f. “Security Rule” shall mean the Security Standards at 45 CFR Parts 160, 162 and 164.
- g. Terms used, but not otherwise defined, in this Appendix shall have the same meaning as those terms in 45 CFR Parts 160, 162 and 164.

**2. Stated Purposes For Which Business Associate May Use Or Disclose PHI.** Except as otherwise limited in this Agreement, Business Associate shall be permitted to use or disclose PHI provided by or obtained on behalf of Covered Entity to perform those functions, activities, or services for, or on behalf of, Covered Entity which are specified in this Agreement’s Rider 2 (Statement of Work), provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

**3. Additional Purposes For Which Business Associate May Use Or Disclose Information.** In addition to the Stated Purposes, Business Associate may use or disclose PHI provided by, or created or obtained on behalf of Covered Entity for the following additional purposes(s) (*Note that this is an optional section – must decide whether or not to include it*):

- a) **Use Of Information For Management, Administration And Legal Responsibilities.** Business Associate is permitted to use PHI if necessary for the proper management and administration of Business Associate or to carry out legal responsibilities of the Business Associate except as otherwise limited in this Agreement.
- b) **Disclosure Of Information For Management, Administration And Legal Responsibilities.** Business Associate is permitted to disclose PHI provided by, or created or obtained on behalf of Covered Entity for the proper management and administration of Business Associate or to carry out legal responsibilities of Business Associate, except as otherwise limited in this Agreement, provided:
  - i) The disclosure is required by law: or
  - ii) The Business Associate obtains reasonable assurances in writing from any third party to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purposes for which it was disclosed to the third party, the third party will use appropriate safeguards to prevent other use or disclosure of the information, and the third party agrees to immediately notify the Business Associate of any instance of which it is aware in which the confidentiality of the information has been breached.
- c) **Data Aggregation Services.** Business Associate may also be permitted to use or disclose PHI to provide data aggregation services, as that term is defined by 45 CFR §164.501, if specific authorization is received from the Covered Entity.



#### 4. BUSINESS ASSOCIATE OBLIGATIONS:

- a) **Limits On Use And Further Disclosure Established By Appendix And Law.** Business Associate hereby agrees that the PHI provided by, or created or obtained on behalf of Covered Entity shall not be further used or disclosed other than as permitted or required by this Appendix or as required by law.
- b) **Appropriate Safeguards.** Beginning as soon as practicable but in no event later than the effective date of the Security Rule, Business Associate shall establish and maintain appropriate safeguards to prevent any use or disclosure of PHI other than as provided for by this Appendix. Appropriate safeguards shall include implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that is created, received, maintained, or transmitted on behalf of the Covered Entity.
- c) **Reports Of Improper Use Or Disclosure.** Business Associate hereby agrees that it shall report to the Office of Child Development and Early Learning within two (2) days of discovery any use or disclosure of PHI not provided for or allowed by this Appendix.
- d) **Reports Of Security Incidents.** Beginning as soon as practicable but in no event later than the effective date of the Security Rule, Business Associate shall report to the Office of Child Development and Early Learning within two (2) days of discovery any security incident of which it becomes aware.
- e) **Subcontractors And Agents.** Business Associate hereby agrees that any time PHI is provided or made available to any subcontractors or agents, Business Associate shall provide only the minimum necessary PHI for the purpose of the covered transaction and shall first enter into a subcontract or contract with the subcontractor or agent that contains the same terms, conditions and restrictions on the use and disclosure of PHI as contained in this Appendix.
- f) **Right Of Access To PHI.** Business Associate hereby agrees to allow an individual who is the subject of PHI maintained in a designated record set, to have access to and copy that individual's PHI within ten (10) business days of receiving a written request from the Covered Entity. Business Associate shall provide PHI in the format requested, unless it cannot readily be produced in such format, in which case it shall be provided in standard hard copy. If any individual requests from Business Associate or its agents or subcontractors access to PHI, Business Associate shall notify Covered Entity of same within five (5) business days. Business associate shall further conform with and meet all of the requirements of 45 CFR §164.524.
- g) **Amendment And Incorporation Of Amendments.** Within ten (10) business days of receiving a request from Covered Entity for an amendment of PHI

maintained in a designated record set, Business Associate shall make the PHI available and incorporate the amendment to enable Covered Entity to comply with 45 CFR §164.526. If any individual requests an amendment from Business Associate or its agents or subcontractors, Business Associate shall notify Covered Entity of same within ten (10) business days.

- h) Provide Accounting Of Disclosures.** Business Associate agrees to maintain a record of all disclosures of PHI in accordance with 45 CFR §164.528. Such records shall include, for each disclosure, the date of the disclosure, the name and address of the recipient of the PHI, a description of the PHI disclosed, the name of the individual who is the subject of the PHI disclosed, the purpose of the disclosure, and shall include disclosures made on or after the date which is six (6) years prior to the request or April 14, 2003, whichever is later. Business Associate shall make such record available to the individual or the Covered Entity within ten (10) business days of a request for an accounting of disclosures.
- i) Access To Books And Records.** Business Associate hereby agrees to make its internal practices, books, and records relating to the use or disclosure of PHI received from, or created or received by Business Associate on behalf of the Covered Entity, available to the Secretary of Health and Human Services or designee for purposes of determining compliance with the HIPAA Privacy Regulations.
- j) Return Or Destruction Of PHI.** At termination of this Agreement, Business Associate hereby agrees to return or destroy all PHI provided by or obtained on behalf of Covered Entity. Business Associate agrees not to retain any copies of the PHI after termination of this Agreement. If return or destruction of the PHI is not feasible, Business Associate agrees to extend the protections of this Appendix to limit any further use or disclosure until such time as the PHI may be returned or destroyed. If Business Associate elects to destroy the PHI, it shall certify to Covered Entity that the PHI has been destroyed.
- k) Maintenance of PHI.** Notwithstanding Section 5(j) of this Appendix, Business Associate and its subcontractors or agents shall retain all PHI throughout the term of the Agreement and shall continue to maintain the information required under §5(h) of this Appendix for a period of six (6) years after termination of the Agreement, unless Covered Entity and Business Associate agree otherwise.
- l) Mitigation Procedures.** Business Associate agrees to establish and to provide to Covered Entity upon request, procedures for mitigating, to the maximum extent practicable, any harmful effect from the use or disclosure of PHI in a manner contrary to this Appendix or the Privacy Rule. 45 CFR §164.530(f). Business Associate further agrees to mitigate any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Appendix or the Privacy Rule.

- m) **Sanction Procedures.** Business Associate agrees that it shall develop and implement a system of sanctions for any employee, subcontractor or agent who violates this Appendix or the Privacy Rule.
- n) **Grounds for Breach.** Any non-compliance by Business Associate with this Appendix or the Privacy or Security Rules will automatically be considered to be a breach of the Agreement, if Business Associate knew or reasonably should have known of such non-compliance and failed to immediately take reasonable steps to cure the non-compliance.
- o) **Termination by Commonwealth.** Business Associate authorizes termination of this Agreement by the Commonwealth if the Commonwealth determines, in its sole discretion that the Business Associate has violated a material term of this Appendix.
- p) **Failure to Perform Obligations.** In the event Business Associate fails to perform its obligations under this Appendix, Covered Entity may immediately discontinue providing PHI to Business Associate. Covered Entity may also, at its option, require Business Associate to submit to a plan of compliance, including monitoring by Covered Entity and reporting by Business Associate, as Covered Entity in its sole discretion determines to be necessary to maintain compliance with this Appendix and applicable law.
- q) **Privacy Practices.** The Department will provide and Business Associate shall immediately begin using any applicable form, including but not limited to, any form used for Notice of Privacy Practices, Accounting for Disclosures, or Authorization, upon the effective date designated by the Program or Department. The Department retains the right to change the applicable privacy practices, documents and forms. The Business Associate shall implement changes as soon as practicable, but not later than 45 days from the date of notice of the change.

## 5. OBLIGATIONS OF COVERED ENTITY:

- a) **Provision of Notice of Privacy Practices.** Covered Entity shall provide Business Associate with the notice of privacy practices that the Covered Entity produces in accordance with 45 CFR §164.520, as well as changes to such notice.
- b) **Permissions.** Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by individual to use or disclose PHI of which Covered Entity is aware, if such changes affect Business Associate's permitted or required uses and disclosures.
- c) **Restrictions.** Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that the Covered Entity has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.