



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
P.O. BOX 2675
HARRISBURG, PENNSYLVANIA 17105-2675

Office of Children, Youth & Families
Deputy Secretary's Office

Phone: 717-787-4756
Fax: 717-787-0414

Ms. Anne Marie Ambrose, Commissioner
Philadelphia Department of Human Services
One Parkway, 1515 Arch Street, Eighth Floor
Philadelphia, Pennsylvania 19102

Dear Ms. Ambrose:

Enclosed please find the Time-Limited Family Reunification (TLFR) grant package for State Fiscal Year (SFY) 2011-2012 through SFY 2013-2014.

Your signature is needed on the Signature Page and on Rider L – Lobbying Certification Form and Disclosure of Lobbying Activities. Please return the original grant agreement (no copies) within 10 calendar days to:

Department of Public Welfare
Bureau of Budget and Program Support
Annex, Health and Welfare Building
Attention: Ms. Karla Runkle
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675

A copy of your grant agreement will be forwarded to you after it is executed by the Department of Public Welfare (The Department). The executed grant agreement with the assigned document number is the official grant document for SFY 2011-2012 through SFY 2013-2014. Your approved grant amount for SFY 2011-2012 is included in this grant agreement packet. A grant extension was put into place and effective July 1, 2011 through September 30, 2011. The grant period begins October 1, 2011 and ends June 30, 2014. The Department cannot be responsible for any costs incurred for this project outside of the SFYs 2011-2014 grant period. Funding is contingent on passage of the Commonwealth Budget for each SFY 2011-2012 through SFY 2013-2014.

This package contains the following Riders:

Rider 1 – Payment Provisions

Rider 2 – Included from the application: A) TLFR Logic Model; B) TLFR SFY 2011-2012, SFY 2012-2013 and SFY 2013-2014 Workplan; C) County Needs and D) Organizational Capacity

Rider 3 – TLFR Proposed Budgets for SFY 2011-2012, SFY 2012-2013 and SFY 2013-2014

Rider 4 – Standard Grant Terms and Conditions for Services

Rider 5 – DPW Addendum to Standard Contract Terms and Conditions

Rider R – Commonwealth Travel Rates are subject to change in accordance with current rates established under State Management Directive 230.10.

Rider 6 – Commonwealth of Pennsylvania Business Associate Appendix

Rider L – Lobbying Certification Form and Disclosure of Lobbying Activities must be signed by an authorized representative of your agency to signify an understanding of the information contained in the Rider

Form PA 778 – “Contractor’s Responsibility to Employ Welfare Clients” will not be sent to you until the contracting process is complete and all signatures have been affixed.

We are committed to the continued success of the TLFR initiative. Thank you for your dedication and service to the children and families of Pennsylvania. If you have any questions regarding the processing of this grant agreement please contact Ms. Karla Runkle at (717) 214-3811. For all other questions, please contact Mr. Joseph Warrick at (717) 214-6765.

Sincerely,



Cathy A. Utz
Acting Deputy Secretary

Enclosures

cc: Ms. Noelies Zavala
Mr. Joseph Warrick
Ms. Karla Runkle

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SAP# 4100057073

**PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

Grant Agreement

Purpose of the Grant

**Provide funds for Time Limited Family
Reunification Grants**

Award to

NAME AND ADDRESS

**Philadelphia City Treasurer
640 Municipal Services Bldg
1401 JFKennedy Blvd
Philadelphia, PA 19102-1581**

FEDERAL I.D. NUMBER: 23-6003047

SAP VENDOR NUMBER: 177575

GRANT AGREEMENT

This GRANT AGREEMENT is made between the COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF PUBLIC WELFARE ("Department"), and Department of Human Services ("Grantee") operating at: 1515 Arch Street, OPB, Philadelphia, Pennsylvania 19102.

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 \$591,250 from funds expected to be appropriated for the Time Limited Family Reunification 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:

64. The term of this grant shall be from October 1, 2011 through June 30, 2014.
65. 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.
66. 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	Standard Contract Terms and Conditions

GRANT AGREEMENT Page Two

- Rider 5 DPW Addendum to Standard Contract Terms and Conditions with attached Riders A (Audit Clause "A"), Rider L (Lobbying Certification and Disclosure) and R (Commonwealth Travel Rates)
- Rider 6 Commonwealth of Pennsylvania Business Associate Appendix Language – Health Insurance Portability and Accountability Act (HIPAA) Compliance

67. The Riders listed above, as they may be applicable to this grant, are hereby attached and made a part of this Grant Agreement.
68. 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 \$591,250 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 Funding Adjustments as a result of changes in applicable appropriations or allocations or certifications of available funds.
69. This Grant Agreement may be cancelled by the Department, in accordance with Paragraph 18 of Rider 4, upon thirty (30) days prior written notice.
70. This Grant Agreement contains all the terms and conditions agreed on by the parties. Any modifications or waivers of this agreement, including its incorporated riders, 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.

PAYMENT PROVISIONS
October 1, 2011 through June 30, 2014

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

- A. Subject to the availability of State and Federal funds and the other terms and conditions of this Grant, the Department will reimburse the Grantee in accordance with Rider 3 for providing the services described in Rider 2, up to the total amount of **\$591,250** as it may be adjusted pursuant to Paragraph 5 of the Grant Agreement, and no payments shall be made under this Grant in excess of that amount.
- B. Payment to the Grantee in the amount stated in Paragraph A hereof shall be made in accordance with the Budget set forth in Rider 3 as follows:
 1. Payment will be made upon submission of a signed invoice of actual expenditures for services provided pursuant to this agreement. The Grantee must indicate on each submitted invoice a unique invoice number, the grant agreement number, the Grantee Federal I.D. number, the State Fiscal Year, the State Fiscal Year period covered by the invoice, the name and telephone number of a contact person and the date submitted. Invoices are due the 15th of the following month for previous month's expenditures. If expenditures are not incurred for a reporting month, an invoice indicating zero expenditures must be submitted for that month.
 2. The Commonwealth will make payments to the Grantee through the Automated Clearing House (ACH) Network. Within ten (10) days of grant award, the Grantee must submit or have already submitted its ACH information within its user profile to the Commonwealth's Central Vendor Management Unit at 717-214-0140 (FAX) or by mail to the Central Vendor Management Unit, Bureau of Financial Management, Verizon Tower, 6th Floor, 303 Walnut Street, Harrisburg, Pa. 17101-1830.

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 DPW's payment to the invoice submitted.

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.

The Central Vendor Management Unit can be contacted at 866-775-2868.

Department of Human Services

3. Original invoices shall be sent by the Grantee to:

TLFR Fiscal Manager
 Pennsylvania Department of Public Welfare
 Bureau of Budget and Program Support
 Office of Children, Youth, and Families
 P.O. Box 2675, Health and Welfare Annex
 Harrisburg, Pennsylvania 17105-2675

A copy of the original invoice shall be sent by the Grantee to:

TLFR Program Manager
 Pennsylvania Department of Public Welfare
 Division of Programs
 Office of Children, Youth and Families
 P.O. Box 2675, Health and Welfare Building, Room 105
 Harrisburg, Pennsylvania 17105-2675

Invoices shall be prepared on the supplied Time-Limited Family Reunification Monthly Invoice Form. The invoice form is not to be changed or modified. Incomplete/incorrect invoices will be returned and not processed for payment.

4. The Department shall have the right to disapprove any expenditure made by the Grantee which is not in accordance with the terms of this Grant Agreement and adjust payment to the Grantee accordingly. Any duplication of payment requests for services rendered under this grant may result in termination of the Grant Agreement by the Department.
5. Payment for services will be made in accordance with Rider 3. Living and travel expenses may be reimbursed, but shall not exceed the rates as set forth in Commonwealth Travel Rates, attached, as part of Rider 5. Itemized receipts must be retained in the Grantee's files to support all claims submitted for living and travel expenses reimbursement. These receipts must be available to the Department, on request, to support Federal and State audits.
6. On or before **September 1** of each State Fiscal Year, the Grantee must submit to DPW the Final Time-Limited Family Reunification Expenditure Report form, indicating the expenditure of DPW funds and interest for the State Fiscal Year. Any interest monies earned on DPW funds must be only used to enhance the services provided under this grant agreement for the State Fiscal Year or shall be paid to the Department on or before **September 1** of each State Fiscal Year. Interest earnings expended by the Grantee must be noted as income on the Final Time-Limited Family Reunification Source of Funds by Service Category Expenditure Report form. Any grant funds received but unexpended or expended on a disallowed expenditure for the State Fiscal Year must be returned to DPW on or before **September 1** of each State Fiscal Year along with the Final Time-Limited Family Reunification Source of Funds by Service Category Expenditure Report form. The check must be made payable to the Commonwealth of Pennsylvania and submitted to:

Department of Human Services

TLFR Fiscal Manager
Pennsylvania Department of Public Welfare
Bureau of Budget and Program Support
Office of Children, Youth, and Families
P.O. Box 2675, Health and Welfare Annex
Harrisburg, Pennsylvania 17105-2675

7. Budget Revisions:

The Grantee must submit a Budget Revision Request form with justification to reallocate funds among budget categories or to reallocate funds among approved line items within a budget category in excess of 10% of the **original** line item amount of the approved budget for the State Fiscal Year or to request a new line item within a budget category. DPW approval is required prior to the implementation of the revised budget. The DPW approval letter will indicate the effective date of the budget revision request. The Grantee must submit Budget Revision Requests for the State Fiscal Year no later than May 15 of each State Fiscal Year. In its sole discretion, DPW may accept late requests.

The Grantee must submit a Budget Revision form with justification for the reallocation of funds among approved line items within a budget category of 10% or less of the **original** line item amounts of the approved budget for the State Fiscal Year. The Grantee is not required to obtain prior DPW approval of those budget revisions. Upon receipt of a budget revision, the Grantee will receive a letter from DPW acknowledging receipt of the Budget Revision and indicating the effective date of the budget revision. The Grantee must submit Budget Revisions for the State Fiscal Year no later than May 15 of each State Fiscal Year.

Grantee reimbursement for expenditures incurred under this grant agreement may not exceed the approved personnel category total or the amount of each approved line item within any other category in the approved budget of each State Fiscal Year.

Original Budget Revision/ Budget Revision Request forms with justification are to be submitted to:

TLFR Fiscal Manager
Pennsylvania Department of Public Welfare
Bureau of Budget and Program Support
Office of Children, Youth, and Families
P.O. Box 2675, Health and Welfare Annex
Harrisburg, Pennsylvania 17105-2675

Department of Human Services

A copy of the Budget Revision/ Budget Revision Request forms with justification are to be submitted to:

TLFR Program Manager
Pennsylvania Department of Public Welfare
Division of Programs
Office of Children, Youth and Families
P.O. Box 2675, Health and Welfare Building, Room 105
Harrisburg, Pennsylvania 17105-2675

- C. The Time Limited Family Reunification Program must be operational for the full twelve months of the grant period in order for the Grantee to receive the full amount of the Grant.
- D. In no case will DPW pay for any service provided in excess of the amount as stated in the budget of each State Fiscal Year.
- E. This grant agreement is subject to audit by Federal and Commonwealth agencies and/or their designated representatives, in accordance with Rider 5, Audit Clause "A".
 - a. The audit must include a supplemental schedule of expenses and revenues for services provided under this grant. This supplemental schedule must be in the same format as the budget.
 - b. If a Grantee passes through all or a portion of its funds to a subgrantee, the Grantee must require through its agreement with the subgrantee the inclusion of the Department of Public Welfare audit requirements.

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

GRANTEE

SIGNATURE
PRINT OR TYPE NAME AND TITLE

SIGNATURE
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 shown

AMOUNT	SOURCE	APPROPRIATION SYMBOL	PROGRAM

SIGNATURE PHHS COMPTROLLER

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)

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

GRANTEE

SIGNATURE
PRINT OR TYPE NAME AND TITLE

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**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

Program Deputy Secretary

Secretary

SIGNATURE

SIGNATURE

COMPTROLLER – DEPARTMENT OF PUBLIC WELFARE

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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)

A. TLFR Logic Model (no more than three pages)

- Provide a logic model using the logic model builder found on the Friends, National Resource Center website: <http://www.friendsnrc.org/outcome/toolkit/builder.htm>, or any other comparable logic model.
- All logic models must include: Target Population, Services, Program Outcomes/Goals (3), Indicators, Baseline Data, and Baseline Data Source/Measurement Tool.

Time Limited Family Reunification Logic Model
Fiscal Year 2011-2014

Program Name Time-Limited Family Reunification

Program Vision: DHS's vision is to facilitate reunification of youth in group home care within 15 months by collaborating with both families and public/private agencies. In doing so, DHS and its collaborating partners will work with youth prior to reunification to resolve problems that contributed to placement. DHS will also strengthen and support the entire family by utilizing a myriad of programs and services.

Population Served: Through the Time-Limited Family Reunification Program (TLFR), the Department of Human Services (DHS) will serve families with older youth in placement. This program will be limited to those families with youth who are placed in group homes (GH) within the five county areas. Youth entering GH placement generally range in age from 11-17. Last year, 63% of first time GH placements were male, and 68% were of African-American decent. In order to identify the appropriate target population, DHS will utilize the Child and Adolescent Needs and Strengths (CANS) instrument. The CANS is a descriptive instrument that acts as an information integration tool, drawing facts about the youth from multiple sources to include school records, medical records, incident reports, ISP, and evaluations. Using a four-point rating scale, the CANS quantifies the needs and strengths of each child and creates the means of measuring client outcomes objectively on multiple levels. Prior to placement in a GH level, youth cases are reviewed by CANS specialists at DHS. DHS will use the results of the CANS to demonstrate that youth meet the CANS GH threshold, indicating that behavioral health needs, as well as functioning, developmental, or risk behaviors are appropriate for this level of care. The CANS is repeated every six months after youth have been at the GH level of care for at least 12 consecutive months. DHS will share the data with all parties involved so that any areas of concern can be addressed as quickly as possible.

Population Needs to be Addressed by Services: Families of youth in care are in need of support and guidance to understand why their child was placed and how the circumstances can be changed. DHS recognizes that most families do not present with a single problem, however, have multiple issues that require coordination from a variety of services. Presenting problems typically include one or more of the following: parental neglect, substance abuse, housing issues, mental health issues, self-destructive behaviors, disruptive behavior, school problems or truancy. At DHS, there has been a system-wide emphasis on permanency for youth that enter general foster home care. However, to date, older youth entering GH care have not shared the same systemic incentives regarding permanency. This particular program will emphasize permanency for this population of youth by focusing on adolescent issues such as incorrigibility, pre-delinquent behaviors, truancy and parent-child conflict, and addressing these issues with each individual family. DHS's goal is to serve 40 children and their families this fiscal year through TLFR. A grant from DPW will enable DHS to develop a strengthened response around reunification and permanency for older youth.

Services: Families with youth in a GH will be referred to DHS's Time-Limited Family Reunification Program (TLFR). DHS will conduct a thorough assessment with the family to determine what services are needed to support youth safety and well being, so that the youth can return home. DHS will contract with one of three specific provider agencies to provide an intensive program for both the youth and their family. The provider will work with the family in their home as well as the youth in placement. All three agencies, DHS, TLFR provider and GH provider will work collaboratively to ensure continuity of care and to promote a successful reunification plan. A Family Group Decision Making (FGDM) referral will immediately be initiated by the DHS social worker. FGDM is a process in which families are actively engaged and empowered by child welfare agencies to make decisions and develop plans that protect and nurture their children. The FGDM process inherently fosters cooperation, collaboration, and communication between professionals and families. The DHS TLFR staff and TLFR & GH provider will develop a service plan with the information derived from the FGDM meeting and utilize this plan as the foundation for ongoing case planning. The FGDM coordinator and facilitator will conduct follow-up activities which include a check-in with the family and DHS within 30 days of the meeting. A follow-up meeting will be held no later than 90 days. Once the child returns home, FRP services may continue for 12 additional weeks. (TLFR funds will not be used.) Additionally, all parents of children entering GH will be referred to the Achieving Reunification Center (ARC), which coordinates services and brings systems together to help parents achieve reunification positive outcomes for themselves and their children. On-site ARC supports include: technology based learning, education, training and employment, housing counseling, financial planning, literacy, parenting education, parent-child visitations, peer support, childcare services and fatherhood/mentoring supports. In addition to these services, ARC has collaborated with a myriad of community based agencies with services for mental health, drug and alcohol, anger management, and assistance with public benefits. An expedited referral to the Achieving Independent Center (AIC) will be made for all youth that are or acquire the age of 16 while

Assumptions: Many home-based service models originally developed to prevent out-of-home placement have shown some success in promoting family reunification. In one experimental study, families in the treatment group received intensive casework services, parenting and life skills education, family-focused treatment, and assistance in accessing community resources. The treatment group had a reunification rate three times that of the control group and remained intact at a far higher rate 7 years later (Lewis, Walton, & Fraser, 1995; Walton, 1998). Because social support appears to be an important factor in the successful treatment of addiction, assessment and intervention should involve the entire family, especially spouses or partners, and include consistent, ongoing support from caseworkers and treatment providers (Gregoire & Schultz, 2001). The FGDM program allows provider agencies to work with the family to identify family members and friends who can be used as resources to invite and participate in the meeting. These meetings will rely on the expertise of family members, service providers, community members, and child welfare staff invested in the family to make decisions about the safety, permanency and well-being of the child. The provision of concrete services such as food, transportation, and assistance with housing and utilities has also been demonstrated to be an important aspect of family reunification services. A study reviewing effective family-centered service models (Wells & Fuller, 2000) identified concrete services as critical elements of practice. The most effective programs studied not only provided services to meet concrete needs, but offered families instruction in accessing community resources so that they could do so independently in the future. In a study of 1,014 families participating in a family reunification program in Illinois, the 50 percent of families who experienced reunification demonstrated high utilization of concrete services such as financial assistance and transportation (Rzepnicki, Schuerman, & Johnson, 1997). DHS will provide concrete services to families in need. This service will continue to be funded internally through both DHS's Emergency Fund and the Material Aids and Support Fund (TLFR fund will not be used

participating in the TLFR program to assist in the acquisition of life skills for self-sufficiency. The TLFR provider agency will also offer reunification services to the families of youth in care. To facilitate reunification, the GH providers will ensure visitation services are flexible, complement the needs of both youth and family, and support safety and well being of the youth. Visitation will be provided in sufficient quantity and quality to support successful reunification. The provider will be responsible for meeting with the family face-to-face at least one hour every other week to discuss the achievement of permanency and stability for the youth. The provider will also visit the home of the family every three months to assess for safety. The provider will utilize the new safety practice framework developed in collaboration with DPW/OCYF.

for concrete services.)

Resources: DHS is resource rich and has various programs that are currently operational. The goal of the Time Limited Family Reunification (TLFR) program is to expand these resources and dedicate staff to work solely with this population of youth in GH care. DHS's current Family Reunification Program has been restructured to include a new unit dedicated to case management specific to TLFR. The Achieving Reunification Center will be a key resource because of their ongoing collaborations with many different agencies and services. Family Group Decision Making will be utilized and provided to the targeted families. The DHS Material Aids & Supports (MAS) committee assists families if they need basic furniture (beds, dressers, and kitchen tables), essential appliances (refrigerators), exterminators or minor repairs for homeowners. This fund is available to families with children in care as well families whose children are at risk for placement.

Outcomes	Indicators	Measurement
The Department of Human Services will reduce the length of time that children spend in group home care.	<ul style="list-style-type: none"> The number of months a child spends in placement. 	<ul style="list-style-type: none"> FACTS Administrative data (Family & Child Tracking System is DHS's data tracking system)
The Department of Human Services will reduce the re-entry rates for children returning to county custody.	<ul style="list-style-type: none"> The number of youth who re-enter care within six months. The number of youth who re-enter care within one year. The number of youth who have a substantiated/indicated CPS/GPS report within six months of returning home. 	<ul style="list-style-type: none"> FACTS Administrative data
The Department of Human Services will increase the rates and timeliness of reunification of children with their families.	<ul style="list-style-type: none"> The number of children within group home care who are reunified. The number of months from the date of placement until the child returns home. 	<ul style="list-style-type: none"> FACTS Administrative data

B. TLFR SFY 2011-2012, SFY 2012-2013 and SFY 2013-2014 WORKPLAN (no more than 3 pages)

- Describe how the services and activities selected will address the timely reunification of children with their parents or primary caregiver safely and appropriately during the 15-month period following the child's placement in foster care.
- **TLFR funds may not be used for any post-reunification services.** Provide information on what types of post-reunification services may be provided and what other funds will be used for these services.
- Identify and describe the 3 specific TLFR outcomes selected for SFY 2011-2012 to SFY 2013-2014.
- Specify the number of children and the number of families to be served in 12 months.

TLFR FY 2011-12 to FY 2013-2014 Work Plan

The Time Limited Family Reunification Services will address the timely reunification of children through the provision of immediate in-home services which will keep the family focused on the fact that placement is a crisis not, a long term alternative to their child growing up in a home environment. The Department will focus on families with youth who are entering placement for the first time. This program will be limited to those families with youth who are placed in group homes (GH) within the five county area: Philadelphia, Bucks, Montgomery, Delaware and Chester. Youth entering this type of placement generally range in age from 11-17.

At the time of placement, families will be referred to the DHS Time Limited Family Reunification (TLFR). The primary goal of this service is to conduct a thorough assessment with the family to determine what services are need to make the child safe, so that they can return home. A DHS TLFR social worker will be assigned to the family upon child's placement in a group home. The family will be referred to Family Group Decision Making (FGDM) and The Achieving Independence Center (ARC), provided child is 16 years or older. A TLFR provider will be contracted to work in collaboration with DHS and family. The on-set of this contracted service will be determined by the family and social service team at the time of the initial TLFR Professional Meeting. The team will consist of the DHS TLFR, GH and TLFR provider staff and Child Advocate and/or Child Advocate Social Worker.

The TLFR provider worker will be providing intensive in-home services of up to ten hours a week, which will include weekly supervised visits, if necessary. During this period, the intensive worker will concentrate on helping the family organize the home, establish a family structure using positive family discipline and develop and establish informal and formal family support systems that will remain in place after the completion of the program. Once TLFR provider services are in place, staff will communicate weekly with the DHS TLFR worker around family progress. They team together to locate and contract for resources, and do joint home visits where there is an identified need, such as a parent who is not following through with stated goals or to help assess risk in situations where there may be potential for child abuse/neglect. Another area of collaboration is working out visitation arrangements with the GH agency which can become sensitive due to the increased demands on worker time as visitation becomes more frequent. The TLFR team will work collaboratively with the group home provider staff to ensure consistent and meaningful visits are taking place in the resource home.

The needs of siblings, paramours and other household members are addressed in order to help solidify the family unit. For example, a pre-school program may be identified for a younger sibling, and a job training program for a paramour interested in employment. Parent's finances are reviewed in order to help in planning and ongoing care of the children. It is important to know the parent's income in order to help the parent plan a budget that will cover the needs of the child returning home. The parent's home is evaluated in terms of providing a safe, healthy environment for the returning child

The DHS TLFR staff will work with the family and school to develop a plan with the youth to address any problems of truancy which may have contributed to the need for placement. The GH provider agency will also offer reunification services to the families of youth in care. To facilitate reunification, the GH providers will ensure visitation services are provided in sufficient quantity and quality to support successful reunification. Furthermore, the provider will be

TLFR FY 2011-12 to FY 2013-2014 Work Plan

responsible for meeting with the family face to face at least one hour every other week. The purpose of these meetings is to discuss the achievement of permanency and stability for the youth. The provider must also visit the home of the family every three months to assess for safety. The provider will utilize the new safety practice framework developed in collaboration with DPW/OCYF.

A Family Group Decision Making (FGDM) referral will be made within 30 days of the child's placement in group home care. These meetings are strengths-based, solution-focused and task-oriented. The facilitator will work with the family to identify family members and friends whom can be used as resources to invite and participate in the meeting. The facilitator will explore all avenues for resource attendees, identify potential services needed and engage appropriate specialists. These meetings will rely on the expertise of family members, service providers, community members, and child welfare staff invested in the family to make decisions about the safety, permanency and well-being of the child.

The FGDM case plan will be documented by the Facilitator and Coordinator and serves as the basis for the family service plan, aftercare plan, and/or other plans. Information about each meeting, including participants, location and recommendations is collected and linked to data. This information will be shared with all stakeholders including the family. If the plan indicates family therapy, anger management, employment referrals, parenting classes, etc., the DHS TLFR SW will work in conjunction with the family, provider worker and ARC to ensure those services are arranged and attended to. A follow-up meeting will be held no later than 90 days.

All parents of children entering GH will be referred to the Achieving Reunification Center (ARC). ARC coordinates services and brings systems together to help parents achieve positive outcomes. The ARC SW will be working with DHS & provider TLFR SW to ensure the family has been connected to the needed services indicated in the family's case plan. On-site ARC supports include: technology based learning, education, training and employment, housing counseling, financial literacy, parenting education, parent-child visitations, peer support, childcare services and fatherhood supports. In addition to these services, ARC has collaborated with a myriad of community based agencies with services for mental health, drug and alcohol, anger management, assistance with public benefits, etc.

The transition plan is developed by all parties and implemented 90 days prior to the child's anticipated return date. This planning is to insure the emotional as well as physical well being of the child as they leave placement to return to their family of origin. Once the child returns home, reunification services will continue for 12 weeks or more if needed. TLFR funds will not be used, as this is a program that is already funded by The City of Philadelphia.

Upon reunification the youth will be linked to services designed to support relationship building in the family and community. The adjustment to return home can sometimes be difficult because the child's family has become accustomed to the child's absence and both child and family must learn how to negotiate their needs. The Family Reunification (Aftercare) program provides five hours of direct contact hours a week with the child and family. These services are crisis-oriented and in-home visits are scheduled at times that meet the family's needs. Family meetings are facilitated by the social worker in order to assist the family with problem solving and the

TLFR FY 2011-12 to FY 2013-2014 Work Plan

development of effective communication skills. Discretionary cash funds, averaging around \$300.00 per family can be utilized to assist the family with home repairs and purchasing beds, furniture or any other needs identified by the family to support the reunification.

Other aftercare services include linkages that will support the child's safety and wellbeing such as tutoring and recreational programs, specialized therapeutic services, and support groups for children and parents offered through the Department's Community Based Prevention Division. Parents will be encouraged to continue utilizing services from the Department's Achieving Reunification Center to assist with housing and behavioral health counseling. The Youth will also be eligible to receive services through the Department's Achieving Independence Center where staff work with the teens around a variety of youth concerns including education, life skills and employment.

The discharge meeting is held after the completion of twelve weeks of service. The meeting is held in the family home. In attendance are the DHS and provider TLFR workers, and the DHS Family Reunification worker from the transition unit who will carry the case until the court and DHS determine there is no longer a need for services and the family's case can be closed. In cases where chronic issues have been identified and the case cannot be closed within a six month period, the family is returned to the general case pool, where there will be planning for longterm services.

The Department of Human Services will reduce the length of time that children spend in group home care. By providing front end intensive services, families will receive support and guidance to understand why their child was placed and how the circumstances can be changed. The Department of Human Services will reduce the re-entry rates for children returning to county custody. Services will continue in the home for 12 weeks after the child returns home from placement. Should the family need further assistance, DHS will explore the possibility of providing in home services.

The Department of Human Services will increase the rates and timeliness of reunification of children with their families. Because the proposed model is intensive and resource rich and families will have the support of the Department.

Last year, DHS facilitated 138 GH placements for youth in care for the first time. Only 47 or 34% were reunified within 12 months. With full grant funding of \$215,000 each year, DHS intends to provide services to approximately 40 families during each year of the grant. With this grant, the Philadelphia Department of Human Services will be able to provide a strengthened response around reunification for older youth in congregate care. With the provision of intensive services, it is expected that children will be reunited with their families within 9-12 months.

C. County Needs (one page, 12 pt. font)

- Describe the current needs of the County as it relates to TLFR. Please use the most recent data available from the Adoption and Foster Care Analysis and Reporting System, the Annual Child Abuse Report, or most recent data submitted with the CCYA Needs-Based Plan and Budget submission.

Since 2004, the Department of Human Services (DHS) has seen a steady increase in the number of children and youth in care, aged 13 and above. At the beginning of FY2011, DHS had approximately 4,675 children in various out-of-home care settings, with 48% (2,265) of them being 13 and older. Additionally, while the overall number of first time placements has gone down over the past two years, DHS has seen the number of first time placements in group homes increase each year since 2008. Specifically, in 2008 the number of first time group home (GH) placements was 110; whereas in FY2010, there have been 165 GH placements already. Since the implementation of the Older Youth Initiative, Family Group Decision Making and the Time-Limited Family Reunification Program (TLFR), the Department of Human Services (DHS) has been able to provide directed services to families with older youth in placement. As a result, significant progress has been made in the reunification effort. In FY2008, 36 (62%) of the youth in those first time GH placements who achieved reunification, were able to be reunified with their families within 12 months. This has also increased steadily over the past couple of years, with 67 (70%) achieving the same results in FY2009 and 52 doing so between July and December, 2010. Currently, DHS has received funding to support the establishment of a TLFR unit designed to specifically to provide services to approximately 60 families through the TLFR program. TLFR funding through this opportunity would allow the program to extend to an additional 39 families in order to facilitate reunification.

D. Organizational Capacity (two pages)

- Describe the CCYA's capacity to manage efforts to effectively reunify children with their families.
- Describe how the CCYA intends to implement the TLFR requirements (include hours of operation and specific site locations).
- Describe how the collaboration efforts made by the CCYA will be successful in addressing reunification.

Organizational Capacity 2011-14

The Department of Human Services (DHS) will be able to effectively manage this project through a variety of sources. The existing Family Reunification and Stabilization Services (FRSS) Program Managers will be responsible for overseeing this program.

A TLFR committee will convene on a quarterly. This committee will include, but is not limited to, all DHS, TLFR and Family Reunification staff and supervisors. Furthermore, a quarterly meeting will be held with all group home providers in the five county area. The purpose of this forum is to discuss and resolve practice issues and concerns.

The Program Evaluations Unit will conduct a yearly evaluation of both the GH and family preservation reunification provider.

The ARC is a one-stop model that provides services to parents or other reunification resources of children in out of home placement who have the permanency goal of reunification. The ARC is located at 714 Market Street, Suite 500 Philadelphia, PA 19106. The hours of operation are Monday through Thursdays from 9:00 a.m. to 7:00 p.m., Fridays 9:00 a.m.-5:00 p.m. and Saturdays 9:00 a.m.-2:00 p.m. Provider/community based agencies represented at the ARC include:

- Community Council provides psychological evaluations, mental health services and parenting support.
- Philadelphia Opportunities Industrialization Center (OIC) offers training and certifications in hospitality, customer service and culinary arts. In addition parents are assisted with job placement and retention.
- Community Women's Education Project (CWEP) offers the Test for Adult Basic Education and GED classes.
- Tenant Union Representative Network (TURN) offers assistance qualifying parent/caregivers for renting or the purchasing of affordable housing.
- Pathways PA offers information and assistance accessing public benefits (TANF), Earned Income Tax Credit, childcare assistance, credit counseling and other financial supports.
- National Comprehensive Center for Fathers (NCCF) provides door-to-door outreach and recruitment to parent/caregivers once they have been referred to ARC.
- Indo Chinese Council offers Adult Basic Education courses.
- Parent Action Network (PAN) provides placement and reunification support groups.
- Greater Philadelphia Urban Affairs Coalition (GPUAC) offers employment assistance and classes in employment.
- Health Federation of Philadelphia provides anger management classes.
- Resources for Children's Health offers Focus on Fathers parenting classes designed specifically for fathers.
- Enhanced Services Unit provides a partnership with a citywide substance abuse treatment system and aftercare services for women graduating from residential treatment.
- The Child Learning Center (CLC) provides childcare while parents and/or caregivers are participating in ARC services. The Learning Activity Center also serves as a sibling visitation site. These scheduled visits are supervised by social workers from visiting agencies and overseen by an ARC supervisor. The CLC is open for visits Monday through Friday from 9:00am – 7:00pm, and on Saturdays from 10:00am to 2:00pm.

Organizational Capacity 2011-14

- ARC's Computer Lab is available for parents and caregivers to learn software programs, utilize the internet, e-mail and job search.

Through collaboration with the Department of Behavior Health and Community Council, ARC has been certified as an Outpatient Psychiatric Satellite Clinic (OPSC). The ARC OPSC specializes in providing services to individuals coping and transitioning from having children in out-of-home placements.

Family therapy sessions will be used to address issues associated with reunification. Other services will include: outpatient therapy, group psychotherapy, psychological evaluations and testing, as well as psychiatric evaluations and medication consultation. The Clinic eliminates barriers to receiving behavioral health services including logistical difficulties associated with having services at multiple sites, waiting-lists at many outpatient facilities, child-care concerns and transportation.

The OPSC is a resource to families as they are reunified. After reunification, outpatient therapy can continue up to 90 days after the ARC parent/caregiver reunification goals have been met.

The Department of Human Services is located at 1515 Arch Street Philadelphia, PA 19102. DHS operates 24 hours a day, 7 days a week. A fulltime TLFR unit has been established since January, 2010 and families involved the program will have access to either a DHS or provider SW or their supervisor 24 hours a day, 7 days a week.

The unit is composed of four fulltime casemanagers, a student intern and a Masters level supervisor. DHS staff will work closely with both TLFR and GH providers to address issues that led to the placement in an effort to assist families and youth work through the barriers impeding reunification, and prevent returns to care. This programming developed for the Time Limited Family Reunification Grant ensures the most appropriate array of services will be provided and modified as needed. Given the collateral efforts described above, close monitoring during implementation and throughout the service period for the youth as well as the configuration can be adjusted as needed to promote successful reunification within 15 months.

**TIME-LIMITED FAMILY REUNIFICATION
9 MONTH BUDGET FORM – October 1, 2011-June 30, 2012 USE WHOLE DOLLARS**

County: Philadelphia	Date: 8-10-11
Grantee: DHS Children and Youth	Contact: Tyrone Harvey, Jr.
CATEGORY	Total Grant Funds Requested
I. TOTAL PERSONNEL	
(total amount of salaries/benefits)	119,980
II. OPERATIONS	
Professional/Technical Services	0
Training/Conferences	750
Transportation/Travel	7,876
Service Contracts	1,134
Communication	4,295
Facility Expenses	8,395
Supplies	2,348
Other:	5,437
Indirect Costs	11,035
TOTAL OPERATIONS	41,270
III. EQUIPMENT	
Equipment (\$500 or less)	0
Equipment (\$500 or more)	0
TOTAL EQUIPMENT	0
	RECEIVED AUG 12 2011 DPW, OCYF, Annex Bur./Budget & Program Support
TOTAL BUDGET	161,250

KR 8/15/11

TIME-LIMITED FAMILY REUNIFICATION
PROPOSED BUDGET FORM – SFY 2012-2013
USE WHOLE DOLLARS

County: Philadelphia	Date: February 4, 2011
Grantee: Department of Human Services	Contact: Marcia Dixon
CATEGORY	Total Grant Funds Requested
I. TOTAL PERSONNEL	
(total amount of salaries/benefits)	149, 622
II. OPERATIONS	
Professional/Technical Services	8, 500
Training/Conferences	3, 000
Transportation/Travel	12, 383
Service Contracts	0
Communication	3, 083
Facility Expenses	10, 704
Supplies	3, 520
Other:	7, 239
Indirect Costs	15, 050
TOTAL OPERATIONS	63, 479
III. EQUIPMENT	
Equipment (\$500 or less)	830
Equipment (\$500 or more)	1, 069
TOTAL EQUIPMENT	1, 899
TOTAL BUDGET	215, 000

KR 3/1/11

**TIME-LIMITED FAMILY REUNIFICATION
PROPOSED BUDGET FORM – SFY 2013-2014
USE WHOLE DOLLARS**

County: Philadelphia	Date: February 4, 2011
Grantee: Department of Human Services	Contact: Marcia Dixon
CATEGORY	Total Grant Funds Requested
I. TOTAL PERSONNEL	
(total amount of salaries/benefits)	149,622
II. OPERATIONS	
Professional/Technical Services	8,500
Training/Conferences	3,000
Transportation/Travel	12,383
Service Contracts	0
Communication	3,083
Facility Expenses	10,704
Supplies	3,520
Other:	7,239
Indirect Costs	15,050
TOTAL OPERATIONS	63,479
III. EQUIPMENT	
Equipment (\$500 or less)	830
Equipment (\$500 or more)	1,069
TOTAL EQUIPMENT	1,899
TOTAL BUDGET	215,000

KR 3/1/11

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 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 8-16-2011**

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' 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](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.

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

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.

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

The local government or nonprofit organization must comply with all federal and state audit requirements including: the 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.

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

GENERAL AUDIT PROVISIONS

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

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

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

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

reporting package must be submitted electronically in single Portable Document Format (PDF) file to 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. 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
3rd Floor, Bertolino Building
P. O. Box 2675
Harrisburg, Pennsylvania 17102-2675

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

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

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
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

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

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]

AUDIT CLAUSE B – SUBRECIPIENT
For-Profit Organizations

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.

AUDIT CLAUSE B – SUBRECIPIENT
For-Profit Organizations

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.

AUDIT CLAUSE B – SUBRECIPIENT
For-Profit Organizations

GENERAL AUDIT PROVISIONS

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

AUDIT CLAUSE B – SUBRECIPIENT
For-Profit Organizations

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)

SUBRECIPIENT AUDIT CLAUSE B

For-Profit Organization

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.

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. 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
3rd Floor, Bertolino Building
P. O. Box 2675
Harrisburg, Pennsylvania 17102-2675

SUBRECIPIENT AUDIT CLAUSE B

For-Profit Organization

Special Deliveries 3rd 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
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE B
For-Profit Organization
ENCLOSURE I

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]

AUDIT CLAUSE C – VENDOR
Service Organizations

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.

AUDIT CLAUSE C – VENDOR
Service Organizations

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.

AUDIT CLAUSE C – VENDOR
Service Organizations

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
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE C – VENDOR
Service Organizations
ENCLOSURE I

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]

AUDIT CLAUSE D – VENDOR

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.

AUDIT CLAUSE D – VENDOR

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
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE D – VENDOR
ENCLOSURE I

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

AUDIT CLAUSE E – VENDOR Exceptions

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.

COMMONWEALTH TRAVEL RATES

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

TRAVEL

THE MILEAGE ALLOWANCE SHALL BE FIFTY (50) 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:

<u>CITY LOCATION</u>	<u>COUNTY</u>	<u>ALLOWANCE</u>
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 ACCOMMODATIONS 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:

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

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:

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

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.

**COMMONWEALTH OF PENNSYLVANIA
BUSINESS ASSOCIATE APPENDIX**

WHEREAS, the Pennsylvania Department of Welfare (Covered Entity) and the contractor (Business Associate) intend to protect the privacy and 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 Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. No. 111-5 (Feb. 17, 2009) and related regulations, the HIPAA Privacy Rule (Privacy Rule), 45 C.F.R. Parts 160 and 164, as amended, the HIPAA Security Rule (Security Rule), 45 C.F.R. Parts 160, 162 and 164, as amended, 42 U.S.C. § 602(a)(1)(A)(iv), 42 U.S.C. § 1396a(a)(7), 35 P.S. § 7607, 50 Pa.C.S. § 7111, 71 P.S. § 1690.108(c), 62 P.S. § 404, 55 Pa. Code Chapter 105, 55 Pa. Code Chapter 5100, 42 C.F.R. §§ 431.301-431.302, 45 C.F.R. § 205.50, the Pennsylvania Breach of Personal Information Notification Act, 73 P.S. § 2301 *et seq.*, and other relevant laws, including subsequently adopted provisions applicable to use and disclosure of confidential information, and applicable agency guidance.

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 must be used, handled and disclosed in accordance with this Appendix and the standards established by HIPAA, the HITECH Act and related regulations, and other applicable laws and agency guidance.

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

1. Definitions.

- a. "Business Associate" shall have the meaning given to such term under HIPAA, the HITECH Act, applicable regulations and agency guidance.
- b. "Covered Entity" shall have the meaning given to such term under HIPAA, the HITECH Act and applicable regulations and agency guidance.
- c. "HIPAA" shall mean the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- d. "HITECH Act" shall mean the Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA).
- e. "Privacy Rule" shall mean the standards for privacy of individually identifiable health information in 45 C.F.R. Parts 160 and 164, as amended, and related agency guidance.
- f. "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, the

HITECH Act and related regulations and agency guidance. PHI also includes any and all information that can be used to identify a current or former applicant or recipient of benefits or services of Covered Entity or its contractors/ or business associates.

- g. "Security Rule" shall mean the security standards in 45 C.F.R. Parts 160, 162 and 164, as amended, and related agency guidance.
- h. "Unsecured PHI" shall mean PHI that is not secured through the use of a technology or methodology as specified in HITECH regulations and agency guidance or as otherwise defined in the HITECH Act.

2. **Stated Purposes For Which Business Associate May Use Or Disclose PHI.** The Parties hereby agree that Business Associate shall be permitted to use and/or disclose PHI provided by or obtained on behalf of Covered Entity for providing medical review team services under its contract with Covered Entity, except as otherwise stated in this Appendix.

NO OTHER DISCLOSURES OF PHI OR OTHER INFORMATION ARE PERMITTED.

3. **BUSINESS ASSOCIATE OBLIGATIONS:**

- a) **Limits On Use And Further Disclosure.** Business Associate shall not further use or disclose the PHI provided by, or created or obtained on behalf of Covered Entity other than as permitted or required by this Appendix or as required by law and agency guidance.
- b) **Appropriate Safeguards.** 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 and limiting use and disclosure to applicable minimum necessary requirements as set forth in applicable federal and state statutory and regulatory requirements and agency guidance.
- c) **Reports Of Improper Use Or Disclosure.** Business Associate hereby agrees that it shall report to Thomas Zarb, Chief, Security Architecture Section, Bureau of Information Systems at 717-772-7449, within two (2) days of discovery any use or disclosure of PHI not provided for or allowed by this Appendix.
- d) **Security Incidents.** In addition to following the breach notification requirements in section 13402 of HITECH Act and related regulations, agency guidance and other applicable federal and state laws, Business Associate shall report to Thomas Zarb at 717-772-7449, within two (2) days of discovery any security incident of which it becomes aware. At the sole expense of Business Associate,

Business Associate shall comply with all applicable federal and state breach notification requirements. Business Associate shall indemnify the Covered Entity for costs associated with any incident involving the acquisition, access, use or disclosure of Unsecured PHI in a manner not permitted under federal or state law and agency guidance.

- (e) **Subcontractors And Agents.** At 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 will 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 five (5) business days of receiving a written request from the Covered Entity. Business Associate shall provide PHI to the extent and in the manner required by 45 C.F.R. § 164.524 and other applicable federal and state law and agency guidance. If Business Associate maintains an electronic health record, Business Associate must provide the PHI in electronic format if requested. 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 C.F.R. §164.524 and other applicable laws, including the HITECH Act and related regulations, and agency guidance.
- (g) **Amendment And Incorporation Of Amendments.** Within five (5) 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 C.F.R. §164.526, applicable federal and state law, including the HITECH Act and related regulations, and agency guidance. If any individual requests an amendment from Business Associate or its agents or subcontractors, Business Associate shall notify Covered Entity within five (5) business days.
- (h) **Provide Accounting Of Disclosures.** Business Associate will maintain a record of all disclosures of PHI in accordance with 45 C.F.R. §164.528 and other applicable laws and agency guidance, including the HITECH Act and related regulations. 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, and the purpose of the disclosure. Business Associate shall make such record available to the individual or the Covered Entity within five (5) business days of a request for an accounting of disclosures.

- (i) **Requests for Restriction.** Business Associate shall comply with requests for restrictions on disclosures of PHI about an individual if the disclosure is to a health plan for purposes of carrying out payment or health care operations (and is not for treatment purposes), and the PHI pertains solely to a health care item or service for which the service involved was paid in full out-of-pocket. For other requests for restriction, Business Associate shall otherwise comply with the Privacy Rule, as amended, and other applicable statutory and regulatory requirements and agency guidance.
- (j) **Access To Books And Records.** Business Associate will 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 applicable laws and agency guidance.
- (k) **Return Or Destruction Of PHI.** At termination or expiration of its contract with Covered Entity, Business Associate will return or destroy all PHI provided by or obtained on behalf of Covered Entity. Business Associate will not retain any copies of the PHI after termination of this contract. If return or destruction of the PHI is not feasible, Business Associate extends 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.
- (l) **Maintenance of PHI.** Notwithstanding Section 3(k) of this Agreement, Business Associate and its subcontractors or agents shall retain all PHI throughout the term of its contract and shall continue to maintain the information required under the various documentation requirements of this Appendix (such as those in §3(h)) for a period of six (6) years after termination of the contract, unless Covered Entity and Business Associate agree otherwise.
- (m) **Mitigation Procedures.** Business Associate will establish and 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, as amended. Business Associate will 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 applicable laws and agency guidance.
- (n) **Sanction Procedures.** Business Associate shall develop and implement a system of sanctions for any employee, subcontractor or agent who violates this Appendix, applicable laws or agency guidance.
- (o) **Grounds For Breach.** Non-compliance by Business Associate with this Appendix or the Privacy or Security Rules, as amended, is a breach of the contract, 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.

- (p) **Termination by Commonwealth.** Business Associate authorizes termination of its contract for Medical Review Team services if the Covered Entity determines, in its sole discretion, that the Business Associate has violated a material term of this Agreement.
- (q) **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 laws and agency guidance.
- (r) **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.

4. 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 applicable law and agency guidance, 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 C.F.R. §164.522 and other applicable laws and applicable agency guidance, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

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
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action: <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	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: 4c	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____	
10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):	
11. Information requested through this form is authorized by 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the User 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: _____	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

