

SECTION 1. SPECIAL TERMS AND CONDITIONS

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SECTION 1. SPECIAL TERMS AND CONDITIONS

1.0 PROGRAM PURPOSE

The purpose of the Community Services Block Grant (CSBG) is to provide assistance to states and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient.

The purpose of the Iowa CSBG program is to support the efforts of Iowa's community action agencies in alleviating the causes and conditions of poverty in their communities.

2.0 SOURCE AGENCY AND LAW INFORMATION

Community Services Block Grant Act, Title VI, Subtitle B, of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended; Human Services Amendments of 1994, P.L. 103-252; the FY 1996 CSBG Appropriation Legislation, P.L. 104-134; C.F.R. Title 45, Part 96; Coats Human Services Reauthorization Act of 1998, P.L. 105-285, Department of Health and Human Services Block Grant Regulations and Current Poverty Income Guidelines; and Chapter 216A, Subchapter 6, Code of Iowa, 2023.

3.0 RECITALS

WHEREAS, the Iowa Department of Health and Human Services (Iowa HHS), Division of Community Access, Community Action Agencies unit has been designated by the Governor to administer the Community Services Block Grant under "Title VI, Subtitle B, of the Omnibus Budget Reconciliation Act of 1981, Public Law 97-35, as amended";

WHEREAS, Chapter 216A, Subchapter 6, Code of Iowa, 2023 specifies that community action agencies shall be provided financial assistance from the CSBG;

WHEREAS, the Contractor has submitted an FFY 2024 CSBG Community Action Plan and Application which has been accepted by the Agency;

WHEREAS, the Contractor has previously administered the CSBG program and has demonstrated through past performance and assessment that it has the programmatic and fiscal capacity to successfully carry out the CSBG program;

THEREFORE, this Contract is entered into by and between the Iowa HHS (hereafter referred to as Agency) and the Contractor.

4.0 AREA COVERED

The Contractor shall perform all the work and services required under this Contract in the area(s) specified in Contractor's FFY 2024 CSBG Community Action Plan and Application.

5.0 STATEMENT OF WORK AND SERVICES

The Contractor shall perform in a satisfactory manner, as determined by the Agency, the activities authorized by this agreement in accordance with the Contractor's FFY 2024.

CSBG Community Action Plan and Application, CSBG Contract Special Terms and Conditions, CSBG Contract General Terms, federal and state laws and regulations, Iowa's CSBG policies and procedures manual, and Agency directives.

6.0 STATE PLAN, STATE LAW, AND ADMINISTRATIVE RULES

The Contractor must adhere to Iowa's FFY 2024-2025 CSBG State Plan and Application, state law, and the provisions of the Iowa Administrative Code 421 - Chapter 21 concerning the CSBG program.

7.0 FEDERAL LAW AND REGULATIONS

The Contractor must adhere to all applicable federal guidelines, laws, and regulations regarding the CSBG program.

8.0 REPORTS AND PRODUCTS

The Contractor shall submit the following reports and products:

<u>Report or Product:</u>	<u>Due Dates:</u>
Community Action National Performance Indicators Reports	November 10, 2023, April 30, 2024 and November 8, 2024 (or specified by the Agency)
CSBG Agency Resources Report	November 8, 2024 (or as specified by the Agency)
CSBG Year-End Report	November 8, 2024 (or as specified by the Agency)
CSBG Monthly Funding Request and Expenditures Report	must be received by the Agency no later than 10 calendar days following the end of each month in which activity occurred
Final CSBG Expenditures Report	must be received by the Agency no later than 45 calendar days following the Contract's end date

During the contract period, for each month in which activity occurred, the Contractor will provide the Agency with a signed CSBG Monthly Funding Request and Expenditures Report detailing CSBG program expenditures by the due date specified above.

9.0 TIME OF PERFORMANCE

The services of the Contractor are to commence as of the Contract's start date, and shall be undertaken in such sequence as to assure their expeditious completion. All of the services required hereunder shall be completed by the Contract's end date.

10.0 SIGNATORIES

10.1 Issuing Agency

The Community Action Agencies Unit Director is the official authorized to amend and execute changes to this Contract. The Community Action Agencies Unit Director may, by designating in writing, authorize other Agency officials to amend and execute changes to this Contract.

10.2 Contractor

The following are the Contractor's signatory and submittal requirements for requesting contract amendments:

CSBG Contract Budget Amendment Requests: The Contractor must use the Agency's CSBG Contract Budget Amendment Request form to request changes to the contract budget (29.0). Requests for changes to the contract budget must be approved by the Contractor's governing board through board action. Once approved by the governing board, the President/Chair of the Contractor's governing board is required to certify (sign) the CSBG Contract Budget Amendment Request form (Contractor's Certification) and submit the completed form to the Agency. The signature must be an original signature or an electronic signature using e-signature software. CSBG Contract Budget Amendment Requests signed by the Executive Director or other official are unallowable.

CSBG Contract Extension Requests: The Contractor must send a letter to request a contract end date extension (see 14.2 Expenditures). Letter requests for contract end date extensions must be signed and submitted to the Agency by the President/Chair of the Contractor's governing board. The signature must be an original signature or an electronic signature using e-signature software. The President/Chair may designate the Executive Director or other officials to request contract end date extensions. To designate the Executive Director or other officials, the President/Chair must complete the Agency's Iowa CSBG Program – Designation of Additional Signatories form, as directed, and submit the completed form to the Agency.

For all other CSBG contract amendment requests, the Contractor must contact the Agency for request and submittal instructions.

The following are the Contractor's signatory requirements for executing contract amendments received from the Agency:

Contract Amendments Received from the Agency: The President/Chair of the Contractor's governing board is the Contractor authorized to execute (sign) contract amendments received from the Agency. The signature must be an original signature or an electronic signature using e-signature software. The President/Chair may designate the Executive Director or other officials to sign contract amendments. To designate the Executive Director or other officials, the President/Chair must complete the Agency's Iowa CSBG Program – Designation of Additional Signatories form, as directed, and submit the completed form to the Agency.

The following are the Contractor's signatory requirements for certifying CSBG Monthly Funding Request and Expenditures Reports:

CSBG Monthly Funding Request and Expenditures Reports: The Executive Director is the Contractor authorized to certify (sign) the Contractor's CSBG Monthly Funding Request and Expenditures Reports. The signature must be an original signature written by the authorized signatory, or an electronic signature using e-signature software. The Executive Director may designate other officials to sign the CSBG Monthly Funding Request and Expenditures Reports. To designate officials, the Executive Director must complete the Agency's Iowa CSBG Program – Designation of Additional Signatories form, as directed, and submit the completed form to the Agency.

11.0 INTEREST OF THE AGENCY AND CONTRACTOR OFFICIALS

11.1 Agency Officials

No officer or employee of the Agency shall participate in any decision relating to this Contract which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested; or have any interest, direct or indirect, in this Contract or the proceeds thereof.

11.2 Contractor Officials

The Contractor covenants that no official, employee or agent of the Contractor presently has any personal or financial interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. The Contractor further covenants that in the performance of this Contract no person having such interest will be employed.

12.0 CONFLICTS OF INTEREST

The Contractor or subcontractors shall not permit any conflicts of interest involving staff, board, or council members, and shall avoid any appearance of conflicts of interest in all transactions, awarding of financial assistance, or procurement of services or property using contract funds. No member of any council, board, or staff associated with this Contract shall cast a vote on the provision of service by that member (or any organization directly represented by that member) or vote on any matter, which would provide direct financial benefit to that member. Detailed information about any conflict of interest situations, along with information on how they were resolved, shall promptly be reported to the Contractor and to the Agency.

13.0 RESOLUTION OF DISAGREEMENT

In the event of any disagreement between the Contractor and the Agency relating to the competence of the work and services being performed and its conformity to the requirements of this Contract, the decisions of Agency shall prevail.

14.0 CONDITIONS OF PAYMENTS

14.1 Maximum Payments

It is expressly understood and agreed that the maximum amounts to be paid to the Contractor by the Agency shall be the amount specified in the Contract Declarations & Execution subject to 5.0 herein. The total of all payments to the Contractor by the Agency for all services required under this Contract shall not exceed the maximum value of the contract unless modified by written amendment of this Contract or by written notice of a funding change by the Agency.

14.2 Expenditures

The Contractor shall make every reasonable effort to expend all funds in conformance with the terms and conditions of this Contract prior to the Contract's end date. In the event all funds cannot be reasonably expended by the Contract's end date, funds may be carried forward in accordance with the following, upon approval by the Agency:

- At its option, the Contractor may request the approval of the Agency to carry forward unexpended contract funds. Contract end date extensions, which are requested by the Contractor, shall be granted by the Agency for a period of three (3) months. Subsequent extensions may be granted on an as needed basis by the Agency. Initial and any subsequent request for contract end date extensions shall be delivered to the Agency 30 calendar days prior to the Contract's end date. In the event the Contractor does not provide the Agency with a final expenditures report for this Contract by the due date (8.0), the Agency reserves the right to withhold payment of future funds until such final expenditures report is received by the Agency.
- Contract extensions will not be granted beyond September 30, 2025. Any contract funds not expended by September 30, 2025, must be returned to the Agency.
- Funds remaining at the Contract's end date must be returned to the Agency.

14.3 Cost Category Expenditure Deviations

Expenditures that exceed budgeted cost category amounts will not be disallowed for payment solely because of minor deviations from the budgeted amount. However, any deviation exceeding 10 percent of the budgeted cost category amount shall require a budget amendment to this Contract and prior approval must be granted by the Agency. The total amount of the budget shall not be exceeded and any amounts above the budget total will not be reimbursed by the Agency, unless a budget amendment has been granted to increase the total.

14.4 Federal Funding

- Periodic Adjustments: Federal funds are made available to the Agency on a periodic basis with federal allocations subject to change without Agency control. As a result, the amount of funds made available to the Contractor by the Agency may vary throughout the program year.
- Written Notification of Funding: The Agency shall periodically notify the Contractor, in writing of the amount of federal funds that will be available to the Contractor for that period. The Contractor shall be liable for any expenditure in excess of the periodic allocation.
- If the annualized funding level changes, the Contractor will be notified by the Agency and shall, within 30 calendar days or as determined by the Agency, prepare and submit to the Agency for approval, a revised contract budget reflecting the revised amount of contract funds. Upon approval by the Agency, the revised contract budget will become a part of this Contract by this reference.
- Advance Payment: The Agency may upon execution of this Contract make a payment to the Contractor based on the Contractor's first advance request and expenditures report, provided such payment does not exceed the amount of funds currently available to the Contractor. The CSBG Monthly Funding Request and Expenditures Report shall indicate costs incurred to date and projected costs for not more than 60 calendar days. The Agency reserves the right to reduce advance requests if the Contractor's expenditures reports indicate that previous advance requests have been excessive. Should expenditures reports indicate excessive federal cash on hand at any time during the contract period, the Agency may require the repayment of such funds. Upon completion of the Contract, any remaining unexpended funds shall be returned to the Agency no later than 45 calendar days following the Contract's end date.

14.5 Payment Refusal

The Agency may refuse payment of funds for good cause such as evidence of fraud, lack of management controls, or non-compliance with grant conditions. Such refusal shall be appropriately documented and the Contractor shall be informed of the reason for the refusal.

15.0 RECEIPT OF FEDERAL FUNDS

All payments to the Contractor shall be subject to the receipt of federal grant funds by the Agency. The termination, reduction, or delay of federal grant funds to the Agency shall, at the option of the Agency, be reflected in a corresponding modification to grants already made to the Contractor.

16.0 ACCOUNTS AND RECORDS

16.1 Accounts

The Contractor shall maintain books, records, documents, and other evidence pertaining to all costs and expenses incurred and revenues acquired under this Contract to the extent and in such detail as will properly reflect all costs, direct and indirect, or labor, materials, equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under this Contract. The Contractor shall be prepared to support charges for salaries and wages by time, attendance and payroll records.

16.2 Audit and Inspection

At any time during normal business hours and as frequently as is deemed necessary the Contractor shall make available to the Agency, the State Auditor, the Comptroller General of the United States, the federal agency providing funds, or any of their duly appointed representatives, for their examination, all of its records pertaining to all matters covered by this Contract and permit these agencies to audit, examine, make excerpts or transcripts from such records, contracts, invoices, payrolls, personnel records, conditions of employment, and all other matters covered by this Contract.

16.3 Refunds Returned

The Contractor, in maintaining contract expenditure accounts and records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from any administrative reviews and audits by the United States or by the State of Iowa or by the Contractor. Such adjustments shall be set forth in the financial reports filed with the Agency.

17.0 ALLOWABLE COSTS

17.1 General

Allowable costs are subject to audit under the principles defined in 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards).

17.2 Indirect Costs

Indirect costs shall be allowed at a specified rate approved by the Contractor's federal cognizant agency and in an amount not to exceed the approved budget presented in this Contract. Indirect cost rates, if applicable, shall be determined according to the principles defined in 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards).

17.3 Cost Allocation Plans

The Contractor shall possess and use a cost allocation plan that results in the fair distribution of costs to benefiting programs. The Contractor shall have available for inspection, by the Agency, a copy of the cost allocation plan in use during the term of this Contract. The Agency may review and approve portions of the cost allocation plan not reviewed and approved by the federal cognizant agency.

17.4 Contract Expenses

Expenses shall not be incurred prior to the Contract's start date.

18.0 INTEREST EARNED

18.1 Interest-Bearing Accounts

In accordance with 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards), the Contractor shall maintain advance payments of federal awards in interest-bearing accounts, unless one of the following applies:

- The Contractor receives less than \$120,000 in federal awards per year.
- The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year of federal cash balances.
- The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.

Contractors not maintaining advances of federal awards in interest bearing accounts because of one or more of the conditions listed above, shall have available for Agency inspection, documentation supporting the Contractor's decision to not maintain advances of federal funds in interest bearing accounts.

18.2 Nongovernmental Recipients and Governmental Recipients other than States

In accordance with 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards), any interest earned on federal advance payments deposited in interest-bearing accounts must be remitted annually to the U.S. Department of Health and Human Services, Program Support Center. Interest amounts up to \$500 per year, based on the Contractor's fiscal year, may be retained by the Contractor for administrative expenses. Contractors with electronic fund transfer (EFT) capabilities should use the electronic medium to remit interest.

18.3 Documenting Interest Earned

Contractors remitting annual interest earned to the U.S. Department of Health and Human Services (HHS) must maintain, at a minimum, the following information: interest earned documents, the total amount remitted to HHS, and the date of the remittance to HHS.

Contractors not required to make an annual interest earned remittance to HHS must maintain, at a minimum, interest earned documentation.

18.4 Disbursement of Funds

The Contractor shall maintain and follow written procedures that minimize the time elapsing between the transfer of contract funds from the Agency and the disbursement of those funds by the Contractor.

19.0 INELIGIBLE ACTIVITIES

The following activities are ineligible for funding under this Contract:

Construction of Facilities: The purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

Exceptions to this rule shall be provided through a waiver procedure described in Section 678F of the Community Services Block Act, as amended.

Political Activities: Any partisan or nonpartisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office; any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or any voter registration activity.

20.0 AUDITS

20.1 Audit Requirement

Each Contractor shall cause all funds expended under this Contract to be audited annually. The audit shall be arranged by and paid for by the Contractor. Audits shall be performed in accordance with generally accepted auditing standards, including the standards published by the General Accounting Office, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions." Audit procedures shall conform to 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards). In addition, the Agency may request more frequent audits or examinations of financial records of the recipient in order to insure adequate financial controls are in place and operating.

20.2 Audit Procurement

Procurement of audit services shall be conducted under the standards of procurement applicable to the Contractor in accordance with 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards). The bid procedure shall be conducted at least once every five (5) years.

20.3 Audit Report Due Dates

The Contractor must comply with the audit due date and submittal requirements in 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards).

20.4 Questioned Costs

All questioned costs are payable to the Agency 30 calendar days after Contractor's receipt of the Agency request for repayment unless written exception is granted during the 30 calendar day period. Where additional examination is required to resolve questioned costs, an extension of the deadline for repayment of questioned costs may be granted by the Agency. Questioned costs cannot be repaid with federal or state appropriated funds.

20.5 Line Item Cost Category Breakout

Audit reports shall be required to breakout budget line item cost data, by contract, in accordance with the approved contract budget.

20.6 Other Audits or Reviews

Contractors shall inform the Agency of any program or financial audits or reviews performed by or on behalf of any federal, state, local, or other governmental unit that concern or involve Agency programs or staff providing services under any Agency program, and shall provide copies of the findings or results of such audits or reviews to the Agency within 30 calendar days of receiving such findings or results. Contractors shall provide the Agency with copies of any plans or documents that they create to

address any findings or issues identified in such audits or reviews within 10 calendar days of submitting such plans or documents.

21.0 REVIEW OF WORK

The Agency shall have the right to review and observe, at any time, completed work or work in progress on this Contract.

22.0 PERSONNEL

The Contractor represents that it has, or will, secure all personnel required to perform the work and services under this Contract. The Contractor also agrees that it is Contractor's responsibility to ensure all personnel engaged in the work and services under this Contract shall be fully qualified.

23.0 CLIENT CONFIDENTIALITY

The Contractor shall comply with the Iowa Department of Health and Human Services' policy on confidentiality of individual client records as stated in Iowa Code, 216A.6.

24.0 CLIENT APPEAL AND HEARING PROCEDURE

The Contractor must implement a client appeal and hearing procedure concerning CSBG program client complaints. The procedure shall be used for all clients wanting to file a complaint for the work, benefits, and/or services provided by the Contractor and funded solely by the CSBG. The procedure shall also be used when a program, co-funded with the Contractor's CSBG funds, does not have a program specific client appeal and hearing procedure. At a minimum, the procedure must allow for the following:

- A client appeal request to the Contractor
- Determination by the Contractor concerning the appeal
- A client request for a state hearing
- Determination by the Agency or administrative law judge concerning the state hearing

For programs that do not have a specific client appeal and hearing procedure, and are not funded or co-funded with the Contractor's CSBG funds, the Contractor must use this procedure to address client complaints.

25.0 PATENT AND COPYRIGHT

Materials or items produced in whole or in part under this Contract shall not be patented or copyrighted by the Contractor.

26.0 AMENDMENTS TO GENERAL TERMS AND TO CONTINGENT TERMS

The General Terms are hereby modified as follows:

- 1) All references to 2 C.F.R. 200 shall be replaced with "45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards)"
- 2) 2.1 Definitions "Equipment": After the first sentence, add: "These items shall also follow the definition as provided in 45 CFR 75.2 Definitions – *Equipment* (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards), which includes information technology systems. (see further 45 CFR 75.2 Definitions – *Information technology systems*).

- 3) Section 2.7.1. Insurance Requirements: Delete from the first sentence "at the Contractor's expense"

The Contingent Terms are hereby modified as follows:

- 1) All references to 2 C.F.R. 200 shall be replaced with "45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards)".
- 2) Section 3.4 Certification Regarding Iowa Code Chapter 8F: Add new Section 3.4.4 The recipient entity will meet the requirement to provide a copy of the Internal Revenue Service Form 990 for all fiscal years in which service contract revenue are reported by maintaining for Agency inspection copies of the 990 Forms."

27.0 (intentionally omitted)

28.0 ADDITIONAL TERMS AND CONDITIONS

28.1 Religious Activities

CSBG funding shall not be used to support inherently religious activities such as religious instruction, worship, or proselytization. (45 CFR Part 87)

28.2 Lobbying Activities

CSBG funding may not be used by the Contractor or any subcontractor to support lobbying activities to influence proposed or pending federal or state legislation or appropriations. This prohibition is related to the use of federal grant funds and is not intended to affect an individual's right or that of any organization, to petition Congress, or any other level of government, through the use of other resources. (45 CFR Part 93)

28.3 (intentionally omitted)

28.4 Trafficking Victims Protection Act

This Contract is subject to the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104). The Contractor certifies, by signing and submitting this Contract, acceptance of these requirements.

28.5 Debarment and Suspension

The Contractor may not participate in this Contract in any capacity or be a recipient of federal funds designated for this Contract if the Contractor has been debarred or suspended or otherwise found to be ineligible for participation in federal assistance programs or activities. (Executive Orders 12549 and 12689, and 2 CFR Parts 180 and 376)

28.6 Memberships, Subscriptions, and Professional Activities

CSBG program funds used to pay for costs of the Contractor's membership in an organization, or a subscription to an organization, cannot be used by the organization to fund political activities and/or lobbying activities.

In accordance with 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards), the Contractor is

allowed to use CSBG program funds for the costs of the Contractor's membership in any civic or community organization. The Contractor must receive prior approval from the Agency if the costs of membership in a civic or community organization have annual membership fees over \$250.

Contractors using CSBG program funds to pay for the costs of the Contractor's membership in any civic or community organization must maintain the membership documentation for Agency inspection.

28.7 Petition for Representation

The Contractor is required to have procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the governing board of the Contractor to petition for adequate representation.

28.8 Cost-Sharing or Matching

CSBG funding shall not be used to match the cost-sharing or matching requirements of another federally-funded program, or charged as a cost to such a program, with the following exceptions:

- CSBG program funds may be used by the Contractor to meet matching requirements for Department of Housing and Urban Development McKinney-Vento Homeless Assistance programs (CSBG Information Memorandum, Transmittal #135).
- CSBG program funds may be used by the Contractor to meet the cost sharing requirements for the Corporation for National and Community Services Americorps program (CSBG Information Memorandum, Transmittal #139).

28.9 Low-Income Home Energy Assistance Program (LIHEAP) Planning and Administration Costs

CSBG program funds may not be used for LIHEAP planning and administration costs. CSBG program funds may be used to pay for LIHEAP costs associated with administering Assurance 16 activities (LIHEAP Statute, Section 2605(b) (16)) or LIHEAP program support activities.

28.10 Results Oriented Management and Accountability (ROMA) System

The Contractor is required to participate in the ROMA system established by the Agency. ROMA system policies, procedures, and directives will be provided by the Agency.

28.11 CSBG Organizational Standards

The Contractor is required to meet the 58 CSBG organizational standards for private, nonprofit CSBG eligible entities, developed by the CSBG Organizational Standards Center of Excellence. The 58 CSBG organizational standards are provided in CSBG Information Memorandum, Transmittal No. 138, State Establishment of Organizational Standards for CSBG Eligible Entities under 678B of the CSBG Act.

CSBG organizational standards policies, procedures, and directives will be provided by the Agency.

28.12 Same-Sex Marriage Provisions

Any CSBG program activity in which family, marital, or household considerations are, by statute or regulation, relevant for purposes of determining beneficiary eligibility or participation, the Contractor must treat same-sex spouse, marriages, and households on the same terms as opposite sex spouses, marriages, and households, respectively.

28.13 Grants Terminated for Cause

The Contractor is required to notify the Agency within 30 calendar days after receiving notice of programs having federal, state, or local grants terminated for cause.

28.14 Incentive and Other Special Pay

CSBG program funds may be used for incentive pay or other additional compensation to employees with prior approval from the Agency. Any such special pay shall be explicitly agreed to by the Agency and shall be accompanied by a written justification for the special pay, the Contractor's special pay policies, and the exact additional compensation to be paid.

Special pay policies shall conform to 45 CFR Part 75.430(f) *Incentive compensation* (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for U.S. Department of Health and Human Services (HHS) Awards).

28.15 Equipment Purchasing, Leasing, and Disposition – Prior Approval

Prior approval from the Agency is required before a Contractor may purchase or lease any equipment (including vehicles) that involves \$5,000 or more (per calendar year) of CSBG program funds. Prior approval is also required before transferring vehicles or equipment to the CSBG program. Contractors must request approval from the Agency prior to disposing of equipment or vehicles purchased with CSBG funds or assigned to the CSBG program.

28.16 Legislative Changes

The Contractor expressly acknowledges that the contracted Deliverables are subject to legislative change by either the federal or state government. Should either legislative body enact measures which alter the project, the Contractor shall not hold the Agency liable in any manner for the resulting changes. The Agency shall use best efforts to provide thirty (30) days' written notice to the Contractor of any legislative change. During the thirty (30)-day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing in this Subsection shall affect or impair the Agency's right to terminate the Contract pursuant to the termination provisions.

28.17 Non-Supplanting Requirement

Non-Supplanting Requirement. To the extent required by state or federal law, federal and state funds made available under this Contract shall be used to supplement and increase the level of state, local and other non-federal funds that would in the absence of such federal and state funds be made available for the programs and activities for which funds are provided and will in no event take the place of state, local and other non-federal funds.

29.0 CONTRACT BUDGET

The Contractor's contract budget is included as Attachment A. The total of all payments to the Contractor by the Agency for all services required under this Contract shall not exceed the maximum value of the contract, as specified on the Contract Declarations & Execution page, unless modified by written amendment of this Contract or by written notice of a funding change by the Agency.

IOWA DEPARTMENT OF HEALTH AND HUMAN SERVICES

SECTION 2. GENERAL TERMS FOR SERVICE CONTRACTS

August 1, 2023

2.0 Contractor Registration. The Contractor shall register with the Iowa Secretary of State prior to execution of the Contract. Only properly registered contractors will be entitled to payment. Registration can be performed electronically at the Iowa Secretary of State's website at <https://sos.iowa.gov/>. Contractors are responsible for maintaining current and accurate registration information during the term of the Contract.

2.1 Definitions. When appearing as capitalized terms in this Contract (including any attachments) the following quoted terms (and the plural thereof, when appropriate) have the meanings set forth in this section.

"Acceptance" means that the Agency has determined that one or more Deliverables satisfy the Agency's Acceptance Tests. Final Acceptance means that the Agency has determined that all Deliverables satisfy the Agency's Acceptance Tests. Non-acceptance means that the Agency has determined that one or more Deliverables have not satisfied the Agency's Acceptance Tests.

"Acceptance Criteria" means the Specifications, goals, performance measures, testing results or other criteria designated by the Agency and against which the Deliverables may be evaluated for purposes of Acceptance or Non-acceptance thereof.

"Acceptance Tests" or **"Acceptance Testing"** mean the tests, reviews, and other activities that are performed by or on behalf of the Agency to determine whether the Deliverables meet the Acceptance Criteria or otherwise satisfy the Agency, as determined by the Agency in its sole discretion.

"Applicable Law" means all applicable federal, state, and local laws, rules, ordinances, regulations, orders, guidance, and policies in place at Contract execution as well as all future amendments, changes, and additions to such laws as of the effective date of such change. Applicable Law includes, without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services (e.g., Iowa Code Chapter 216 and Iowa Code § 19B.7). For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small businesses as subcontractors of suppliers. The term Applicable Law also encompasses the applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation Barriers Access Board and the Iowa Office of the Chief Information Officer.

"Bid Proposal" or **"Proposal"** or **"Application"** means the Contractor's proposal submitted in response to the Solicitation, if this Contract arises out of a competitive process.

"Business Days" means any day other than a Saturday, Sunday, or State holiday as specified by Iowa Code §1C.2.

"Confidential Information" means, subject to any applicable State and federal laws and regulations, including, but not limited to, Iowa Code Chapter 22, any confidential or proprietary information or trade secrets disclosed by either party (a "Disclosing Party") to the other party (a "Receiving Party") that, at the time of disclosure, is designated as confidential (or like designation), is disclosed in circumstances of confidence, or would be understood by the parties, exercising reasonable business judgment, to be confidential. Regardless of whether or not the following information is designated as confidential, the term Confidential Information includes information that could be used to identify recipients, subjects, or applicants of Agency services and recipients of Contract services including, but not limited to protected health information (45 C.F.R. § 160.103), personal information (Iowa Code § 715C.1(11)), reportable disease information (Iowa Code § 139A.3, 641 IAC chapter 1), medical records (Iowa Code § 22.7(2)), immunization information (641 IAC 7.11), public health information (Code of Iowa, Title IV), substance use treatment information (42 CFR Part 2), Agency security protocols and procedures, Agency system architecture, information that could compromise the security of the Agency network or

systems, and information about the Agency's current or future competitive procurements, including the evaluation process prior to the formal announcement of results.

Confidential Information does not include any information that: (1) was rightfully in the possession of the Receiving Party from a source other than the Disclosing Party prior to the time of disclosure of the information by the Disclosing Party to the Receiving Party; (2) was known to the Receiving Party prior to the disclosure of the information by the Disclosing Party; (3) was disclosed to the Receiving Party without restriction by an independent third party having a legal right to disclose the information; (4) is in the public domain or shall have become publicly available other than as a result of disclosure by the Receiving Party in violation of this Agreement or in breach of any other agreement with the Disclosing Party; (5) is independently developed by the Receiving Party without any reliance on Confidential Information disclosed by the Disclosing Party; or (6) is disclosed by the Receiving Party with the written consent of the Disclosing Party.

"Contract" means the collective documentation memorializing the terms of the agreement between the Agency and the Contractor identified in the Contract Declarations and Execution Section.

"Deficiency" means a defect, flaw, anomaly, failure, omission, interruption of service, or other problem of any nature whatsoever with respect to a Deliverable, including, without limitation, any failure of a Deliverable to conform to or meet an applicable specification. Deficiency also includes the lack of something essential or necessary for completeness or proper functioning of a Deliverable.

"Deliverables" means all the services, goods, products, work, work product, data, items, materials and property to be created, developed, produced, delivered, performed, or provided by or on behalf of, or made available through, the Contractor (or any agent, contractor or subcontractor of the Contractor) in connection with this Contract. This includes data that is collected on behalf of the Agency.

"Documentation" means all technical information, commentary, explanations, design documents, system architecture documents, database layouts, test materials, training materials, guides, manuals, worksheets, notes, work papers, and all other information, documentation and materials related to or used in conjunction with the Deliverables, in any medium, including hard copy, electronic, digital, and magnetically or optically encoded media.

"Equipment" means any item costing \$5,000 or more and having an anticipated life of one year or more.

"Invoice" means a Contractor's claim for payment. At the Agency's discretion, claims may be submitted on an original invoice from the Contractor or may be submitted on a claim form acceptable to the Agency, such as a General Accounting Expenditure (GAX) form.

"Solicitation" means the formal or informal procurement (and any addenda thereto) identified in the Contracts Declarations and Execution Section that was issued to solicit the Bid Proposal leading to this Contract.

"Special Contract Attachments" means any attachment to this Contract.

"Special Terms" means the Section of the Contract entitled "Special Terms" that contains terms specific to this Contract, including but not limited to the Scope of Work and contract payment terms.

"Specifications" means all specifications, requirements, technical standards, performance standards, representations, and other criteria related to the Deliverables stated or expressed in this Contract, the Documentation, the Solicitation, and the Bid Proposal. Specifications shall include the Acceptance Criteria and any specifications, standards, or criteria stated or set forth in any applicable state, federal, foreign, and local laws, rules and regulations. The Specifications are incorporated into this Contract by reference as if fully set forth in this Contract.

"State" means the State of Iowa, the Agency, and all State of Iowa agencies, boards, and commissions, and when this Contract is available to political subdivisions, any political subdivisions of the State of Iowa.

2.2 Duration of Contract. The term of the Contract shall begin and end on the dates specified in the Contract Declarations and Execution Section, unless extended or terminated earlier in accordance with the termination provisions of this Contract. The Agency may, in its sole discretion, amend the end date of this Contract by exercising any applicable extension by giving the Contractor a written extension at least sixty (60) days prior to the expiration of the initial term or renewal term.

2.3 Scope of Work. The Contractor shall provide the necessary facilities, materials, services, and qualified personnel to satisfactorily perform and provide all work and services set forth in this Contract. The Contractor shall provide Deliverables that comply with and conform to the Specifications. Deliverables shall be performed within the boundaries of the United States.

2.4 Compensation.

2.4.1 Withholding Payments. In addition to pursuing any other remedy provided herein or by law, the Agency may withhold compensation or payments to the Contractor, in whole or in part, without penalty to the Agency or work stoppage by the Contractor, in the event the Agency determines that: (1) the Contractor has failed to perform any of its duties or obligations as set forth in this Contract; (2) any Deliverable has failed to meet or conform to any applicable Specifications or contains or is experiencing a Deficiency; or (3) the Contractor has failed to perform Close-Out Event(s). No interest shall accrue or be paid to the Contractor on any compensation or other amounts withheld or retained by the Agency under this Contract.

2.4.2 Erroneous Payments and Credits. The Contractor shall promptly repay or refund the full amount of any overpayment or erroneous payment within thirty (30) Business Days after either discovery by the Contractor or notification by the Agency of the overpayment or erroneous payment.

2.4.3 Offset Against Sums Owed by the Contractor. In the event that the Contractor owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or pursuant to any law, the State may, in its sole discretion, offset any such sum against: (1) any sum Invoiced by, or owed to, the Contractor under this Contract, or (2) any sum or amount owed by the State to the Contractor, unless otherwise required by law. The Contractor agrees that this provision constitutes proper and timely notice under any applicable laws governing offset.

2.5 Termination or Suspension.

2.5.1 Termination for Cause by the Agency. The Agency may terminate this Contract upon written notice for the breach by the Contractor or any subcontractor of any material term, condition, or provision of this Contract, if such breach is not cured within the time specified in the Agency's notice of breach or any subsequent notice or correspondence delivered by the Agency to the Contractor, provided that cure is feasible. In addition, the Agency may terminate this Contract effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

2.5.1.1 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors furnished any statement, representation, warranty, or certification in connection with this Contract, the Solicitation, or the Bid Proposal that is false, deceptive, or materially incorrect or incomplete;

2.5.1.2 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;

2.5.1.3 The Contractor or any parent or affiliate of the Contractor owning a controlling interest in the Contractor dissolves;

2.5.1.4 The Contractor terminates or suspends its business;

2.5.1.5 The Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by the Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors related to the Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;

2.5.1.6 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors has failed to comply with any applicable international, federal, state (including, but not limited to Iowa Code Chapter 8F), or local laws, rules, ordinances, regulations, or orders when performing within the scope of this Contract;

2.5.1.7 The Agency determines or believes the Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors has engaged in conduct that: (1) has or may expose the Agency or the State to material liability; or (2) has caused or may cause a person's life, health, or safety to be jeopardized;

2.5.1.8 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors infringes or allegedly infringes or violates any patent, trademark, copyright, trade dress, or any other intellectual property right or proprietary right, or the Contractor misappropriates or allegedly misappropriates a trade secret related to work under this Contract;

2.5.1.9 The Contractor or any of the Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors, or subcontractors fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

2.5.1.10 Any of the following has been engaged in by or occurred with respect to the Contractor or any corporation, shareholder or entity having or owning a controlling interest in the Contractor:

Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;

- Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;
- Making an assignment for the benefit of creditors;
- Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with the Contractor's performance of its obligations under this Contract; or
- Taking any action to authorize any of the foregoing.

2.5.2 Termination Upon Notice. Following a thirty (30) day written notice, the Agency may terminate this Contract in whole or in part without penalty and without incurring any further obligation to the Contractor. Termination can be for any reason or no reason at all.

2.5.3 Termination Due to Lack of Funds or Change in Law. Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Agency shall have the right to terminate this Contract without penalty and without any advance notice as a result of any of the following:

2.5.3.1 The legislature or governor fail in the sole opinion of the Agency to appropriate funds sufficient to allow the Agency to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract;

2.5.3.2 If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Agency to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Agency in its sole discretion;

2.5.3.3 If the Agency's authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified;

2.5.3.4 If the Agency's duties, programs or responsibilities are modified or materially altered; or

2.5.3.5 If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation, or order is enacted, promulgated, or issued that materially or adversely affects the Agency's ability to fulfill any of its obligations under this Contract.

2.5.4 Other Remedies. The Agency's right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Agency, and the Agency shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

2.5.5 Limitation of the State's Payment Obligations. In the event of termination of this Contract for any reason by either party (except for termination by the Agency pursuant to Section 2.5.1, Termination for Cause by the Agency) the Agency shall pay only those amounts, if any, due and owing to the Contractor hereunder for Deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Agency is obligated to pay pursuant to this Contract; provided however, that in the event the Agency terminates this Contract pursuant to Section 2.5.3, Termination Due to Lack of Funds or Change in Law, the Agency's obligation to pay the Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of Invoices and proper proof of the Contractor's claim. Notwithstanding the foregoing, this section in no way limits the rights or remedies available to the Agency and shall not be construed to require the Agency to pay any compensation or other amounts hereunder in the event of the Contractor's breach of this Contract or any amounts withheld by the Agency in accordance with the terms of this Contract. The Agency shall not be liable, under any circumstances, for any of the following:

2.5.5.1 The payment of unemployment compensation to the Contractor's employees;

2.5.5.2 The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;

2.5.5.3 Any costs incurred by the Contractor in its performance of the Contract, including, but

not limited to, startup costs, overhead, or other costs associated with the performance of the Contract;

2.5.5.4 Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments, or commitments made in connection with this Contract;

2.5.5.5 Any amount or form of payment that would violate State or federal law; or

2.5.5.6 Any taxes the Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes, or property taxes.

2.5.6 Contractor's Contract Close-Out Duties. Upon receipt of notice of termination, at expiration of the Contract, or upon request of the Agency (hereafter, "Close-Out Event"), the Contractor shall:

2.5.6.1 Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the Close-Out Event, describing the status of all work performed under the Contract and such other matters as the Agency may require.

2.5.6.2 Immediately cease using and return to the Agency or otherwise maintain or provide any property or data, records, or materials, whether tangible or intangible, provided by the Agency to the Contractor, as directed by the Agency.

2.5.6.3 Cooperate in good faith with the Agency and its employees, agents, and independent contractors during the transition period between the Close-Out Event and the substitution of any replacement service provider. The Contractor shall ensure a smooth transition of services to clients, regardless of whether this Contract terminates prior to or upon the expiration date of the Contract. If the Contractor fails to ensure a smooth transition of services to clients, the Agency may, at its sole discretion, place the Contractor on a publicly available list of contractors barred from entering into any contract with the Agency.

2.5.6.4 Immediately return to the Agency any payments made by the Agency for Deliverables that were not rendered or provided by the Contractor or that the Agency determines do not satisfy its Acceptance Tests.

2.5.6.5 Immediately deliver to the Agency any and all Deliverables for which the Agency has made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied at that time.

2.5.6.6 Address any equipment purchased with Agency funds with the Agency. Title to any Equipment purchased in whole or in part with Agency funds through this Contract resides with the Agency. Upon Contract expiration or termination the Agency reserves the right to transfer title to the Equipment to the State, the Contractor, or another contractor.

2.5.7 Termination for Cause by the Contractor. The Contractor may only terminate this Contract for the breach by the Agency of any material term of this Contract, if such breach is not cured within sixty (60) days of the Agency's receipt of the Contractor's written notice of breach.

2.5.8 Suspension. When, as determined by the Agency, a Contractor has materially failed to comply with the terms and conditions of the Contract, the Agency may suspend the Contract, in

whole or in part, upon written notice. The notice of suspension will state the reason(s) for the suspension, any corrective action required, and the effective date.

2.5.8.1 The Agency shall have the right to suspend the contract without penalty by providing ten (10) days written notice to the Contractor if any of the following conditions exist:

- The legislature or governor fail in the sole opinion of the Department to appropriate funds sufficient to allow the Department to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract;
- Adequate funds are de-appropriated, reduced, or not allocated or available or if funds needed by the Department, at the Department's sole discretion, are insufficient for any reason;
- The Department's authorization to operate is withdrawn or there is a material alteration in the programs administered by the Department; or
- The Department's duties are substantially modified.

2.5.8.2 A suspension shall be in effect until the Contractor has provided evidence satisfactory to the Agency that corrective action has been or will be taken, until the contract is terminated; or until sufficient funding is reallocated to the Agency, as determined by the Agency in its sole discretion.

2.5.8.3 Obligations incurred by the Contractor during the suspension period shall not be allowed unless expressly authorized in the notice of suspension or otherwise expressly approved by the Agency.

2.6 Indemnification.

2.6.1 By the Contractor. The Contractor and its successors and assignees agree to indemnify and hold harmless the State, the Agency, and its officers, appointed and elected officials, board and commission members, employees, volunteers, and agents (collectively the "Indemnified Parties"), from any and all costs, expenses, losses, claims, damages, liabilities, settlements, and judgments (including, without limitation, the reasonable value of the time spent by the Attorney General's Office,) and the costs, expenses, and attorneys' fees of other counsel retained by the Indemnified Parties directly or indirectly related to, resulting from, or arising out of this Contract, including but not limited to any claims related to, resulting from, or arising out of:

2.6.1.1 Any breach of this Contract;

2.6.1.2 Any negligent, intentional, or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor;

2.6.1.3 The Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor;

2.6.1.4 Any failure by the Contractor to make all reports, payments, and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees, or costs required by the Contractor to conduct business in the State of Iowa;

2.6.1.5 Any failure by the Contractor to comply with all federal, state, and local laws and regulations applicable to this Contract; or

2.6.1.6 Any claim of misappropriation of a trade secret or infringement or violation of any intellectual property rights, proprietary rights, or personal rights of any third party, including any claim that any Deliverable or any use thereof (or the exercise of any rights with respect thereto) infringes, violates, or misappropriates any patent, copyright, trade secret, trademark,

trade dress, mask work, utility design, or other intellectual property right or proprietary right of any third party.

2.7 Insurance.

2.7.1 Insurance Requirements. The Contractor, and any subcontractor, shall maintain in full force and effect, with insurance companies licensed by the State of Iowa, at the Contractor's expense, insurance covering its work during the entire term of this Contract, which includes any extensions or renewals thereof. The Contractor's insurance shall, among other things:

2.7.1.1 Be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy;

2.7.1.2. Name the State of Iowa and the Agency as additional insureds or loss payees on the policies for all coverages required by this Contract, with the exception of Workers' Compensation, or the Contractor shall obtain an endorsement to the same effect; and

2.7.1.3 Provide a waiver of any subrogation rights that any of its insurance carriers might have against the State on the policies for all coverages required by this Contract, with the exception of Workers' Compensation.

The requirements set forth in this section shall be indicated on the certificates of insurance coverage supplied to the Agency.

2.7.2 Types and Amounts of Insurance Required. Unless otherwise requested by the Agency in writing, the Contractor shall cause to be issued insurance coverages insuring the Contractor and subcontractors against all general liabilities, product liability, personal injury, property damage, and (where applicable) professional liability in the amount specified in the Special Terms for each occurrence. In addition, the Contractor shall ensure it has any necessary workers' compensation and employer liability insurance as required by Iowa law.

2.7.3 Certificates of Coverage. The Contractor shall submit certificates of the insurance, which indicate coverage and notice provisions as required by this Contract, to the Agency upon execution of this Contract. The Contractor shall maintain all insurance policies required by this Contract in full force and effect during the entire term of this Contract, which includes any extensions or renewals thereof, and shall not permit such policies to be canceled or amended except with the advance written approval of the Agency. The insurer shall state in the certificate that no cancellation of the insurance will be made without at least a thirty (30) day prior written notice to the Agency. The certificates shall be subject to approval by the Agency. Approval of the insurance certificates by the Agency shall not relieve the Contractor of any obligation under this Contract.

2.7.4 Notice of Claim. Contractor shall provide prompt notice to the Agency of any claim related to the contracted services made by a third party. If the claim matures to litigation, the Contractor shall keep the Agency regularly informed of the status of the lawsuit, including any substantive rulings. The Contractor shall confer directly with the Agency about and before any substantive settlement negotiations.

2.8 Ownership and Security of Agency Information.

2.8.1 Ownership and Disposition of Agency Information. Any information, records, or data either supplied by the Agency to the Contractor, or collected by the Contractor, in the course of the performance of this Contract shall be considered the property of the Agency ("Agency Information"). The Contractor shall not use Agency Information for any purpose other than providing services under the Contract. The Contractor shall not disclose, sell, assign, lease, or

otherwise provide Agency Information to third parties, except as expressly authorized through this Contract, and the Contractor shall not allow commercial exploitation of Agency Information by or on behalf of the Contractor. The Agency shall own all Agency Information that may reside within the Contractor's hosting environment or equipment/media.

2.8.2 Foreign Hosting and Storage Prohibited. Confidential Information shall be hosted and stored within the continental United States only.

2.8.3 Access to Agency Information that is Confidential Information. The Contractor and its employees, agents, and subcontractors may have access to Agency Information that is Confidential Information only to the extent necessary to carry out responsibilities under the Contract. Access to such Confidential Information shall comply with the State's policies, procedures, and standards, and all restrictions, obligations, and responsibilities of the Contractor with regard to Confidential Information under this Contract shall also apply to the subcontractors, and the Contractor shall include in all of its subcontracts a clause that so states. The Contractor shall maintain written documentation of all agents and subcontractors with access to Agency Information that is also Confidential Information and provide this documentation to the Agency upon request. In all instances, access to Confidential Information from outside of the continental United States, either by the Contractor, including a foreign office or division of the Contractor or its affiliates or associates, or any subcontractor, is prohibited.

2.8.4 No Disclosure of Confidential Information. The Contractor shall maintain the confidentiality of and protect from unauthorized disclosure all Agency Information that is Confidential Information. The Contractor shall not disclose any Confidential Information collected, maintained, or used in the course of performance of the Contract only except as expressly permitted herein or required by law and this Contract. The Contractor shall not link any data provided by the Agency with any other data systems or data sets without prior written permission from the Agency. The Contractor may be held civilly or criminally liable for improper use or disclosure of Confidential Information.

2.8.5 Contractor Breach Notification Obligations. The Contractor shall immediately report to the Agency Contract Manager any unauthorized access or disclosure of Confidential Information. The Contractor agrees to comply with all applicable laws that require the notification of individuals in the event of unauthorized use or disclosure of Confidential Information or other event(s) requiring notification in accordance with applicable law. In the event of a breach of the Contractor's security obligations or other event requiring notification under applicable law, the Contractor agrees to follow Agency directives, which may include assuming responsibility for informing all such individuals in accordance with applicable laws, and to indemnify, hold harmless, and defend the State of Iowa against any claims, damages, or other harm related to such breach.

2.8.6 Compliance of Contractor Personnel. The Contractor and the Contractor's personnel shall comply with the State's security and personnel policies, procedures, and rules, including any procedure which the Agency's personnel, contractors, and consultants are normally asked to follow. The Contractor agrees to cooperate fully and to provide any assistance necessary to the Agency in the investigation of any security incidents and breaches that may involve the Contractor or the Contractor's personnel. All services shall be performed in accordance with State Information Technology security standards and policies. By way of example only, see Iowa Code 8B.23, and <https://ocio.iowa.gov/home/standards>.

2.8.7 Subpoena. In the event that a subpoena or other legal process is served upon the Contractor for records containing Confidential Information, the Contractor shall promptly notify the Agency and cooperate with the Agency in any lawful effort to protect the Confidential Information.

2.8.8 Return and/or Destruction of Information. Notwithstanding Contractor's obligations for

maintaining records expressly contained herein, including 2.12.25.2, upon expiration or termination of the Contract for any reason, the Contractor agrees to comply with all Agency directives regarding the return or destruction of all Agency Information and any derivative work. The Contractor shall comply with these directives within thirty (30) days unless another timeframe is mutually agreed upon by the parties. Delivery of returned Agency Information must be through a secured electronic transmission or by parcel service that utilizes tracking numbers. Such information must be provided in a format useable by the Agency. Following the Agency's verified receipt of the Agency Information and any derivative work, the Contractor agrees to physically and/or electronically destroy or erase all residual Agency Information regardless of format from the entire Contractor's technology resources and any other storage media. This includes, but is not limited to, all production copies, test copies, backup copies and /or printed copies of information created on any other servers or media and at all other Contractor sites. Any permitted destruction of Agency Information must occur in such a manner as to render the information incapable of being reconstructed or recovered. The Contractor will provide a record of information destruction to the Agency for inspection and records retention no later than thirty (30) days after destruction.

2.9 Intellectual Property.

2.9.1 Ownership and Assignment of Other Deliverables. The Contractor agrees that the State and the Agency shall become the sole and exclusive owners of all Deliverables. The Contractor hereby irrevocably assigns, transfers and conveys to the State and the Agency all right, title, and interest in and to all Deliverables and all intellectual property and proprietary rights arising out of, embodied in, or related to such Deliverables, including copyrights, patents, trademarks, trade secrets, trade dress, mask work, utility design, derivative works, and all other rights and interests therein or related thereto. The Contractor represents and warrants that the State and the Agency shall acquire good and clear title to all Deliverables, free from any claims, liens, security interests, encumbrances, intellectual property rights, proprietary rights, or other rights or interests of the Contractor or of any third party, including any employee, agent, contractor, subcontractor, subsidiary, or affiliate of the Contractor. The Contractor (and Contractor's employees, agents, contractors, subcontractors, subsidiaries and affiliates) shall not retain any property interests or other rights in and to the Deliverables and shall not use any Deliverables, in whole or in part, for any purpose, without the prior written consent of the Agency and the payment of such royalties or other compensation as the Agency deems appropriate. Unless otherwise requested by the Agency, upon completion or termination of this Contract, the Contractor will immediately turn over to the Agency all Deliverables not previously delivered to the Agency, and no copies thereof shall be retained by the Contractor or its employees, agents, subcontractors, or affiliates, without the prior written consent of the Agency.

2.9.2 Waiver. To the extent any of the Contractor's rights in any Deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of integrity, the Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the Deliverables.

2.9.3 Further Assurances. At the Agency's request, the Contractor will execute and deliver such instruments and take such other action as may be requested by the Agency to establish, perfect, or protect the State's rights in and to the Deliverables and to carry out the assignments, transfers and conveyances set forth in Section 2.9, Intellectual Property.

2.9.4 Publications. Unless expressly authorized by the Contract, the Contractor shall not publish in any format any final or interim report, document, form, presentation, or other material developed as a result of this Contract without the express written consent of the Agency as requested through the Contract Manager. Any publication containing Agency Information shall follow all Agency confidentially policies and procedures. Any such publication shall contain a statement that the work was done pursuant to a contract with the Agency and that it does not necessarily reflect the opinions, findings, and conclusions of the Agency.

2.10 Warranties.

2.10.1 Construction of Warranties Expressed in this Contract with Warranties Implied by Law. Warranties made by the Contractor in this Contract, whether: (1) this Contract specifically denominates the Contractor's promise as a warranty; or (2) the warranty is created by the Contractor's affirmation or promise, by a description of the Deliverables to be provided, or by provision of samples to the Agency, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through the course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the Deliverables provided by the Contractor. With the exception of Subsection 2.10.3, the provisions of this section apply during the Warranty Period as defined in the Special Terms.

2.10.2 Contractor represents and warrants that:

2.10.2.1 All Deliverables shall be wholly original with and prepared solely by the Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses, and authority necessary to provide the Deliverables to the Agency hereunder and to assign, grant and convey the rights, benefits, licenses, and other rights assigned, granted, or conveyed to the Agency hereunder or under any license agreement related hereto without violating any rights of any third party;

2.10.2.2 The Contractor has not previously and will not grant any rights in any Deliverables to any third party that are inconsistent with the rights granted to the Agency herein; and

2.10.2.3 The Agency shall peacefully and quietly have, hold, possess, use, and enjoy the Deliverables without suit, disruption, or interruption.

2.10.3 The Contractor represents and warrants that:

2.10.3.1 The Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables); and the Agency's use of, and exercise of any rights with respect to, the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. The Contractor further represents and warrants there is no pending or threatened claim, litigation, or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the Deliverables. The Contractor shall inform the Agency in writing immediately upon becoming aware of any actual, potential, or threatened claim of or cause of action for infringement or violation of an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then the Contractor shall, at the Agency's request and at the Contractor's sole expense:

- Procure for the Agency the right or license to continue to use the Deliverable at issue;
- Replace such Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation, or misappropriation;
- Modify or replace the affected portion of the Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation, or misappropriation; or
- Accept the return of the Deliverable at issue and refund to the Agency all fees, charges, and any other amounts paid by the Agency with respect to such Deliverable. In addition, the Contractor agrees to indemnify, defend, protect, and hold harmless the State and its officers, directors, employees, officials, and agents as provided in the Indemnification Section of this Contract, including for any breach of the representations and warranties made by the

Contractor in this section.

The warranty provided in this Subsection 2.10.3 shall be perpetual, shall not be subject to the contractual Warranty Period, and shall survive termination of this Contract. The foregoing remedies provided in this subsection shall be in addition to and not exclusive of other remedies available to the Agency and shall survive termination of this Contract.

2.10.4 The Contractor represents and warrants that the Deliverables shall:

2.10.4.1 Be free from material Deficiencies; and

2.10.4.2 Meet, conform to, and operate in accordance with all Specifications and in accordance with this Contract during the Warranty Period, as defined in the Special Terms. During the Warranty Period the Contractor shall—at its expense—repair, correct, or replace any Deliverable that contains or experiences material Deficiencies or fails to meet, conform to, or operate in accordance with Specifications within five (5) Business Days of receiving notice of such Deficiencies or failures from the Agency or within such other period as the Agency specifies in the notice. In the event the Contractor is unable to repair, correct, or replace such Deliverables to the Agency’s satisfaction, the Contractor shall refund the fees or other amounts paid for the Deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract, and the Agency shall be entitled to pursue any other available contractual, legal, or equitable remedies. The Contractor shall be available at all reasonable times to assist the Agency with questions, problems, and concerns about the Deliverables, to inform the Agency promptly of any known Deficiencies in any Deliverables, repair and correct any Deliverables not performing in accordance with the warranties contained in this Contract—notwithstanding that such Deliverables may have been accepted by the Agency—and provide the Agency with all necessary materials with respect to such repaired or corrected Deliverables.

2.10.5 The Contractor represents, warrants and covenants that all services to be performed under this Contract shall be performed in a professional, competent, diligent, and workmanlike manner by knowledgeable, trained, and qualified personnel, all in accordance with the terms and Specifications of this Contract and the standards of performance considered generally acceptable in the industry for similar tasks and projects. In the absence of a Specification for the performance of any portion of this Contract, the parties agree that the applicable Specification shall be the generally accepted industry standard. So long as the Agency notifies the Contractor of any services performed in violation of this standard, the Contractor shall re-perform the services at no cost to the Agency, such that the services are rendered in the above-specified manner, or if the Contractor is unable to perform the services as warranted, the Contractor shall reimburse the Agency any fees or compensation paid to the Contractor for the unsatisfactory services.

2.10.6 The Contractor represents and warrants that the Deliverables will comply with all Applicable Law.

2.10.7 Obligations Owed to Third Parties. The Contractor represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by the Contractor pursuant to this Contract are or will be fully satisfied by the Contractor so that the Agency will not have any obligations with respect thereto.

2.11 Acceptance of Deliverables.

2.11.1 Acceptance of Written Deliverables. For the purposes of this section, written Deliverables means documents including, but not limited to project plans, planning documents, reports, or instructional materials (“Written Deliverables”). Although the Agency determines what Written Deliverables are subject to formal Acceptance, this section generally does not apply to routine progress or financial reports. Absent more specific Acceptance Criteria in the Special Terms, following delivery of any Written Deliverable pursuant to the Contract, the Agency will

notify the Contractor whether the Deliverable meets contractual specifications and requirements. Written Deliverables shall not be considered accepted by the Agency, nor does the Agency have an obligation to pay for such Deliverables, unless and until the Agency has notified the Contractor of the Agency's Final Acceptance of the Written Deliverables. In all cases, any statements included in such Written Deliverables that alter or conflict with any contractual requirements shall in no way be considered as changing the contractual requirements unless and until the parties formally amend the Contract.

2.11.2 Notice of Acceptance and Future Deficiencies. The Contractor's receipt of any notice of Acceptance, including Final Acceptance, with respect to any Deliverable shall not be construed as a waiver of any of the Agency's rights to enforce the terms of this Contract or require performance in the event the Contractor breaches this Contract or any Deficiency is later discovered with respect to such Deliverable.

2.12 Contract Administration.

2.12.1 Independent Contractor. The status of the Contractor shall be that of an independent contractor. The Contractor, its employees, agents, and any subcontractors performing under this Contract are not employees or agents of the State or any agency, division, or department of the State simply by virtue of work performed pursuant to this Contract. Neither the Contractor nor its employees shall be considered employees of the Agency or the State for federal or state tax purposes simply by virtue of work performed pursuant to this Contract. The Agency will not withhold taxes on behalf of the Contractor (unless required by law).

2.12.2 Incorporation of Documents. To the extent this Contract arises out of a Solicitation, the parties acknowledge that the Contract consists of these contract terms and conditions as well as the Solicitation and the Bid Proposal. The Solicitation and the Bid Proposal are incorporated into the Contract by reference. If the Contractor proposed exceptions or modifications to the Sample Contract attached to the Solicitation or to the Solicitation itself, these proposed exceptions or modifications shall not be incorporated into this Contract unless expressly set forth herein.

2.12.3 Intent of References to Bid Documents. To the extent this Contract arises out of a Solicitation, the references to the parties' obligations, which are contained in this Contract, are intended to supplement or clarify the obligations as stated in the Solicitation and the Bid Proposal. The failure of the parties to make reference to the terms of the Solicitation or the Bid Proposal in this Contract shall not be construed as creating a conflict and will not relieve the Contractor of the contractual obligations imposed by the terms of the Solicitation and the Contractor's Bid Proposal. Terms offered in the Bid Proposal, which exceed the requirements of the Solicitation, shall not be construed as creating an inconsistency or conflict with the Solicitation or the Contract. The contractual obligations of the Agency are expressly stated in this document. The Bid Proposal does not create any express or implied obligations of the Agency.

2.12.4 Compliance with the Law; Nondiscrimination in Employment. The Contractor, its employees, agents, and subcontractors shall comply with all Applicable Law. All such Applicable Law is incorporated into this Contract as of the effective date of the Applicable Law. The Contractor and Agency expressly reject any proposition that future changes to Applicable Law are inapplicable to this Contract and the Contractor's provision of Deliverables or performance in accordance with this Contract. When providing Deliverables pursuant to this Contract the Contractor, its employees, agents, and subcontractors shall comply with all Applicable Law.

2.12.4.1 The Contractor, its employees, agents, and subcontractors shall not engage in discriminatory employment practices which are forbidden by Applicable Law. Upon the State's written request, the Contractor shall submit to the State a copy of its affirmative action plan, containing goals and time specifications, and non-discrimination and accessibility plans and policies regarding services to clients as required under 11 Iowa Admin. Code chapter 121.

2.12.4.2 The Contractor, its employees, agents, and subcontractors shall also comply with all Applicable Law regarding business permits and licenses that may be required to carry out the work performed under this Contract.

2.12.4.3 In the event the Contractor contracts with third parties for the performance of any of the Contractor obligations under this Contract as set forth in Section 2.12.9, Use of Third Parties, the Contractor shall take such steps as necessary to ensure such third parties are bound by the terms and conditions contained in this section.

2.12.4.4 Notwithstanding anything in this Contract to the contrary, the Contractor's failure to fulfill any requirement set forth in this section shall be regarded as a material breach of this Contract and the State may cancel, terminate, or suspend in whole or in part this Contract. The State may further declare the Contractor ineligible for future State contracts in accordance with authorized procedures or the Contractor may be subject to other sanctions as provided by law or rule.

2.12.5 Procurement. The Contractor shall use procurement procedures that comply with all applicable federal, state, and local laws and regulations.

2.12.6 Non-Exclusive Rights. This Contract is not exclusive. The Agency reserves the right to select other contractors to provide Deliverables similar or identical to those described in the Scope of Work during the entire term of this Contract, which includes any extensions or renewals thereof.

2.12.7 Amendments. With the exception of the Contract end date, which may be extended in the Agency's sole discretion, this Contract may only be amended by mutual written consent of the parties. Amendments shall be executed on a form approved by the Agency that expressly states the intent of the parties to amend this Contract. This Contract shall not be amended in any way by use of terms and conditions in an Invoice or other ancillary transactional document. To the extent that language in a transactional document conflicts with the terms of this Contract, the terms of this Contract shall control.

2.12.8 No Third Party Beneficiaries. There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

2.12.9 Use of Third Parties. The Agency acknowledges that the Contractor may contract with third parties for the performance of any of the Contractor's obligations under this Contract. For purposes of this Contract, third parties who perform any of the Contractor's obligations pursuant to this Contract are considered subcontractors. The Contractor shall notify the Agency in writing of all subcontracts relating to Deliverables to be provided under this Contract prior to the time the subcontract(s) become effective. The Agency reserves the right to review and approve all subcontracts. The Contractor may enter into these contracts to complete the project provided that the Contractor remains responsible for all Deliverables provided under this Contract. All restrictions, obligations, and responsibilities of the Contractor under this Contract shall also apply to the subcontractors and the Contractor shall include in all of its subcontracts a clause that so states. The Agency shall have the right to request the removal of a subcontractor from the Contract for good cause.

2.12.10 Choice of Law and Forum. The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Contract without regard to the conflict of law provisions of Iowa law. All litigation commenced in connection with this Contract shall be brought and maintained solely in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa, wherever jurisdiction is appropriate. This provision shall not be construed as waiving any

immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the Agency or the State of Iowa.

2.12.11 Assignment and Delegation. The Contractor may not assign, transfer, or convey in whole or in part this Contract without the prior written consent of the Agency. The Contractor shall submit a written agreement with a proposed assignee or designee, as directed by the Agency. For the purpose of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment. The Contractor may not delegate any of its obligations or duties under this Contract without the prior written consent of the Agency. The Contractor may not assign, pledge as collateral, grant a security interest in, create a lien against, or otherwise encumber any payments that may or will be made to the Contractor under this Contract.

2.12.12 Integration and Order of Precedence. This Contract represents the entire Contract between the parties. The parties shall not rely on any representation that may have been made which is not included in this Contract. In the event of a conflict between or among the provisions of the Contract, the conflict shall be resolved according to the following priority, ranked in descending order with the governing language from the Contract document listed first in the following list: (1) Written amendment mutually executed by the parties or as executed in accordance with Section 2.2, Duration of Contract; (2) Special Terms; (3) General Terms and Conditions for Service Contracts; (4) Contingent Terms for Service Contracts; (5) Solicitation; (6) Bid Proposal.

2.12.13 No Drafter. No party to this Contract shall be considered the drafter of this Contract for the purpose of any statute, case law, or rule of construction that would or might cause any provision to be construed against the drafter.

2.12.14 Headings or Captions. The paragraph headings or captions used in this Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.

2.12.15 Not a Joint Venture. Nothing in this Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties hereto. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Contract.

2.12.16 Joint and Several Liability. If the Contractor is a joint entity, consisting of more than one individual, partnership, corporation, or other business organization, all such entities shall be jointly and severally liable for carrying out the activities and obligations of this Contract, for any default of activities and obligations, and for any fiscal liabilities.

2.12.17 Supersedes Former Contracts or Agreements. This Contract supersedes all prior contracts or agreements between the Agency and the Contractor for the Deliverables to be provided in connection with this Contract.

2.12.18 Waiver. Except as specifically provided for in a waiver signed by duly authorized representatives of the Agency and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.

2.12.19 Notice. Any notices required by the Contract shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party's Contract Manager as set forth in the Contract Declarations and Execution Section. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party. Each such notice shall be deemed to have

been provided:

- At the time it is actually received in the case of hand delivery;
- Within one (1) day in the case of overnight delivery, courier or services such as Federal Express with guaranteed next-day delivery; or
- Within five (5) days after it is deposited in the U.S. Mail.

2.12.20 Cumulative Rights. The various rights, powers, options, elections, and remedies of any party provided in this Contract, shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled.

2.12.21 Severability. If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

2.12.22 Time is of the Essence. Time is of the essence with respect to the Contractor's performance of the terms of this Contract. The Contractor shall ensure that all personnel providing Deliverables to the Agency are responsive to the Agency's requirements and requests in all respects.

2.12.23 Authorization. Each signatory to the Contract or subsequent Contract amendments and the Contractor represents and warrants that:

2.12.23.1 The signatory has the right, power, and authority to enter into this Contract and to bind the party represented by the signatory to this Contract, and the Contractor has the right, power, and authority to perform its obligations under this Contract.

2.12.23.2 It has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery, and performance of this Contract and this Contract constitutes a legal, valid, and binding obligation upon itself in accordance with its terms.

2.12.24 Successors in Interest. All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

2.12.25 Records Retention and Access.

2.12.25.1 Financial Records. The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Agency during the entire term of this Contract, which includes any extensions or renewals thereof, and for a period of at least seven (7) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the seven (7) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular seven (7) year period, whichever is later. The Contractor shall permit the Agency, the Auditor of the State of Iowa or any other authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records, or other records of the Contractor relating to orders, Invoices or payments, or any other Documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of

the Contractor's books and records. Based on the audit findings, the Agency reserves the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with the OMNI Circular, OMB Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

2.12.25.1.1 Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third-party in-kind (property or service) contributions, these funds must be verifiable from the Contractor's records. These records must contain information pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income, and third-party reimbursements.

2.12.25.1.2 The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.

2.12.25.1.3 The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Agency.

2.12.25.1.4 The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring, and evaluating its program.

2.12.25.2 Client Records. The Contractor shall retain all non-medical and medical client records for a period of seven (7) years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that established by Iowa Code § 614.1(9), whichever is greater.

2.12.25.3 Contractual Records. The Contractor agrees to provide to the Agency, upon request, all records related to the Contract including but not limited to client records, statistical information, data, board and other administrative records, and financial records including budget, accounting activities, financial statements, and audit information. This includes records related to the Contract that may be in the possession of the Contractor's agents or subcontractors.

2.12.25.4 Equipment Records. The Contractor shall maintain inventory control records and maintenance procedures for all Equipment purchased in whole or in part with Agency funds or obtained from state surplus or the Agency. Equipment records shall include the following for each item: state tag number (or Contractor inventory number if no state tag has been assigned); description; physical location; name of the Contract purchased under; percentage of the total cost of item paid for by Agency funds; and, if available, vendor name, manufacturer's serial number, purchase price, date of acquisition, date of disposition, disposition price, and type of disposition.

A control system (including an annual physical inventory) shall be implemented and maintained to ensure adequate safeguards to prevent loss, damage, or theft of Equipment. Any loss, damage, or theft shall be investigated, fully documented, and reported to the Agency. The Contractor shall also report suspected theft to local law enforcement. Where the Contractor is authorized to sell the Equipment, sale procedures shall provide for competition to the extent practicable and result in the highest possible disposition price.

2.12.26 Audits.

2.12.26.1 The Agency may require, at any time and at its sole discretion, that recipients of non-federal and/or federal funds have an audit performed. The Contractor shall submit one (1) copy of the audit report to the Agency within thirty (30) days of its issuance, unless specific exemption is granted in writing by the Agency. The Contractor shall submit with the audit report a copy of the separate letter to management addressing a deficiency in internal control and/or material findings, if provided by the auditor. The Contractor may be required to comply with other prescribed compliance and review procedures.

2.12.26.2 The Contractor shall be solely responsible for the cost of any required audit unless otherwise agreed in writing by the Agency.

2.12.26.3 Reimbursement of Audit Costs. If the Auditor of the State of Iowa notifies the Agency of an issue or finding involving the Contractor's noncompliance with laws, rules, regulations, and/or contractual agreements governing the funds distributed under this Contract, the Contractor shall bear the cost of the Auditor's review and any subsequent assistance provided by the Auditor to determine compliance. The Contractor shall reimburse the Agency for any costs the Agency pays to the Auditor for such review or audit.

2.12.27 Staff Qualifications and Background Investigation. The Contractor shall be responsible for assuring that all persons, whether they are employees, agents, subcontractors, or anyone acting for or on behalf of the Contractor, are properly licensed, certified, or accredited as required under applicable law and the Iowa Administrative Code. The Contractor shall provide standards for service providers who are not otherwise licensed, certified, or accredited under applicable law or the Iowa Administrative Code.

The Agency reserves the right to conduct and/or request the disclosure of criminal history and other background investigation of the Contractor, its officers, directors, shareholders, partners, managerial, and supervisory personnel and the Contractor's staff, agents, or subcontractors retained by the Contractor for the performance of Contract services. These background investigations may include, but may not be limited to: Child Abuse Registry, Dependent Adult Abuse Registry, Sexual Offender Registry Checks, and DCI/FBI Criminal History Record checks for specific categories of persons who have direct contact with the Agency's clients or provide services for the Agency's clients. By entering into this Contract, the Contractor explicitly authorizes the Agency to conduct background investigations. The Contractor shall fully cooperate with the Agency in obtaining authorization(s) on Agency forms and any required waivers or releases in a timely manner. Based on the results of these background investigations, the Agency may determine, in its sole discretion, to either not enter into a Contract, not extend a Contract, or to terminate the Contract in accordance with the Contract's termination provisions.

2.12.28 Solicitation. The Contractor represents and warrants that no person or selling agency has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage, or contingency excepting bona fide employees or selling agents maintained for the purpose of securing business.

2.12.29 Obligations Beyond Contract Term. All obligations of the Agency and the Contractor incurred or existing under this Contract as of the date of expiration or termination will survive the expiration or termination of this Contract.

2.12.30 Counterparts. The parties agree that this Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

2.12.31 Delays or Potential Delays of Performance. Whenever the Contractor encounters any difficulty which is delaying or threatens to delay the timely performance of this Contract, including but not limited to potential labor disputes, the Contractor shall immediately give notice thereof in writing to the Agency with all relevant information with respect thereto. Such notice shall not in any way constitute a basis for an extension of the delivery schedule or be construed as a waiver by the Agency or the State of any rights or remedies to which either is entitled by law or pursuant to provisions of this Contract. Failure to give such notice, however, may be grounds for denial of any request for an extension of the delivery schedule because of such delay. Furthermore, the Contractor will not be excused from failure to perform that is due to a Force Majeure unless and until the Contractor provides notice pursuant to this provision and the Agency agrees, in writing, to the Force Majeure.

2.12.32 Delays or Impossibility of Performance Based on a Force Majeure. Neither party shall be in default under the Contract if performance is prevented, delayed, or made impossible to the extent that such prevention, delay, or impossibility is caused by a force majeure. The term "force majeure" as used in this Contract includes an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care, such as acts of God, war, civil disturbance and other similar causes. The delay or impossibility of performance must be beyond the control and without the fault or negligence of the parties. "Force majeure" does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of the Contractor; claims or court orders that restrict the Contractor's ability to deliver the Deliverables contemplated by this Contract; strikes; labor unrest; labor shortages; or supply chain disruptions.

If a delay results from a subcontractor's conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a Force Majeure as defined in this Contract.

If a Force Majeure delays or prevents the Contractor's performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Agency.

The party seeking to exercise this provision and not perform or delay performance pursuant to a Force Majeure shall immediately notify the other party of the occurrence and reason for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

2.12.33 Right to Address the Board of Directors or Other Managing Entity. The Agency reserves the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures, and any other issue the Agency deems appropriate.

2.12.34 Repayment Obligation. In the event that any State and/or federal funds are deferred and/or disallowed as a result of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Contractor shall be liable to the Agency for the full amount of any claim disallowed and for all related penalties incurred. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

2.12.35 Immunity from Liability. Every person who is a party to the Contract is hereby notified

and agrees that the State, the Agency, and all of their employees, agents, successors, and assigns are immune from liability and suit for or from the Contractor's and/or subcontractors' activities involving third parties and arising from the Contract.

2.12.36 Public Records. The laws of the State require procurement and contract records to be made public unless otherwise provided by law.

2.12.37 Use of Name or Intellectual Property. The Contractor agrees it will not use the Agency and/or State's name or any of their intellectual property, including but not limited to, any State, state agency, board or commission trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the Agency and/or the State.

2.12.38 Taxes. The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on the Contractor's employees' wages. The State is exempt from State and local sales and use taxes on the Deliverables.

2.12.39 No Minimums Guaranteed. The Contract does not guarantee any minimum level of purchases or any minimum amount of compensation.

2.12.40 Conflict of Interest. The Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Agency that is a conflict of interest. No employee, officer, or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code chapter 68B shall apply to this Contract. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties.

In the event the Contractor becomes aware of any circumstances that may create a conflict of interest the Contractor shall immediately take such actions to mitigate or eliminate the risk of harm caused by the conflict or appearance of conflict. The Contractor shall promptly, fully disclose and notify the Agency of any circumstances that may arise that may create a conflict of interest or an appearance of conflict of interest. Such notification shall be submitted to the Agency in writing within seven (7) Business Days after the conflict or appearance of conflict is discovered.

In the event the Agency determines that a conflict or appearance of a conflict exists, the Agency may take any action that the Agency determines is necessary to mitigate or eliminate the conflict or appearance of a conflict. Such actions may include, but are not limited to:

2.12.40.1 Exercising any and all rights and remedies under the Contract, up to and including terminating the Contract with or without cause;

2.12.40.2 Directing the Contractor to implement a corrective action plan within a specified time frame to mitigate, remedy and/or eliminate the circumstances which constitute the conflict of interest or appearance of conflict of interest; or

2.12.40.3 Taking any other action the Agency determines is necessary and appropriate to ensure the integrity of the contractual relationship and the public interest.

The Contractor shall be liable for any excess costs to the Agency as a result of the conflict of interest.

2.12.41 Certification Regarding Sales and Use Tax. By executing this Contract, the Contractor certifies it is either (1) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 423; or (2) not a “retailer” or a “retailer maintaining a place of business in this state” as those terms are defined in Iowa Code § 423.1(42) and (43). The Contractor also acknowledges that the Agency may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the Agency or its representative filing for damages for breach of contract.

2.12.42 No State Funds for Lobbyists. No State appropriated funds or Other funds originating as State appropriated funds shall be used for the compensation of a lobbyist. For purposes of this section, “lobbyist” means the same as defined in Iowa Code Section 68B.2; however, “lobbyist” does not include a person employed by a state agency of the executive branch of state government who represents the agency relative to the passage, defeat, approval, or modification of legislation that is being considered by the general assembly.

**IOWA DEPARTMENT OF HEALTH AND HUMAN SERVICES
(HHS)
SECTION 3: CONTINGENT TERMS FOR SERVICE
CONTRACTS
August 1, 2023**

3.1 Federal Funds. HHS receives federal funding. As a recipient of federal funds, HHS and its subrecipients, contracting partners, and subcontractors must adhere to federal legislation passed by Congress, as well as codified regulations implemented through administrative requirements, executive orders, and other federal law when executing the funding and contract scope of work. Any revisions to applicable provisions of federal or state law and implementing regulations, and policy issuances and instructions, except as otherwise specified in this Contract, apply as of their effective date. If any terms of this Contract are determined to be inconsistent with rule or law, the applicable rule or law provision shall govern.

3.1.1 Federal Terms. 2 C.F.R. Part 200. Specific to the Code of Federal Regulations (C.F.R.) Title 2 Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, specific language must be included in agreement articles, such as this Contract. Detailed in 2 C.F.R. Part 200, Appendix II, in addition to other provisions required by federal law, including but not limited to 45 C.F.R. Part 75, all contracts made by a non-federal entity under the federal awards must contain provisions covering the following, as applicable. The below provisions attempt to satisfy the requirements of 2 C.F.R. Part 200. This Contract does not encompass every federal law, regulation, or requirement that may apply to this Contract. By signing this Contract, the Contractor agrees to all applicable terms contained within 2 C.F.R. Part 200 and any other applicable federal requirement. If the Contractor or its Subcontractors violate this or any law, they may be subject to civil and/or criminal penalties, etc. as stated therein.

3.1.1.1 Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. By signing the Contract, the Contractor certifies, to the best of its knowledge, understanding, and belief, that:

3.1.1.1.1 No Federal Funds Used. No federal appropriated funds have been paid or will be paid in what the undersigned believes to be a violation of 31 U.S.C. 1352, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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, the modification of any federal contract, grant, loan, or cooperative agreement, or in any activity designed to influence legislation or appropriations pending before Congress.

3.1.1.1.2 Other Funds Used. 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 Form to Report Lobbying," in accordance with its instructions.

3.1.1.1.3 Certification. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and will require that all sub-recipients certify and disclose accordingly. This certification is a material representation of facts 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 by 31 U.S.C. 1352. 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 each such failure.

3.1.1.2 Clean Air Act (42 U.S.C. 7401-7671q.) and the **Federal Water Pollution Control Act** (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). The Contractor shall comply with all applicable standards, orders, or requirements issued under 306 of the Clean Air Act (42 U.S.C. 1857(h)), 508 of the Clean Water Act (33 U.S.C. 1368), the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. Part 15).

3.1.1.3 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. The Contractor shall comply with the Contract Work Hours and Safety Act, as applicable.

3.1.1.4 Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 C.F.R. Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The Contractor shall comply with the Copeland "Anti-Kickback" Act, as applicable. If the Contractor or its Subcontractors violate this law, they may be subject to criminal penalties, etc. as stated therein.

3.1.1.5 Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C.

3141–3144, and 3146–3148) as supplemented by Department of Labor regulations (29 C.F.R. Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The Contractor shall comply with the Davis-Bacon Act, as applicable.

3.1.1.6 Debarment and Suspension (Executive Orders 12549 and 12689). A contract award (see 2 C.F.R. 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. 180 that implement Executive Orders 12549 (3 C.F.R. part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. By signing this Contract, the Contractor certifies that it and its principals and subcontractors are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency.

This certification is a material representation of fact upon which reliance was placed when the Agency determined to enter into this transaction. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to other remedies available at law or by contract, the Agency may terminate this Contract.

The Contractor shall provide immediate written notice to the Agency if it has been debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal department or agency. The terms “covered transaction,” “debarment,” “suspension,” “ineligible,” “lower tier covered transaction,” “principal,” and “voluntarily excluded,” as used in this section, have the meanings set out in 2 C.F.R. part 180.

The Contractor agrees that it will include this certification in all lower tier covered transactions and subcontracts.

3.1.1.7 Domestic preferences for procurements. As appropriate and to the extent consistent with law, as provided in 2 C.F.R. 200.322, Domestic Preference for Procurements, the non-federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. For purposes of this section: (1) “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. (2) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber. The Contractor shall comply with 2 C.F.R. 200.322, to the extent applicable.

3.1.1.8 Equal Employment Opportunity. Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41

C.F.R. Part 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The Contractor shall comply with Equal Employment Opportunity, to the extent applicable.

3.1.1.9 Procurement of Recovered Materials. In the performance of this Contract, in accordance with 2 C.F.R. 200.323, Procurement of Recovered Materials, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired (1) Competitively within a timeframe providing for compliance with the contract performance schedule; (2) Meeting contract performance requirements; or (3) At a reasonable price. Information about this requirement, along with the list of EPA designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

3.1.1.10 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment. Recipients and subrecipients, in accordance with 2 C.F.R. 200.216, Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment, are prohibited from obligating or expending loan or grant funds to: (1) Procure or obtain; (2) Extend or renew a contract to procure or obtain; or (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

- For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
- Telecommunications or video surveillance services provided by such entities or using such equipment.
- Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

The Contractor certifies that it will comply with 2 C.F.R. 200.216, Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment, to the extent applicable.

3.1.1.11 Rights to Inventions Made Under a Contract or Agreement. If the federal award meets the definition of "funding agreement" under 37 C.F.R. 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 C.F.R. Part 401, "Rights to Inventions Made by

Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. The Contractor certifies that it will comply with 37 C.F.R. Part 401, to the extent applicable to this Contract.

3.1.2 Federal Financial Assistance Acknowledgment. The Contractor acknowledges that federal financial assistance will be used to fund all or a portion of the Contract. The Contractor will comply with all applicable federal law, regulations, executive orders, federal awarding policies, procedures, and directives.

The Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars, and bulletins, the federal awarding agency may reserve certain rights including, without limitation, a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

In accordance with, but not limiting to, 45 C.F.R. 95.617, the Contractor shall ensure that the Agency has all ownership rights in software or modifications thereof and associated documentation designed, developed or installed pursuant to the Contract. The federal government reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal government purposes, software and associated documentation designed, developed or installed in whole or in part with federal funds pursuant to this Contract.

3.1.3 Federal Law Contractor Certifications. By signing this Contract, the Contractor certifies its compliance, to the extent applicable, with the following:

- The Constitution of the United States.
- Medicaid Laws. Title XIX of the Social Security Act (42 U.S.C. 1396 et. seq.), applicable provisions of 42 C.F.R. 431.200 et. seq. and 42 C.F.R. part 438; waivers or variances approved by CMS; and the Rehabilitation Act of 1973.
- Pro-Children Act of 1994.
- Drug-Free Workplace Act of 1988, and implemented at 28 C.F.R. Part 67, subpart F, for programs, as defined at 28 C.F.R. Part 67 sections 67.615 and 67.620.
- 2 C.F.R. 200 Subpart F—Audits of Federally-Funded Contracts: Audit of Non-Federal Entity.
- USDA’s regulation regarding nondiscrimination (7 C.F.R. parts 15, 15b), Title VI of the Civil Rights Act of 1964 (Public Law 83-352), section 11(c) of the Food Stamp Act of 1977, as amended, the Food Stamp Act of 1977, as amended, the Age Discrimination, Act of 1975 (Public Law 95-135) and the Rehabilitation Act of 1973 (Public Law 93-112, section 504) and all requirements imposed by regulations issued pursuant to these Acts by the Department of Agriculture to the effect that, no person in the United States shall, on the grounds of race, color, religion, age (except as provided by law), sex, marital status, sexual orientation, political affiliation, national origin, or handicap, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under the Food Stamp Program.

3.1.4 Audits of Federally-Funded Contracts: Audit of Non-Federal Entity. Non-federal entities, as that term is defined in 45 C.F.R. § 75.2, that expend \$750,000 or more in a fiscal year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements. Single audits must be completed and the data collection form and reporting package must be submitted electronically to the Federal Audit Clearinghouse within the earlier of thirty (30) calendar days after the Contractor’s receipt of the auditor’s report(s), or nine months after the end of the audit period. The Contractor shall submit to the Agency one (1) copy of the separate letter to management addressing material findings, if provided by the auditor, promptly

following receipt by Contractor. The Contractor shall also submit one (1) copy of the final audit report to the Agency within thirty (30) days after the Contractor's receipt thereof, if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Agency. The requirements of this subsection shall apply to the Contractor as well as any subcontractors.

When internal control over some or all of the compliance requirements for a major program are likely to be ineffective in preventing or detecting noncompliance, the planning and performing of testing are not required for those compliance requirements. However, the auditor must report a significant deficiency or material weakness in accordance with 2 C.F.R. § 200.516 Audit findings, assess the related control risk at the maximum, and consider whether additional compliance tests are required because of ineffective internal control.

The Contractor shall be solely responsible for the cost of any required audit unless otherwise agreed in writing by the Agency.

3.1.5 Contractor Employee Whistleblower Protections. The Contractor must comply with 41 U.S.C. 4712 which provides "employees of a contractor, subcontractor, grantee [or subgrantee] may not be discharged, demoted, or otherwise discriminated against as a reprisal" for "whistleblowing." In addition, whistleblowing protections cannot be waived by any agreement, policy, form or condition of employment.

3.1.5.1 Whistleblowing is defined as making a disclosure "that the employee reasonably believes is evidence of any of the following:

- Gross mismanagement of a federal contract or grant;
- A gross waste of federal funds;
- An abuse of authority relating to a federal contract or grant;
- A substantial and specific danger to public health or safety; or
- A violation of a law, rule, or regulation related to a federal contract or grant (including the competition for, or negotiation of, a contract) or grant.

3.1.5.2 To qualify under the statute, the employee's disclosure must be made to:

- A member of Congress, or a representative of a Congressional committee;
- An Inspector General;
- The Government Accountability Office;
- A federal employee responsible for contract or grant oversight or management at the relevant agency;
- An official from the Department of Justice, or other law enforcement agency;
- A court or grand jury; or
- A management official or other employee of the contractor, subcontractor, grantee, or subgrantee who has the responsibility to investigate, discover, or address misconduct.

The requirement to comply with and inform all employees of the "Pilot Program for Enhancement of Contractor Employee Whistleblower Protections" is in effect for all grants, contracts, subgrants, and subcontracts.

3.2 Business Associate Agreement. If the Contractor performs certain services on behalf of or for a designated HIPAA-covered component of the Agency and meets the definition of business associate in 45 CFR 160.103, then the Contractor is a business associate of the Agency for purposes of the Health Insurance Portability and Accountability Act of 1996, as amended, and the federal regulations published at 45 C.F.R. part 160 and 164. By signing this Contract, the Business Associate certifies it will comply with the Business Associate Agreement Addendum ("BAA"), and any amendments thereof, as posted to the Agency's website: <http://hhs.iowa.gov/HIPAA/baa>. This BAA, and any amendments thereof, is incorporated into the Contract by reference.

By signing this Contract, the Business Associate consents to receive notice of future amendments to the BAA through electronic mail. The Business Associate shall file and maintain a current electronic mail address with the Agency for this purpose. Notwithstanding anything to the contrary in the Contract, the Agency may amend the BAA by posting an updated version of the BAA on the Agency's website at: <http://hhs.iowa.gov/HIPAA/baa>, and providing the Business Associate electronic notice of the amended BAA. The Business Associate shall be deemed to have accepted the amendment unless the Business Associate notifies the Agency of its non-acceptance in accordance with the Notice provisions of the Contract within 30 days of the Agency's notice referenced herein. Any agreed alteration of the then current Agency BAA shall have no force or effect until the agreed alteration is reduced to a Contract amendment that must be signed by the Business Associate, Agency Director, and the Agency Security and Privacy Officer.

If there is a conflict between the BAA and provisions in Section 2.8, Ownership and Security of Agency Information, the provisions in the BAA shall control.

3.3 Qualified Service Organization. If the Contractor is or will be receiving, storing, processing, or otherwise dealing with confidential patient records from programs covered by 42 C.F.R. part 2, the Contractor is a Qualified Service Organization and the Contractor acknowledges that it is fully bound by those regulations. The Contractor will resist in judicial proceedings any efforts to obtain access to patient records except as permitted by 42 C.F.R. part 2. "Qualified Service Organization" as used in this Contract has the same meaning as the definition set forth in 42 C.F.R. 2.11.

3.4 Certification Regarding Iowa Code Chapter 8F. If the Contractor is or becomes subject to Iowa Code chapter 8F during the term of this Contract, which includes any extensions or renewals thereof, the Contractor shall comply with the following:

3.4.1. As a condition of entering into this Contract, the Contractor shall certify that it has the information required by Iowa Code § 8F.3 available for inspection by the Agency and the Legislative Services Agency.

3.4.2 The Contractor agrees that it will provide the information described in this section to the Agency or the Legislative Services Agency upon request. The Contractor shall not impose a charge for making information available for inspection or providing information to the Agency or the Legislative Services Agency.

3.4.3 Pursuant to Iowa Code § 8F.4, the Contractor shall file an annual report with the Agency and the Legislative Services Agency within ten (10) months following the end of the Contractor's fiscal year (unless the exceptions provided in Iowa Code § 8F.4(1)(b) apply). The annual report shall contain:

3.4.3.1 Financial information relative to the expenditure of state and federal moneys for the prior year pursuant to this Contract. The financial information shall include but is not limited to budget and actual revenue and expenditure information for the year covered.

3.4.3.2 Financial information relating to all service contracts with the Agency during the preceding year, including the costs by category to provide the contracted services.

3.4.3.3 Reportable conditions in internal control or material noncompliance with provisions of laws, rules, regulations, or contractual agreements included in external audit reports of the Contractor covering the preceding year.

3.4.3.4 Corrective action taken or planned by the Contractor in response to reportable conditions in internal control or material noncompliance with laws, rules, regulations, or contractual agreements included in external audit reports covering the preceding year.

3.4.3.5 Any changes in the information submitted in accordance with Iowa Code § 8F.3

3.4.3.6 A certification signed by an officer and director, two directors, or the sole proprietor of the Contractor, whichever is applicable, stating the annual report is accurate and the recipient entity is in full compliance with all laws, rules, regulations, and contractual agreements applicable to the recipient entity and the requirements of Iowa Code chapter 8F.

3.4.3.7 In addition, the Contractor shall comply with Iowa Code chapter 8F with respect to any subcontracts it enters into pursuant to this Contract. Any compliance documentation, including but not limited to certifications, received from subcontractors by the Contractor shall be forwarded to the Agency.

3.5 Software Contracts.

3.5.1 Software Funded with Federal Funds. All software or modifications thereof and associated documentation designed, developed, or installed using federal funds is subject to 45 C.F.R. § 95.617.

3.5.2 Change Order Procedure. The Agency may at any time request a modification to Deliverables related to software using a change order. The following procedures for a change order shall be followed:

3.5.2.1 Written Request. The Agency shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Work.

3.5.2.2 The Contractor's Response. The Contractor shall submit to the Agency a firm cost proposal for the requested change order within five (5) Business Days of receiving the change order request.

3.5.2.3 Acceptance of the Contractor Estimate. If the Agency accepts the cost proposal presented by the Contractor, the Contractor shall provide the modified Deliverable subject to the cost proposal included in the Contractor response. The Contractor's provision of the modified Deliverables shall be governed by the terms and conditions of this Contract.

3.5.2.4 Adjustment to Compensation. The parties acknowledge that a change order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract.

3.5.3 Acceptance of Software Deliverables. Except as otherwise specified in the Scope of Work, all Deliverables pertaining to software and related hardware components ("Software Deliverables") shall be subject to the Agency's Acceptance Testing and Acceptance, unless otherwise specified in the Scope of Work. Upon completion of all work to be performed by the Contractor with respect to any Software Deliverable, the Contractor shall deliver a written notice to the Agency certifying that the Software Deliverable meets and conforms to applicable Specifications and is ready for the Agency to conduct Acceptance Testing; provided, however, that the Contractor shall pretest the Software Deliverable to determine that it meets and operates in accordance with applicable Specifications prior to delivering such notice to the Agency. At the Agency's request, the Contractor shall assist the Agency in performing Acceptance Tests at no additional cost to the Agency. Within a reasonable period of time after the Agency has completed its Acceptance Testing, the Agency shall provide the Contractor with written notice of Acceptance or Non-acceptance with respect to each Software Deliverable that

was evaluated during such Acceptance Testing. In the event the Agency provides notice of Non-acceptance to the Contractor with respect to any Software Deliverable, the Contractor shall correct and repair such Software Deliverable and submit it to the Agency within ten (10) days of the Contractor's receipt of notice of Nonacceptance so that the Agency may re-conduct its Acceptance Tests.

In the event the Agency determines, after re-conducting its Acceptance Tests with respect to any Software Deliverable that the Contractor has attempted to correct or repair pursuant to this section, that such Software Deliverable fails to satisfy its Acceptance Tests, then the Agency shall have the continuing right, at its sole option, to: (1) require the Contractor to correct and repair such Software Deliverable within such period of time as the Agency may specify in a written notice to the Contractor; (2) refuse to accept such Software Deliverable without penalty and without any obligation to pay any fees or other amounts associated with such Software Deliverable (or receive a refund of any fees or amounts already paid with respect to such Software Deliverable); (3) accept such Software Deliverable on the condition that any fees or other amounts payable with respect thereto shall be reduced or discounted to reflect, to the Agency's satisfaction, the Deficiencies present therein and any reduced value or functionality of such Software Deliverable or the costs likely to be incurred by the Agency to correct such Deficiencies; or (4) terminate this Contract and/or seek any and all available remedies, including damages. Notwithstanding the provisions of Section 2.5.1, Termination for Cause by the Agency, of this Contract, the Agency may terminate this Contract pursuant to this section without providing the Contractor with any notice or opportunity to cure provided for in the termination provisions of this Contract. The Agency's right to exercise the foregoing rights and remedies, including termination of this Contract, shall remain in effect until Acceptance Tests are successfully completed to the Agency's satisfaction and the Agency has provided the Contractor with written notice of Final Acceptance.

3.5.4 Notice of Acceptance and Future Deficiencies. The Contractor's receipt of any notice of Acceptance, including Final Acceptance, with respect to any Deliverable shall not be construed as a waiver of any of the Agency's rights to enforce the terms of this Contract or require performance in the event the Contractor breaches this Contract or any Deficiency is later discovered with respect to such Deliverable.