RFP# 7551453

TITLE: Development and Implementation of a Cost Allocation Plan for EOHHS Departments

Submission Deadline: April 4, 2017 at 10:00 AM (Eastern Time)

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<thead>
<tr>
<th>PRE-BID/ PROPOSAL CONFERENCE: No</th>
</tr>
</thead>
</table>

Questions concerning this solicitation must be received by the Division of Purchases at david.francis@purchasing.ri.gov no later than March 16, 2017 at 10:00 AM (ET). Questions should be submitted in a Microsoft Word attachment. Please reference the RFP# on all correspondence. Questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

SURETY REQUIRED: No
BOND REQUIRED: No

David J. Francis
Interdepartmental Project Manager

Applicants must register on-line at the State Purchasing Website at www.purchasing.ri.gov

Note to Applicants:
Offers received without the entire completed three-page RIVIP Generated Bidder Certification Form attached may result in disqualification.

THIS PAGE IS NOT A BIDDER CERTIFICATION FORM
<table>
<thead>
<tr>
<th>SECTION</th>
<th>CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>INTRODUCTION........................................................................................................... 3</td>
</tr>
<tr>
<td></td>
<td>Instructions and Notification to Offerors</td>
</tr>
<tr>
<td></td>
<td>Purpose: Implementation of a Cost Allocation Plan (CAP)</td>
</tr>
<tr>
<td>2</td>
<td>BACKGROUND............................................................................................................. 5</td>
</tr>
<tr>
<td>3</td>
<td>SCOPE OF WORK ......................................................................................................... 7</td>
</tr>
<tr>
<td></td>
<td>EOHHS, DHS, DCYF, DOH</td>
</tr>
<tr>
<td></td>
<td>General Requirements</td>
</tr>
<tr>
<td></td>
<td>Deliverables</td>
</tr>
<tr>
<td>4</td>
<td>TECHNICAL PROPOSAL.................................................................................................. 13</td>
</tr>
<tr>
<td></td>
<td>Narrative and Format</td>
</tr>
<tr>
<td>5</td>
<td>COST PROPOSAL ......................................................................................................... 15</td>
</tr>
<tr>
<td></td>
<td>Detailed Budget and Budget Narrative</td>
</tr>
<tr>
<td>6</td>
<td>EVALUATION AND SELECTION ..................................................................................... 16</td>
</tr>
<tr>
<td>7</td>
<td>PROPOSAL SUBMISSION ............................................................................................ 17</td>
</tr>
<tr>
<td>8</td>
<td>RESPONSE CONTENT ................................................................................................ 17</td>
</tr>
<tr>
<td></td>
<td>Concluding Statements</td>
</tr>
</tbody>
</table>

Appendix A: EOHHS Boilerplate Contract Language......................................................... 19

Appendix B: Budget Form.................................................................................................. 56
SECTION 1: INTRODUCTION

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Executive Office of Health and Human Services (EOHHS) in collaboration with the RI Department of Children, Youth and Families (DCYF), RI Department of Human Services (DHS) and the RI Department of Health (DOH), is seeking applications for the preparation, submission and negotiation of a cost allocation plan and analysis of existing cost allocation plans for EOHHS and three departments in accordance with the terms of this Request for Proposals and the State’s General Conditions of Purchase, which may be obtained at the Rhode Island Division of Purchases Home Page by Internet at www.purchasing.ri.gov.

The initial contract period will begin approximately October 2017 for one year with up to four (4) additional 12-month periods based on the sole discretion of the State.

This is a Request for Proposals, not an Invitation for Bid. Responses will be evaluated based on the relative merits of the proposal, in addition to price; there will be no public opening and reading of responses received by the Division of Purchases pursuant to this Request, other than to name those offerors who have submitted proposals.

INSTRUCTIONS AND NOTIFICATIONS TO OFFERORS:

1. Potential Contractors are advised to review all sections of this RFP carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

2. Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this RFP will be rejected as being non-responsive.

3. All costs associated with developing or submitting a proposal in response to this RFP, or to provide oral or written clarification of its content shall be borne by the Contractor. The State assumes no responsibility for these costs.

4. Proposals are considered to be irrevocable for a period of not less than 60 days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.

5. All pricing submitted will be considered to be firm and fixed unless otherwise indicated herein.

6. Proposals misdirected to other state locations, or which are otherwise not present in the Division at the time of opening for any cause will be determined to be late and will not be considered. For the purposes of this requirement, the official time and date shall be that of the time clock in the reception area of the Division.

7. It is intended that an award pursuant to this RFP will be made to a prime Contractor, or prime Contractors in the various categories, who will assume responsibility for all aspects of the work. Joint venture and cooperative proposals will not be considered. Subcontracts are permitted, provided that their use is clearly indicated in the Contractor’s proposal and the subcontractor(s) to be used is identified in the proposal.

8. All proposals should include the Contractor’s FEIN or Social Security number as evidenced by a W9, downloadable from the Division’s website at www.purchasing.ri.gov.
9. The purchase of services under an award made pursuant to this RFP will be contingent on the availability of funds.

10. Contractors are advised that all materials submitted to the State for consideration in response to this RFP will be considered to be Public Records as defined in Title 38, Chapter 2 of the General Laws of Rhode Island, without exception, and will be released for inspection immediately upon request once an award has been made.

11. Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this RFP.

12. Equal Employment Opportunity (G.L. 1956 § 28-5.1-1, et seq.) – § 28-5.1-1 Declaration of policy – (a) Equal opportunity and affirmative action toward its achievement is the policy of all units of Rhode Island state government, including all public and quasi-public agencies, commissions, boards and authorities, and in the classified, unclassified, and non-classified services of state employment. This policy applies to all areas where State dollars are spent, in employment, public services, grants and financial assistance, and in state licensing and regulation.

13. In accordance with Title 7, Chapter 1.2 of the General Laws of Rhode Island, no foreign corporation, a corporation without a Rhode Island business address, shall have the right to transact business in the State until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). This is a requirement only of the successful Contractor(s).

14. The Contractor should be aware of the State’s Minority Business Enterprise (MBE) requirements, which address the State’s goal of ten percent (10%) participation by MBEs in all State procurements. For further information visit the website [www.mbe.ri.gov](http://www.mbe.ri.gov)

15. Under HIPAA, a “business associate” is a person or entity, other than a member of the workforce of a HIPAA covered entity, who performs functions or activities on behalf of, or provides certain services to, a HIPAA covered entity that involves access by the business associate to HIPAA protected health information. A “business associate” also is a subcontractor that creates, receives, maintains, or transmits HIPAA protected health information on behalf of another business associate. The HIPAA rules generally require that HIPAA covered entities and business associates enter into contracts with their business associates to ensure that the business associates will appropriately safeguard HIPAA protected health information. Therefore, if a Contractor qualifies as a business associate, it will be required to sign a HIPAA business associate agreement.

16. In order to perform the contemplated services related to the Rhode Island Health Benefits Exchange (Health Source RI), the Contractor hereby certifies that it is an “eligible entity,” as defined by 45 C.F.R. § 155.110, in order to carry out one or more of the responsibilities of a health insurance exchange. The Contractor agrees to indemnify and hold the State of Rhode Island harmless for all expenses that are deemed to be unallowable by the Federal government because it is determined that the Contractor is not an “eligible entity,” as defined by 45 C.F.R. § 155.110.
**SECTION 2: BACKGROUND**

**EOHHS** is the Governor’s Cabinet Office overseeing four (4) state health and human services departments: the Departments of Behavioral Healthcare, Developmental Disabilities, and Hospitals (BHDDH); Children, Youth, and Families (DCYF); Health (DOH); and Human Services (DHS). In addition, EOHHS is also the Medicaid Single State Agency. The EOHHS enterprise spends nearly $3 billion per year (state and federal funding) on direct services and benefits to approximately 300,000 Rhode Island residents.

In the state’s Fiscal Year 2013, the Centers for Medicare and Medicaid (CMS) approved the transfer of the Medicaid program (Title XIX) from the state’s Department of Human Services (DHS) to EOHHS as the single state agency for Medicaid. EOHHS is now responsible for the administration of the Title XIX of the Social Security Act. Although EOHHS oversees the Medicaid program development and finances the operations of the eligibility determination and redetermination processes are the responsibility of DHS. EOHHS, DHS, and our state Health Care Exchange have developed a unified eligibility system called RI Bridges as part of the UHIP Unified Health Infrastructure Project which will cover Medicaid, Exchange, and all of the public assistance benefits (TANF, SNAP, CCDF, SSI) administered by the state.

The EOHHS FY 2017 budget totals $170.7 million, including $131.7 million in federal funds. Of the federal funds, $65.9 million are part of the budget plan in support of RI Bridges or UHIP. The department is supported by approximately 178.0 FTE state positions and 30.0 contractual staff positions.

The Rhode Island Health Insurance Exchange, HealthSource RI, is the official Rhode Island marketplace for health insurance under Obamacare. With a budget of $16.6 million in FY 2017, the office may be included in the cost allocation process for EOHHS so successful vendors may be asked to identify and assign the office’s cost in the EOHHS CAP. The office has 16 full time equivalent positions and funding from three sources: federal, general funds and restricted receipts generated on assessments on health care carriers. In Rhode Island, 30,000 residents are enrolled in commercial insurance through HealthSource RI, and another 70,000 are covered through Obamacare’s Medicaid expansion.

The **Department of Human Services (DHS)** has budget of $650 million dollars from state and federal sources with $11.6 million for RI Bridges. The department has 877 FTE positions and is organized into 9 separate divisions: Central Management, Child Support Enforcement, Individual and Family Support, Veterans Affairs, Health Care Eligibility, Supplemental Security Income, Rhode Island Works, State Funded Programs and Elderly Affairs. Central Management supervises, coordinates and monitors all departmental functions. Child Support Enforcement performs specific services for families who receive public assistance, medical benefits (Medicaid) or interventions services from the Department for Children, Youth and Families (DCYF). These services include locating non-custodial parents, establishing paternity, obtaining child support and medical orders and enforcing court orders for these services. Individual and Family Support (IFS) is separated into two distinct entities; the Division of Economic Support and the Office of Rehabilitation Services (ORS). Economic Support operates and directs the RI Works, Child Care Assistance, General Public Assistance, Supplemental Nutrition Assistance (SNAP), Low-Income Home Energy Assistance (LIHEAP) and Supplemental Security Income (SSI). The Office of Rehabilitative Services (ORS) provides an array of services to individuals with disabilities seeking to enter or re-enter the workforce. Veterans Affairs provides quality nursing care, operates a cemetery and is a resource for RI veterans.

The Department administers more than forty federally funded programs. The major sources of federal revenue are the Supplemental Nutrition Assistance Program (SNAP), the Family Independence Program (FIP), Medicaid, Temporary Assistance for Needy Families (TANF), and the Low Income Heating Assistance program (LIHEAP).

For DHS, the selected vendor will be required to analyze DHS’ current cost allocation operations, and to understand and document the various program and administrative functions provided by each operational unit.
Based on this understanding, the vendor will develop a CAP that will ensure the administrative costs incurred by DHS, on behalf of the federal program it operates, are recovered from federal funds to the maximum extent possible utilizing best practices under existing guidelines. Additionally, following its review of DHS finances and structure, the vendor selected through this RFP process will provide recommendations on potential information technology (IT) functionality, characteristics, or systems that would be capable of providing data analysis for the DHS CAP, should the agency decide at some future point to consider CAP automation options.

The Department of Children, Youth and Families –DCYF (approximately 550 employees) was established by the state legislature in 1980 by merging children's programs previously administered by four different state agencies. Rhode Island is one of a small group of states that integrate the three major public responsibilities for troubled children, youth, and families in one agency: Child Welfare, Community Services and Behavioral Health, and Juvenile Corrections.

These three areas under the direction and responsibility of the Director’s Office of the Central Management Unit form the core units of DCYF. The Central Management Unit consists of a variety of sub-programs including executive, legal and administrative services that provide operation direction, planning, management and evaluation of overall departmental operations.

The Child Welfare Program is comprised of several sub-divisions working in partnership with each other, family and community partners and other divisions of the Department and State of Rhode Island. The mission is to ensure safety, permanency and well-being for each child. The Adoption and Foster Care Preparation and Support Unit recruits, trains and assesses families who are interested in providing a home for one of these children. The Licensing Unit ensures that facilities where children are cared for meet state requirements; respond to concerns about a particular facility; and accept application requests for foster care and child care. Child Protective Services (CPS) receive, screens, responds and investigates reports of suspected child maltreatment. Investigations may result in the Department seeking legal status for referral to one of four regional Family Service units and/or the Family Care Community Partnership (F CCP).

The Juvenile Correctional Services Program operates the RI Training School with integrated education and vocational programs for pre-adjudicated and adjudicated youth and a Probation and Parole Unit. The unit provides a secure, structured program of comprehensive services including clinical and educational services. Community-based programming (Probation and Parole) serves youth placed in community-based residential settings as well as those placed at home and in foster homes.

The Division of Community Services and Behavioral Health’s supports behavioral health planning and prevention for Rhode Island’s children, as well as to provide operational support for community-based and residential services. The Division of Community Services and Behavioral Health is the state’s designated behavioral health authority for children. The Division is also programmatically responsible for many of the grants and programs administered by DCYF.

Through multiple substitute care programs the Department services approximately 1,750 children and youth. There are also 2,550 children in adoptive homes whose placements are subsidized by the Department, 2,353 in-home children and 80 resident children at the Rhode Island Training School. The Title IV-E eligibility rate ranges from 27.46% for Foster Care to 65.48% for Adoption Assistance. The Medicaid out-of-home rate is about 95.00%, in-home is about 76.00%.

The Department of Health (DOH) is organized into the following Departmental Divisions with two cross sectional centers and a Director’s Office: Division of Policy, Information and Communications; Division of State Laboratories and Medical Examiner; Division of Preparedness, Response, Infectious Disease & Emergency Medical Services; Division of Community Health and Equity; Division of Environmental Health; Division of Customer Services; RIDOH Academic Center and RIDOH Health Equity Institute.

The Department of Health is heavily federally funded with a FY17 revised requested budget of $106,234,270, which is 61% of the overall Department budget and due to the structure of the Department an indirect cost rate is
used as it allows the agency to recover general overhead costs that were incurred to run the federal programs but are too difficult to identify as direct costs.

SECTION 3: SCOPE OF WORK

This Request for Proposals (RFP) is to competitively select one experienced and qualified vendor to work with the EOHHS and with three EOHHS departments to provide an assessment of current cost allocation processes and provide recommendation for modifications as necessary for these State Agencies. The vendor shall review and assess the current financial and organizational structure of each State Agency, to develop a cost plan that reviews prior cost allocation capability and recommends improvements.

The proposal should provide a review of the current EOHHS, DCYF, and DHS Cost Allocation Plans (CAPs) for improvements and efficiencies or offer proposals for technical support and assistance to the current State Agencies’ existing CAPs. After review, the selected vendor will determine the effectiveness of the existing CAPs or develop new processes resulting in new CAPs for EOHHS and the two departments within the Executive Office, namely the RI Department of Children, Youth and Families (DCYF) and the RI Department of Human Services (DHS). For the RI Department of Health (DOH), there is an existing approved indirect cost rate (ICR) and the selected vendor will be required to review, modify and update the rate to maximize resources. Unlike EOHHS, the CAPs for DCYF and DHS are complicated and need more development and analysis.

In summary, the RFP requires a review of the current CAPs and ICR and revisions as necessary; four work plans, one each for the following state entities (EOHHS, DCYF, DHS and DOH), will be developed. All the CAPs, or CAP revisions, and ICR should be developed in accordance with complies with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200 and) 2 CFR Part 225, Cost Principles and 45 CFR Part 95, OMB Circular A-87. The product of the selected vendor’s efforts must be designed to maximize the recovery of federal program costs and to reduce complexity and increase operational efficiencies. In addition, the final product must be approved by the federal Health and Human Services’ Cost Allocation Services (CAS).

EOHHS

The changes to the EOHHS structure and as the single state Medicaid agency, prompted the need to review the EOHHS CAP as well as a financial impact on the DHS CAP in effect quarter ending June 30, 2015. EOHHS has established a new CAP as the single state Medicaid agency, including EOHHS department costs, when these departments are responsible for managing some Title XIX services that are incorporated into the EOHHS CAP.

For EOHHS, the office has an existing cost allocation system using proprietary software called AlloCAP. The selected vendor should propose a plan to provide technical assistance to the existing system or an alternative methodology to determine cost allocations. Therefore, the Office requests suggested options to revise the current cost allocation system or offers to develop another software system if appropriate or cost effective. In accordance with 45 CFR 95.505, the current CAP identifies and allocates all State agency costs incurred in support of all programs administered or supervised by EOHHS. For example, there are administrative costs appropriated to all EOHHS agencies, to include, DHS, BHDDH, DOH, and DCYF, which also must be part of the approved CAP and could include cost for Health Source RI as well. These costs are currently incorporated into the final product approved by the federal Cost Allocation Services (CAS).

The selected vendor must understand the current EOHHS CAP methodologies and evaluate how costs are allocated. Additionally, in accordance with 45 CFR 95.505, the EOHHS CAP will identify, measure, and allocate all State agency costs incurred in support of all programs administered or supervised by EOHHS. For example, there are administrative costs appropriated to all EOHHS agencies, to include, DHS, BHDDH, DOH, and DCYF, which also must be part of the approved CAP. These costs need to be incorporated into the final product for
submissions to the federal CAP. The procedures described in the CAP should address all costs incurred by, or allocable to, EOHHS and other agencies responsible for administering federal public assistance funds outlined in 45 CFR 95.503, except expenditures for medical vendor payments and payments for services provided directly to program recipients.

**DHS**

For DHS, the selected vendor is expected to perform a thorough review and redevelopment of the current DHS Public Assistance Cost Allocation Plan (CAP). DHS’ CAP is a written narrative description of the procedures used currently by DHS and needs to be reviewed to reflect the transfer of Medicaid program administration to EOHHS. DHS is has currently 5 major federal funders and has an existing cost allocation plan but is revising the plan to accommodate staffing changes and the UHIP system. DHS also oversees the Division of Elderly Affairs which has its own independent ICR. The selected vendor will review the DHS current CAP and recommend new or revised procedures to identify, measure, and allocate costs to each applicable federal fund source and any cost allocable from EOHHS.

The current cost allocation plan was developed by the same vendor that established the EOHHS cost allocation plan under the same RFP. Prior to this, cost allocation was handled in house. DHS’s current cost allocation plan was effective as of January 1, 2016. DHS has received the results of one quarterly CAP submission for the fiscal quarters ending June 30, 2016. The cost allocation plan is still being revised and needs to be updated to include costs allocable to RI Bridges, the State’s Unified Health Eligibility System (UHIP).

For Cost Allocation Purposes, the Department is divided into 11 (eleven) organizational units. These organizational units correspond loosely with the DHS divisional hierarchy. Central Management is divided into three organization units, while some of the operational units are combined. There is also an operational unit for the statewide cost allocation plan (SWICAP).

Personnel salary and fringe costs have been assigned to cost centers within the state accounting system that correspond to these organizational units. DHS allocates non-personnel/direct operating costs according to the same coding conventions. Similarly, professional services and contractual costs are direct charged where appropriate or allocated according to the identified allocation methodology. Unallowable costs (per the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards) incurred by DHS are charged to state funding sources.

The current cost allocation plan utilizes various statistical allocation methods to determine which federal programs benefit from the activities of the Department. Head counts across various organizational units; case or client counts across various programs and the random moment time study are the predominant statistical methods in current use.

The purpose of the random moment time study is to measure the level of effort spent on various activities performed by Eligibility Technicians (ET), Senior ETs and Social Caseworkers who determine eligibility for the various federal programs administered by DHS. The RMTS application must comply with all federal rules and regulations related to cost allocation practices and must support accurate reporting of reimbursable administrative activities which are generally required by federal approving agencies to be measured through a time study.

DHS is seeking a vendor capable of providing a cost allocation plan that will identify and allocate DHS costs both within and outside of DHS, identify all claimable administrative costs associated with the Federal programs under DHS’s jurisdiction including but not limited to SNAP, TANF, and Child Care Assistance Program (CCAP). Identify and support Medicaid 1115 Waiver claiming by appropriately identifying Medicaid administrative costs and costs not otherwise matchable (CNOM) for waiver reporting purposes. The successful vendor will be required to automate the quarterly CAP claim preparation to avoid data entry errors and to centralize CAP information in
a single automated database and provide a step by step procedural manual that can be used by various fiscal staff to avoid gaps in institutional knowledge due to staff turnover.

DCYF

For DCYF, the selected vendor must evaluate current systems, policies, procedures and methodologies used for the Cost Allocation Plan (CAP), random moment time study (RMTS) and CAP amendments. Evaluation data will be used to determine the optimal strategy to maximize federal revenue while minimizing operational resources needed to operate the DCYF CAP. DCYF would prefer a strategy that uses the current system or implementation of a new system that gradually transfers full maintenance and operation of the CAP to State resources. A work plan for the transfer of resources, including systems and operations, will be required. The work plan will facilitate the acquisition or licensing of the underlying CAP computer systems/software by DCYF and also provide a timeline for converting from the existing cost allocation plan to a new CAP if a new plan is accepted under a new contract. Conversion to a new system will include provisions for the continuity of a DCYF CAP that maintains uninterrupted conformance to federal rules, regulations and approval by the federal office of Cost Allocation Services (CAS) during the implementation phase of a new system (if applicable). The work plan will include a timeline for the transfer of operations of the CAP system from the vendor to DCYF.

The Child Welfare department, DCYF, uses an Access based software cost allocation system. The system is owned and has been operated by a vendor for about 14 years. The vendor also owns and manages a web based Random Moment Time Study utilized with the CAP. The vendor inputs cost allocation data and generates CAP reports used for federal claiming; federal and state reporting; and managerial decision making by DCYF. The vendor also produces and provides support for CAP amendments submitted to the Federal government by DCYF. The department would prefer a new CAP system or modifications to the existing CAP system that could be operated and managed with state resources.

Copies of existing manuals which document the Title II, Title IV-E, and Title XVI processes, as well as the Cost Allocation Plan itself, are available for inspection at 101 Friendship Street Providence, RI 02903.

DOH

The RI Department of Health (DOH) has an existing indirect cost rate and would require review of current expenditures, organizational structure and any other structural changes that would impact the ICR. The successful vendor will analyze the current rate, perform a rate analysis and assist in developing and recommending a new rate for the upcoming state fiscal year. In addition, DOH will require an annual update to the indirect cost rate.

Since there is currently an approved indirect cost rate for DOH, the successful vendor should review all financial issues for the department and any organizational, legislative or regulatory changes that will impact these finances. All expenditures, costs, and payroll data should be analyzed. The vendor will do an analysis of the current rate, perform a rate calculation and submit a request for a new rate for the upcoming FY.

1. The vendor will prepare calculate the annual indirect cost rates for DOH in accordance with 2 CFR Part 225 and other applicable federal regulations and requirements and submit to the Division of Cost Allocation (DCA) in the US Department of Health and Human Services. The ICR consists of actual indirect costs incurred by DOH for the 12-month period beginning July 1.
2. The vendor will work with DOH to maximize the recovery of indirect costs, provide feasible and defendable methodologies and improvements to processes and recover indirect costs on a current basis.
3. The first ICR proposal will be based on State fiscal year 2017 expenditures (July 1, 2016 – June 30, 2017) and is due to DOH based on the federal deadline provided in the approved rate agreement. The vendor will conduct a review of the current cost allocation process for the various federal programs for each Division to identify and recommend improvements to the current process and to claim indirect costs on a current basis.
4. After State submission of the ICR proposal to the CAS, the vendor shall be available to answer questions about the submission, update the submission as necessary, and negotiate approval.
5. The vendor will assist the DOH’s development of a quarterly indirect cost reporting process.

**GENERAL REQUIREMENTS**

The selected vendor will be required to review existing and/or develop different cost allocation systems and supports for the various State Agencies identified in this proposal. Support and maintenance including the preparation, administration, operation and reporting is required on a quarterly basis. For RMTS, the vendor will provide administrative monitoring tools for staff and administrators that help the user to monitor and review the time study results, manage cost centers and exporting reports to Excel, establish training information and provide technical assistance for reports and data. As necessary, the vendor will provide overview and specific training sessions for the State Agencies for RMTS or system issues, written user manuals and an online training module.

The State Agencies are requiring a 100% web-based system that will meet minimum system requirements of DHHS and CAS including the validation of any sample reply by inclusion of all required data. The system must be compatible with existing systems in each State Agency.

All policies and procedures developed must conform to the accounting principles and standards prescribed by Office of Management and Budget Circular A-87 and pertinent federal Department of Health and Human Services regulations and instructions, and be compatible with Rhode Island’s state plan for public assistance programs.

New or revised procedures recommended by the selected vendor must include estimated cost impacts expected to result from the proposed CAP plan changes.

Factors to consider in the analysis and development of recommended changes include changes in federal law or regulation, organizational changes within the EOHHS and the other state agencies.

The selected vendor is expected to provide all services necessary to develop, document, draft and successfully submit and receive approval of a new, complete, CAP for the State of Rhode Island that meets all federal HHS-DCA requirements. Also, provide assistance to the State Agencies in resolving any state or federal compliance or fiscal issues related to the resulting contract. Continued technical assistance for all four State Agencies is required at various levels. For example, both departments with new CAPs will need continuous technical assistance. Technical assistance should be available during the weekday work hours and 24/7 access to reports and data. Emergency contacts should be available through telephone if system issues arise after work hours.

The selected vendor will work with each of the State Agency contract managers to gain a clear understanding of the CAP and the program funding structure within these State Agencies which represents a cooperative partnership among federal, state, and local governments. As appropriate, the selected vendor will also be required to review and validate operational descriptions of the administrative functions provided by each operational unit and identify the programs to which administrative costs will be charged.

The selected vendor must develop a full understanding of EOHHS State Agencies’ cost allocation methodologies and evaluate all current cost centers for allocation methodology and maximization of federal funds. Administrative costs include all costs incurred by the State Agencies, except expenditures for medical vendor payments and payments to third parties in compensation for services or goods provided directly to program recipients (subsidy payments). The CAP describes each cost centers and the methodology that is used to create all active cost centers. The vendor will recommend changes to cost centers and provide documentation on the proposed allocation methodology and a cost analysis of the proposed cost centers changes by cost centers.

The selected vendor will assess and understand how all statistical data are gathered and how the data are analyzed and used in the CAP. Generally, statistical data are used to allocate costs associated with cost centers
to various federal and state programs based on an effort reporting methodology. The selected vendor must assess whether the many faceted approach used is consistent with best practices and those of other States. The vendor will recommend changes for efficiencies and cost effectiveness while providing a cost allocation methodology acceptable to federal agencies.

The vendor will be required to produce and deliver various periodic status reports detailing what has been accomplished by providing updated work plans and schedules to the appropriate leadership staff.

Reporting resulting from the CAP procedure should include not only the federal program to which the expenditures are ultimately allocated but the State account where the expenditures originated so that the departments can properly report state and federal spending by program.

The EOHHS and the State Agencies will only consider proposals from vendors whose proposals clearly demonstrate their capability of providing services as described in this RFP and only vendors that can demonstrate their ability to provide the services in a timely manner. For the purpose of this RFP, the term “vendor” is used to describe any qualified party interested in this opportunity. The terms “proposal” and “proposal package” may be used interchangeably to indicate materials submitted by a vendor in order to be considered for award of the contract for services described in this RFP. The terms “vendor” and “selected vendor” may be used interchangeably in reference to the vendor selected by EOHHS through this RFP for contract award.

For DHS and EOHHS the vendor may process quarterly claims and submit quarterly CAP amendments. Note: DCYF will process quarterly claims and submit CAP amendments for DCYF.

The vendor shall include a statement that should the U. S. Health and Human Services Division of Cost Allocation not review the ICAP prior to the term on the vendor agreement, the vendor will continue to be available to work on each proposal until the proposals are approved or denied. This is to ensure that the selected vendor will remain to support EOHHS and the departments throughout the entire process of development and negotiation with DCA.

**Staff Interaction**

The selected vendor’s staff will work with the EOHHS and State Agency staff as necessary as well as other non-EOHHS state agencies. These agencies may include the Department of Administration’s Accounts and Controls, Office of Management and Budget, State Budget Office, as well as the Department of Information Technology.

**DELIVERABLES**

A. **Assess Current Organization and CAP Structure:**

The selected vendor for this project will be required to review EOHHS and the EOHHS department’s federal claims practices and processes to identify and report on opportunities to increase allowable federal claims on a prospective and retrospective basis. The selected vendor will also be required to review and analyze the current EOHHS and EOHHS department’s public assistance cost allocation plan in light of current organizational structures and processes to identify potential opportunities to maximize allowable federal claims in a manner consistent with federal cost principles and requirements, while increasing administrative efficiencies.

B. **Evaluate Statistical Allocation Base:**

Administrative costs are allocated to federal grants based on statistical metrics which reflect individual and departmental efforts in support of a specific grant. A variety of statistics, collected through a series of processes are compiled as a basis of cost allocation. All statistical components should be evaluated to assess the degree to which they support an accurate allocation to the program and the cost effectiveness of the gathering technique.

1. **Evaluate EOHHS and State Agencies’ cost centers.** To complete this deliverable, the selected
Vendor would, at minimum:

a) Analyze the Chart of Accounts and the different supporting grants assigned to each unit and/or department.
b) Evaluate the validity, benefits and necessity of current cost centers used by State Agencies.
c) Evaluate the allocation methodology utilized for each cost centers.

The minimum baseline output for this deliverable will identify each cost center currently used by State Agencies and their funding, what statistical data is used for disbursement, and a narrative describing the logic for reimbursement. Recommend elimination of or combination of existing cost centers to become compliant with best practices while capturing the impact on State and Federal funds.

2. Evaluate EOHHS and State Agencies’ statistical data used to distribute indirect cost centers.
   To complete this deliverable, the selected vendor would, at minimum:
   a) Assess current statistical data used by EOHHS and State Agencies to complete the CAP, Administrative Cost Report and quarterly federal expenditure reports.
   b) Identify which statistical data provides the best indicator of effort to distribute costs per federal grant administered by State Agencies.
   c) Validate the accuracy of current statistical metrics through sampling and testing, which would include a review of the timekeeping system.

   The output for this deliverable would, at minimum, identify each statistical data used to distribute cost centers expenditures, discuss the validity and chance of human error or manual manipulation of each statistical data used, and identify which cost centers would be impacted by a reduction or change in base of statistical data.

C. Simplify CAP:
   The selected vendor will review management operations and identify areas for improved efficiency and potential staffing needs. It is expected that the selected vendor will be well versed in the cost allocation techniques of several comparably sized states and have synthesized the most effective aspects of each into a best practice recommendation.

   1. Review and make recommendations regarding the current CAPs reporting document structure.
      To complete this deliverable, the selected vendor would, at minimum, review the current CAPs provided to HHS and determine if the format can be restructured to gain efficiency at all stakeholder levels.

      The output for this deliverable would, at minimum, outline the minimum documentation requirements that must be provided to HHS on an annual and a quarterly basis based on experiences with other states and existing best practices. Provide a gap fit analysis of the current plan against a recommended to-be process.

D. Develop CAP to Maximize Federal Revenues:
   The selected vendor will be required to identify opportunities for the most efficient use of state funding as it pertains to leveraging existing state funding for federal match purposes, to attract additional federal funds.

   1. Make recommendations for maximization of Federal administrative expense dollars. To
complete this deliverable, the selected vendor would, at minimum:

**a.** Review EOHHS and State Agencies’ federal admin claims practices and processes to identify opportunities to increase allowable federal admin claims on a prospective and retrospective basis.

**b.** Review and analyze the current EOHHS and State Agencies cost allocation plans in light of current organizational structures and processes to identify potential opportunities to maximize allowable federal claims in a manner consistent with federal cost principles and requirements.

**c.** Identify opportunities for the most efficient use of state funding as it pertains to leveraging state funding used for federal match purposes, and also through otherwise limiting state spending.

The output for this deliverable would, at minimum, provide a benchmark analysis of RI’s federal administrative reimbursement history against comparable states. Compare and contrast RI practices and provide specific recommendations for revenue maximization.

E. **Explore New Grant Revenues:**
Based on learning from other states, the selected vendor will identify any additional grant funding sources available to support current State Agency programs and/or to support any new initiatives the agency may pursue.

F. **Evaluate Technology Changes:**
The selected vendor will provide an opinion as to the suitability of the existing in-house software system to produce and maintain the state’s CAP as recommended in the engagement. Detailed design recommendations will be part of a subsequent RFP if the existing system is deemed to be significantly lacking in the capability to support a re-designed CAP that is the result of this engagement.

Additionally, vendor proposals submitted in response to this RFP must reflect the vendor’s understanding of, and commitment to, perform this Scope of Work fully. The selected vendor will be responsible for the deliverables as described in this section, including all preparatory and intervening steps, whether or not State Agency explicitly specified or delineated them within the RFP. In developing their proposals, all vendors must fully and appropriately plan and cost out their proposed projects, including all necessary preparatory and intervening steps.

**SECTION 4: TECHNICAL PROPOSAL**

**NARRATIVE AND FORMAT**
The separate technical proposal should address specifically each of the required elements:

Proposals are limited to 50 single-spaced pages. The proposal budget and budget narrative are not included in the above page count. (Neither are appendices or attachments, even if they are required as part of the application) and should be sealed and separately submitted - please see cost proposal section. Any font may be used as long as it is no smaller than 12 points.

The proposal narrative consists of how the vendor will complete each deliverable, including time frames, vendor experience, knowledge and ability to complete such deliverables, and a description of how the vendor will work with Department staff.
1. **Mandatory Vendor Qualifications and Organizational Experience:**

   Vendors’ proposals must address and demonstrate all the following minimum qualifications:

   A. The vendor must have a minimum of Five (5) years of experience in management consulting services for Federal public assistance revenue maximization projects, which includes developing industry best practices, enhancing CAPs for multiple states and designing or amending data processing systems which support governmental CAP programs;

   B. The vendor must have a minimum of five (5) years of experience with federal grants management for a large (minimum of $200 million in federal awards) government agency, including establishment of a system of federal reimbursement for administrative claims. The federally funded programs must have included one or more of these federal departments: the U. S. Department of Labor or U. S. Department of Health and Human Services;

   C. The vendor must have at least five (5) years of experience to include designing and implementing public cost allocation plans which result in revenue maximization, analyzing and developing statistical allocation bases and in providing documentation to support a public assistance cost allocation plan.

   In addition to meeting the requirements above, applicants are required to provide the following information:

   1. Samples of at least two, but no more than four, similar sized projects completed in the past three years that demonstrate expertise in maximization of public assistance revenue utilization, recommending development and amendments to a state public assistance plans, and government data processing projects.

   2. Documentation showing that the vendor has a minimum of five (5) years of experience with the U. S. Department of Health and Human Services demonstrating processes for federal grants management for a large (minimum of $200 million in federal awards) government agency.

   3. Documentation of at least five (5) years of experience to include designing CAPs, revenue maximization services, plan development to include any IT needs with examples of accomplishing these tasks within the past five (5) years, including the end product.

   4. Documentation of five (5) years of experience dealing with past revenue maximization projects addressing financial impact for state funding, the use of state funding to match federal dollars, and ways to use state dollars and meet Maintenance Of Effort (MOE) requirements.

   5. Documentation of examples of prior services performed within the past two (2) to five (5) years that show successfully captured federal funds.

   6. The names and contact information for at least two entities for which the vendor has performed maximization of federal funds in similar large scale projects in the past five (5) years. This also requires a one page (maximum) narrative summary with a copy or description of the scope of work for each of the projects.
2. **Staff Experience**
The vendor proposal is to demonstrate significant expertise by assigning staff to key leadership roles for this project. Key positions will require profiles and curriculum vitae. The vendor is to demonstrate, at minimum:

A. Provide a current organizational chart (including any subcontractors and all organizational partnerships and collaborations) and specify the key management and administrative personnel who will be assigned to this project including their position and name. This must include, at minimum, a Project Manager and an Assistant Project Manager. The Project Manager must have at least five (5) years of experience managing projects directed toward evaluating and designing public assistance CAPs, with a focus on revenue maximization services, plan development and identification of IT requirements. Identify the percentage of time that key managers will be assigned to this project.

B. The assistant project manager should possess similar skills with 2-3 years of experience and hands on project management experience.

C. Resume(s) required for key staff expected to work on the project documenting education and experience.

3. **References**
Vendor shall submit three (3) references from other states where similar work has been performed

4. **Proposed Work Plan**
Vendors are to include, at minimum, the following administrative structures and technical approach for the proposed work plan. The vendor shall:

A. Provide a technical approach and work plan to be implemented. This includes a description of the vendor’s approach to successfully performing all aspects of the Scope of Work, with an explanation of how the deliverables will be achieved;

B. Provide a status reporting procedure for reporting work completed, and resolution of unanticipated problems; and

D. Provide a timeline for each component of the Scope of Work and the project overall including the staff hours for personnel involved. Include a Table of Organization (including any subcontractors) and a chart showing the number of hours devoted to the project by vendor or subcontractor staff. The vendor must provide the percentage of time each key management person will devote to the project.

**SECTION 5: COST PROPOSAL**

**DETAILED BUDGET AND BUDGET NARRATIVE**

Vendors must provide a separate, signed and sealed Cost Proposal using Appendix B: Budget Form for fees charged for the preparation, submission and negotiation of the delivery to the federal DCA of the cost allocation plans outlined in this proposal. Please explain the basis and rationale of your fee structure in the budget narrative. When formulating the cost proposal, vendors should present their costs by position with a fully loaded hourly rate
SECTION 6: EVALUATION AND SELECTION

Proposals will be reviewed by a Technical Review Committee composed of staff from EOHHS. To advance to the Cost Evaluation phase, the Technical Proposal must receive a minimum of 60 out of a maximum of 70 technical points. Any technical proposals scoring less than 60 points will not have the cost component opened and evaluated. The proposal will be dropped from further consideration.

Proposals scoring 60 technical points or higher will be evaluated for cost and assigned up to a maximum of 30 points in cost category, bringing the potential maximum score to 100 points. EOHHS reserves the exclusive right to select the individual(s) or agency that it deems to be in its best interest to accomplish the project as specified herein; and conversely, reserves the right not to fund any proposal(s).

Proposals will be reviewed and scored based upon the following criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Possible Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandatory Vendor Qualifications and Organizational Experience</td>
<td>20 Points</td>
</tr>
<tr>
<td>Staff Experience</td>
<td>10 Points</td>
</tr>
<tr>
<td>References</td>
<td>5 Points</td>
</tr>
<tr>
<td>Proposed Work Plan</td>
<td>35 Points</td>
</tr>
<tr>
<td><strong>Total Possible Technical Points</strong></td>
<td><strong>70 Points</strong></td>
</tr>
<tr>
<td>Cost calculated as lowest responsive cost proposal divided by (this cost proposal) times 30 points *</td>
<td>30 Points</td>
</tr>
<tr>
<td><strong>Total Possible Points</strong></td>
<td><strong>100 Points</strong></td>
</tr>
</tbody>
</table>

*The Low bidder will receive one hundred percent (100%) of the available points for cost. All other bidders will be awarded cost points based upon the following formula:

(low bid / Contractors bid) * available points

For example: If the low bidder (Contractor A) bids $65,000 and Contractor B bids $100,000 for monthly cost and service fee and the total points available are Thirty (30), Contractor B’s cost points are calculated as follows:

$65,000 / $100,000 * 30= 19.5

Points will be assigned based on the applicant’s clear demonstration of his/her abilities to complete the work, apply appropriate methods to complete the work, create innovative solutions and quality of past performance in similar projects.

Applicants may be required to submit additional written information or be asked to make an oral presentation before the technical review committee to clarify statements made in their proposal.
SECTION 7: PROPOSAL SUBMISSION

Questions concerning this solicitation may be e-mailed to the Division of Purchases at david.francis@purchasing.ri.gov no later than the date and time indicated on page one of this solicitation. Please reference RFP #7551453 on all correspondence. Questions should be submitted in a Microsoft Word attachment. Answers to questions received, if any, will be posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information. If technical assistance is required to download, call the Help Desk at (401) 574-8100.

Offerors are encouraged to submit written questions to the Division of Purchases. **No other contact with State parties will be permitted.** Interested offerors may submit proposals to provide the services covered by this Request on or before the date and time listed on the cover page of this solicitation. Responses received after this date and time, as registered by the official time clock in the reception area of the Division of Purchases will not be considered.

Responses (an original plus four (4) copies) should be mailed or hand-delivered in a sealed envelope marked “RFP# 7551453 Development and Implementation of a Cost Allocation Plan for EOHHS Departments” to:

 RI Dept. of Administration  
 Division of Purchases, 2nd floor  
 One Capitol Hill  
 Providence, RI 02908-5855

**NOTE:** Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or those not presented to the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed or emailed to the Division of Purchases will not be considered. The official time clock is in the reception area of the Division of Purchases.

SECTION 8: RESPONSE CONTENT

Responses shall include the following:

1. One completed and signed three-page R.I.V.I.P generated bidder certification cover sheet (included in the original proposal only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov
2. One completed and signed W-9 (included in the original proposal only) downloaded from the RI Division of Purchases Internet home page at www.purchasing.ri.gov
3. A separate Technical Proposal describing the qualifications and background of the applicant and experience with and for similar projects, and all information described earlier in this solicitation. The Technical Proposal is limited to six (6) pages (this excludes any appendices). As appropriate, include resumes of key staff that will provide services covered by this request.
4. A separate, signed and sealed Cost Proposal reflecting the hourly rate, or other fee structure, proposed to complete all of the requirements of this project.
5. In addition to the multiple hard copies of proposals required, Respondents are requested to provide their proposal in electronic format (CD-Rom, disc, or flash drive). Microsoft Word / Excel OR PDF format is preferable. Only 1 electronic copy is requested and it should be placed in the proposal marked “original”.

17
CONCLUDING STATEMENTS

Notwithstanding the above, the State reserves the right not to award this contract or to award on the basis of cost alone, to accept or reject any or all proposals, and to award in its best interest.

Proposals found to be technically or substantially non-responsive at any point in the evaluation process will be rejected and not considered further.

The State may, at its sole option, elect to require presentation(s) by offerors clearly in consideration for award.

The State’s General Conditions of Purchase contain the specific contract terms, stipulations and affirmations to be utilized for the contract awarded to the RFP. The State’s General Conditions of Purchases/General Terms and Conditions can be found at the following URL:
https://www.purchasing.ri.gov/RIVIP/publicdocuments/ATTA.pdf
Appendix A: EOHHS Boilerplate Contract Language

AGREEMENT

This agreement, hereinafter “Agreement”, including attached ADDENDA, is hereby entered into this (DATE PRESENTED) ______ day of _______ 201#, by and between the State of Rhode Island acting by and through the Executive Office of Health and Human Services (hereinafter referred to as “the Executive Office”), and __________________ (hereinafter referred to as “the Contractor”).

WHEREAS, the Executive Office desires to engage the Contractor to offer services and activities further described, but not limited to the work described in this Agreement, including any Exhibit(s) or Addenda, that are attached hereto and are hereby incorporated by reference into this Agreement.

WHEREAS the Contractor is willing and qualified to provide services, the parties hereto do mutually agree as follows:

PAR. 1. GOVERNING LAW AND GENERAL TERMS AND CONDITIONS

The State’s Purchasing Law (Chapter 37-2 of the Rhode Island General Laws) and Rhode Island Department of Administration, Division of Purchases, Purchasing Rules, Regulations, and General Conditions of Purchasing apply as the governing terms and conditions of this Agreement, which can be obtained at http://www.purchasing.ri.gov/rulesandregulations/rulesAndRegulations.aspx. In addition, the provisions of Federal Laws, Regulations and Procedures governing the implementation of federal funds apply to this Agreement. See also PAR. 35. - GOVERNING LAW for further governing law issues. All ADDENDA referenced herein and attached hereto are made a part of and are inclusive in this Agreement.

PAR. 2. PERFORMANCE

The Contractor shall perform all obligations, duties and the required scope of work for the period of time listed in this Agreement, Exhibit(s) and/or Addenda that are attached hereto and are incorporated by reference herein, in a satisfactory manner to be determined at the sole and absolute discretion of the Executive Office, and in accordance with requirements of this Agreement. The Contractor shall perform in accordance with applicable State statutory and policy requirements as well as Federal statutory and policy requirements (as defined in 2 CFR §200.300). More specifically, the ADDENDUM I - SCOPE OF WORK shall include performance measurement(s) 2 CFR §200.301, monitoring and reporting program performance 2 CFR §200.328, and performance must be in accordance with requirements for pass-through entities 2 CFR § 200.331. The Executive Office shall have the right at any time, to review the work being performed as well as the place where such work is performed; and to that end, the Executive Office shall be given reasonable access to all activities related to this Agreement.

In accordance with 2 CFR §200.331 (d) the Executive Office will:

Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity.
(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by 2 CFR §200.521 Management decision.

The Executive Office may request at any time additional monitoring, reporting, site visits, and audits in accordance with 2 CFR §200.501 or if applicable “Yellow Book” audits (see Paragraph 24). All reports pertaining to 2 CFR §200.331, shall be maintained by the Contractor. The Contractor must retain any documents pertaining to changes requested from the Executive Office or the Federal Government in accordance with 2 CFR §200.333.

PAR. 3. TIME OF PERFORMANCE

The Contractor shall commence performance of this Agreement on the _____ day of ___________ 20##, and shall complete performance no later than the _____ day of _______ 20## (hereinafter the “Initial Term”), unless terminated prior to that day by other provisions of this Agreement. If this contract was awarded as a result of an RFP or bid process, then, by mutual agreement, this contract may be extended as stated in the RFP or bid process (hereinafter “Renewal Term(s)”) beyond the Initial Term upon one hundred twenty (120) days prior written notice of the expiration of the Initial Term or any Renewal Term to the Contractor.

In the event the Executive Office or the Contractor gives notice of its intent not to renew this Agreement, the Executive Office shall have the right to extend all or any services to be performed under this Agreement for an additional period of one hundred and eighty (180) days, or such longer period as mutually agreed by the parties in writing.

PAR. 4. PROJECT OFFICER – EXECUTIVE OFFICE

The Executive Office shall appoint a Contract Officer to manage this Agreement. The Contractor agrees to maintain close and continuing communication with the Contract Officer throughout the performance of work and services undertaken under the terms of this Agreement. The Contract Officer is responsible for authorizing, or seeking authorization of all payments made by the Executive Office to the Contractor under this Agreement.

PAR. 5. PROJECT OFFICER – CONTRACTOR

The Contractor shall appoint a Project Officer to be responsible for coordinating and reporting work performed by the Contractor agency under this Agreement. The Project Officer shall notify the Executive Office in writing immediately, and seek approval from the Executive Office, should a change to this Agreement be necessary in the opinion of the Project Officer. Under no circumstances will a change be undertaken without the prior written approval of the Executive Office.

PAR. 6. BUDGET

Total payment for services to be provided under this Agreement shall not exceed the total budget as detailed in ADDENDUM II. Expenditures exceeding budget line-item categories by ten percent (10%) shall not be authorized unless prior written approval is first obtained pursuant to PAR. 10. - MODIFICATION OF AGREEMENT, subject to the maximum amount of this Agreement as stated above.
PAR. 7. METHOD OF PAYMENT AND REPORTS

The Executive Office will make payments to the Contractor in accordance with provisions of ADDENDUM III - PAYMENTS AND REPORTS SCHEDULE attached hereto and incorporated by reference herein. The Executive Office acknowledges and agrees that any increase in expenses due to delays by the Executive Office which extends the time of performance shall be subject to reimbursement of the costs associated with such delays. The Contractor will complete and forward narrative, fiscal, and all other reports per ADDENDUM III - PAYMENTS AND REPORTS SCHEDULE.

PAR. 8. TERMINATION AND/OR DEFAULT OF AGREEMENT

This Agreement shall be subject to termination under any of the following conditions:

a) Mutual Agreement
   The contracting parties mutually agree in writing to termination.

b) Default by Contractor
   The Executive Office may, by not less than thirty (30) days prior written notice to the Contractor, terminate the Contractor’s right to proceed as to the Agreement if the Contractor:
   1. Materially fails to perform the services within the time specified or any extension thereof; or
   2. So fails to make progress as to materially endanger performance of the Agreement in accordance with its terms; or
   3. Materially breaches any provision of this Agreement.
   Termination, at the option of the Executive Office shall be effective not less than thirty (30) days after receipt of such notice, unless the Contractor shall have corrected such failure(s) thirty (30) days after the receipt by the Contractor of such written notice; any failure which, in the exercise of due diligence, cannot be cured within such thirty (30) day period shall not be deemed a default so long as the Contractor shall within such period commence and thereafter continue diligently to cure such failure.

c) Termination in the Interest of the Executive Office
   The Executive Office may terminate this agreement at any time by giving written notice to the Contractor of such termination and specifying the effective date thereof, not less than thirty (30) days prior to the effective date of such termination. In such event, all finished or unfinished documents and other materials shall, at the option of the Executive Office, become its property. If the agreement is terminated by the Executive Office as provided herein, the Contractor will be paid an amount which bears the same rate to the total compensation as the services actually performed bear to the total services of the Contractor covered by this Agreement, less payment of compensation previously made.

PAR. 9. RESPONSIBILITIES UPON TERMINATION AND/OR DEFAULT OF AGREEMENT

Upon delivery to the Contractor of a notice of termination, specifying the nature of the termination, the extent to which performance of work under this contract is terminated, and the date upon which such termination becomes effective, the Contractor shall:

1. Stop work under this contract on the date and to the extent specified in the notice of termination.
2. Take such action as may be necessary, or as the Executive Office’s project manager may reasonably direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Executive Office has or may acquire an interest.
3. Terminate all orders to the extent that they relate to the performance of work terminated by
the notice of termination.

4. Subject to the provisions of this paragraph, assign to the Executive Office in the manner and to the extent directed by the Executive Office's project officer all of the rights, title, and interest of the Contractor under the orders so terminated, in which case the Executive Office shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders, however, notwithstanding this provision, the Contractor will not be obligated to assign any such rights, title or interest in the absence of payment therefore by the Executive Office.

5. With the approval or ratification of the Executive Office's project manager, initiate settlement of all outstanding liabilities and all claims, arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this contract. Prior to a final settlement of said outstanding liabilities and claims arising out of such termination, final written approval of the Executive Office’s project manager must be obtained. Final approval by the Executive Office shall not be unreasonably withheld.

6. Subject to the provisions of this paragraph, transfer title, or if the Contractor does not have title, then transfer their rights to the Executive Office (to the extent that title has not already been transferred) and deliver in the manner, at reasonable times, and to the extent reasonably directed by the Executive Office's project manager all files, processing systems, data manuals, or other documentation, in any form, that relate to all the work completed or in progress prior to the notice of termination.

7. Complete the performance of such part of the work as shall not have been terminated by the notice of termination. The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this clause.

8. Unless terminated by the Executive Office for default of the Contractor, the Contractor shall be entitled to reasonable account shut down expenses associated with such termination including the penalties associated with early termination of lease, software, hardware, and any other unamortized or incremental expenses accrued but not charged, excluding anticipated profits which shall not be reimbursed. The Contractor shall submit all identified shut down expenses associated with such termination incurred before and prior to the termination date. Any damages to the Executive Office shall offset any shutdown expenses to the Executive Office.

9. The Contractor acknowledges and agrees the services and/or deliverables provided under this Agreement are very important to the Executive Office and that upon expiration or termination of the Agreement, must be continued without interruption whether by the State, the Executive Office, governmental agency or another private entity (“successor entity”). Prior to the end of the Termination and up to sixty (60) days thereafter, the Contractor agrees to make an orderly transition of contract and/or deliverables hereunder and to perform any and all tasks in good faith that are necessary to preserve the integrity of the work performed by the Contractor on behalf of the Executive Office. Upon termination or expiration of the Agreement, the Contractor, shall, if requested by the Executive Office at least thirty (30) days prior to such termination or expiration, provide reasonable training for the successor entity and/or continued performance of services. For providing such training or continued performance after the Term of the Agreement, the Executive Office shall pay the Contractor at mutually agreed rates for personnel used in providing such training and/or services unless services delivered are already defined herein and rates established then such rates shall apply for such period. Should any missing data, materials, documents, etc., be discovered after expiration or termination, a grace period of one hundred and twenty (120) days shall be in effect during which the data, materials, documents, etc., is to be provided at a predetermined cost or at no additional cost if the Contractor caused the loss. Lost data shall be provided to the Executive Office in form acceptable to the Executive Office.
If a stop work order issued under this clause is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Agreement price, or both, and the agreement shall be modified, in writing, accordingly, if:

a) The stop work order results in an increase in the time required for, or in the Contractor’s cost properly allocable to the performance of any part of this agreement; and

b) The Contractor asserts its right to an equitable adjustment within ninety (90) days after the end of the period of work stoppage; provided, that if the state decides the facts justify the action, the state may receive and act upon a proposal submitted at any time before final payment under this Agreement.

The State shall not be liable to the Contractor for loss of profits because of a stop work order issued under this clause, however, unless termination is for a default by the Contractor, the Contractor shall have the right to recover costs associated with maintaining the personnel, leases and equipment during the period of time the stop work order was in effect that cannot otherwise be reasonably utilized by the Contractor during the stop work period.

If the agreement is terminated for default, following a reasonable notice and cure period not to exceed thirty (30) days unless agreed to by both parties, the Executive Office may withhold payment of any amount in excess of fair compensation for the work actually completed by the Contractor prior to termination of this Agreement and will be entitled to pursue all of its other available legal remedies against the Contractor. Notwithstanding the above, the Contractor shall not be relieved of liability to the Executive Office for damages sustained by virtue of any breach of this Agreement by the Contractor.

The Contractor's liability to the Executive Office for any damages arising out of or related to this Agreement, regardless of the form of action that imposes liability, whether in contract, equity, negligence, intended conduct, tort or otherwise, and including any direct damages incurred by the Executive Office due to the intentional tortious actions of the Contractor in the performance or nonperformance of its obligations under this Agreement is not limited to the total fees paid by the Executive Office to the Contractor under this Agreement. Also, there should be no limitation of the Contractor’s liability for disclosure of confidential information or intellectual property infringement. Neither party shall be liable for any amounts for loss of income, profit or savings or incidental, consequential, indirect, exemplary, severance pay, punitive, or special damages of any party, including third parties arising out of or related to this Agreement; provided, however, that the foregoing shall not be deemed to limit in any way the provisions of **ADDENDUM XIII - LIQUIDATED DAMAGES** of this Agreement.

The imposition of liquidated damages shall not limit the Executive Office's rights to pursue any other non-monetary remedies available to it.

The Executive Office may, by written notice of default to the Contractor, provide that the Contractor may cure a failure or breach of this contract within a period of thirty (30) days (or such longer period as the Executive Office's agreement administrator or project manager may authorize in writing), said period to commence upon receipt of the notice of default specifying such failure or breach. The Executive Office's exercise of this provision allowing the Contractor time to cure a failure or breach of this Agreement does not constitute a waiver of the Executive Office's right to terminate this Agreement, without providing a cure period, for any other failure or breach of this Agreement.

In the event the Contractor has failed to perform any substantial obligation under this Agreement, or has otherwise committed a breach of this Agreement, the Executive Office may withhold all monies due and payable to the Contractor directly related to the breach, without penalty, until such failure is cured or otherwise adjudicated.
Assurances before breach

a) If documentation or any other deliverables due under this contract are not in accordance with the contract requirements as reasonably determined by the project manager, upon the Executive Office’s request, the Contractor, to the extent commercially reasonable, will deliver additional the Contractor resources to the project in order to complete the deliverable as required by the agreement as reasonably determined by the Executive Office and to demonstrate that other project schedules will not be affected. Upon written notice by the Executive Office's project manager of the Executive Office's concerns regarding the quality or timeliness of an upcoming deliverable, the Contractor shall, within five (5) business days of receipt of said notice, submit a corrective action plan documenting the Contractor's approach to completing the deliverable to the satisfaction of the Executive Office's project officer without affecting other project schedules. The Executive Office's project manager, within five (5) business days of receipt of the corrective action plan, shall approve the plan, reject the plan, or return the plan to the Contractor with specific instructions as to how the plan can be modified to merit approval and a specific time period in which the revised plan must be resubmitted.

Nothing in the language contained in “limitation of liability” article, “Contractor’s liability for injury to person’s or damage to property” article and “indemnification” article shall be construed to waive or limit the state or federal sovereign immunity or any other immunity from suit provided by law including, but not limited to Rhode Island General Laws, Title 9 Chapter 31, “Governmental Tort Liability.”

Executive Office’s options at termination

In the event the Executive Office terminates this contract pursuant to this paragraph, the Executive Office may at its option:

a) Retain all or a portion of such hardware, equipment, software, and documentation as has been provided, obtaining clear title or rights to the same, and procure upon such terms and in such manner as the Executive Office's project manager may deem appropriate, hardware, equipment, software, documentation, or services as are necessary to complete the project; or
b) Notwithstanding the above, except as otherwise agreed, nothing herein shall limit the right of the Executive Office to pursue any other legal remedies against the Contractor.

In order to take into account any changes in funding levels because of executive or legislative actions or because of any fiscal limitations not presently anticipated, the Executive Office may reduce or eliminate the amount of the contract as a whole with the scope of services being reduced accordingly, or subject to agreement by the parties concerning the scope and pricing, reduce or eliminate any line item(s).

Notwithstanding the terms, conditions and/or requirements set out in Paragraphs 7 and 8, the Contractor shall not be relieved of liability to the Executive Office for damages sustained by the Executive Office by virtue of any breach of the Agreement by the Contractor, and the Executive Office may withhold payment to the Contractor for the purpose of setoff until such time as the exact amount of damages due the Executive Office from the Contractor is determined.

PAR. 10. MODIFICATION OF AGREEMENT

The Executive Office may permit changes in the scope of services, time of performance, or approved budget of the Contractor to be performed hereunder. Such changes, which are mutually agreed upon by the Executive Office and the Contractor, must be in writing and shall be made a part of this agreement by numerically consecutive amendment excluding “Special Projects”, if applicable, and are incorporated by reference into this Agreement. No changes are
effective unless reflected in an approved change order issued by the State’s Division of Purchases.

Special Projects are defined as additional services available to the Executive Office on a time and materials basis with the amounts not to exceed the amounts referenced on the Contractor’s RFP cost proposal or as negotiated by project or activity. The change order will specify the scope of the change and the expected completion date. Any change order shall be subject to the same terms and conditions of this Agreement unless otherwise specified in the change order and agreed upon by the parties. The parties will negotiate in good faith and in a timely manner all aspects of the proposed change order.

Availability of Funds
It is understood and agreed by the parties hereto that all obligations of the Executive Office, including the continuance of payments hereunder, are contingent upon the availability and continued appropriation of State and Federal funds, and in no event shall the Executive Office be liable for any payments hereunder in excess of such available and appropriated funds. In the event that the amount of any available or appropriated funds provided by the State or Federal sources for the purchase of services hereunder shall be reduced, terminated or shall not be continued at an aggregate level sufficient to allow for the purchase of the specified amount of services to be purchased hereunder for any reason whatsoever, the Executive Office shall notify the Contractor of such reduction of funds available and the Executive Office shall be entitled to reduce its commitment hereunder as it deems necessary, but shall be obligated for payments due to the Contractor up to the time of such notice. Neither party shall be liable for any amounts for loss of income, profit or savings or incidental, consequential, indirect, exemplary, severance pay, punitive, or special damages of any party, including third parties arising out of or related to this Agreement.

PAR. 11. SUBCONTRACTS

It is expressly agreed that the Contractor shall not enter into any subcontract(s) nor delegate any responsibilities to perform the services listed in this Agreement without the advanced, written approval of the Executive Office. If in ADDENDUM XVI – BID PROPOSAL, the Bid Proposal permits Subcontracting, the Contractor must provide the name and the extent of services provided by the Subcontractor in the BUDGET paragraph 6, and more fully explained in ADDENDUM II of this Agreement, and as further agreed to by the Executive Office and the Contractor in ADDENDUM IX – SUBCONTRACTOR COMPLIANCE, which is incorporated by reference herein, and which outlines the expectations and requirements of subcontracted vendors to this Agreement.

If the Contractor subsequently needs to enlist the services of a Subcontractor, the Contractor shall obtain prior written approval of the Executive Office. Approval of the Executive Office for the Contractor to enter into subcontracts to perform the services or obligations of the Contractor pursuant to this Agreement shall not be unreasonably withheld. Nothing in this Agreement or in a subcontract or sub-agreement between the Contractor and subcontractors shall create any contractual relationship between the subcontractor and the Executive Office. Approval by the Executive Office of the Contractor’s request to subcontract shall not relieve the Contractor of its responsibilities under this contract and the Contractor shall therefore remain responsible and liable to the Executive Office for any conduct, negligence, acts and omissions, whether intentional or unintentional, by any subcontractor

The positions named by the Contractor and detailed in ADDENDUM XVII – CORE STAFF POSITIONS, which is incorporated by reference herein, will be considered core project staff positions for this project. The Contractor will not alter the core project team or use an
independent contractor, company or subcontractor to meet required deliverables without the prior written consent of the Executive Office’s project officer or other appointed designee(s) for which consent shall not be unreasonably withheld. Failure to comply with the provisions of this Paragraph could result in denial of reimbursement for such non-approved sub-contracts.

**PAR. 12. CONTRACTOR’S LIABILITY/INDEMNIFICATION**

The Contractor shall indemnify, defend and hold the State of Rhode Island, its departments, agencies, branches and its or their officers, directors, agents or employees (together the “Indemnitees” and their subcontractors) harmless against claims, demands, suits for judgments, losses or reasonable expenses or costs of any nature whatsoever (including actual reasonable attorney’s fees) to the extent arising in whole or part from the Contractor’s willful misconduct, negligence, or omission in provision of services or breach of this Agreement including, but not limited to, injuries of any kind which the staff of the Contractor or its subcontractor may suffer directly or may cause to be suffered by any staff person or persons in the performance of this Agreement, unless caused by the willful misconduct or gross negligence of the Indemnitees.

The Contractor shall indemnify, defend and hold the State of Rhode Island, its departments, agencies, branches and its or their officers, directors, agents or employees (together the “Indemnitees” and their subcontractors”) harmless against claims, demands, suits for judgments, losses or reasonable expenses or costs of any nature whatsoever (including actual reasonable attorney’s fees) to the extent arising in whole or part for infringement by the Contractor of any intellectual property right by any product or service provided hereunder.

Nothing in this agreement shall limit the Contractor’s liability to indemnify the State for infringements by the Contractor of any intellectual property right.

Nothing in the language contained in this Agreement shall be construed to waive or limit the State or federal sovereign immunity or any other immunity from suit provided by law including, but not limited to Rhode Island General Law, Title 9, Chapter 31 et al., entitled “Governmental Tort Liability.”

**PAR. 13. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES**

By signing this Agreement, the Contractor agrees to comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.); Section 504 of the Rehabilitation Act of 1973, as amended (29 USC 794); Americans with Disabilities Act of 1990 (42 USC 12101 et. seq.); Title IX of the Education Amendments of 1972 (20 USC 1681 et. seq.); The Food Stamp Act, and the Age Discrimination Act of 1975, The United States Department of Health and Human Services Regulations found in 45 CFR, Parts 80 and 84; the United States Department of Education Implementing regulations (34 CFR, Parts 104 and 106; and the United States Department of Agriculture, Food and Nutrition Services (7 CFR §272.6), which prohibit discrimination on the basis of race, color, national origin (limited English proficiency persons), age, sex, disability, religion, political beliefs, in acceptance for or provision of services, employment, or treatment in educational or other programs or activities, or as any of the Acts are amended from time to time.

Pursuant to Title VI and Section 504, as listed above and as referenced in **ADDENDA V AND VI**, which are incorporated herein by reference and made part of this Agreement, the Contractor shall have policies and procedures in effect, including, mandatory written compliance plans, which are designed to assure compliance with Title VI section 504, as referenced above. An electronic copy of the Contractor’s written compliance plan, all relevant policies, procedures,
workflows, relevant chart of responsible personnel, and/or self-assessments must be available to the Executive Office upon request.

The Contractor’s written compliance plans and/or self-assessments, referenced above and detailed in ADDENDA V AND VI of this Agreement must include but are not limited to the requirements detailed in ADDENDA V AND VI of this Agreement.

The Contractor must submit, within thirty-five (35) days of the date of a request by DHHS or EOHHS, full and complete information on Title VI and/or Section 504 compliance and/or self-assessments, as referenced above, by the Contractor and/or any subcontractor or vendor of the Contractor.

The Contractor acknowledges receipt of ADDENDUM V - NOTICE TO EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 and ADDENDUM VI - NOTICE TO EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER SECTION 504 OF THE REHABILITATION ACT OF 1973, which are incorporated herein by reference and made part of this Agreement.

The Contractor further agrees to comply with all other provisions applicable to law, including the Americans with Disabilities Act of 1990; the Governor’s Executive Order No. 05-01, Promotion of Equal Opportunity and the Prevention of Sexual Harassment in State Government.

The Contractor also agrees to comply with the requirements of the Executive Office of Health and Human Services for safeguarding of client information as such requirements are made known to the Contractor at the time of this contract. Changes to any of the requirements contained herein shall constitute a change and be handled in accordance with PAR. 10. - MODIFICATION OF AGREEMENT above.

Failure to comply with this Paragraph may be the basis for cancellation of this Agreement.

PAR. 14. ASSIGNABILITY

The Contractor shall not assign any interest in this Agreement (whether by assignment or novation) without the prior written consent of the State’s Division of Purchases, thereto; provided, however, that claims or money due or to become due to the Contractor from the Executive Office under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Executive Office.

PAR. 15. COPYRIGHTS

Any and all data, technical information, information systems, materials gathered, originated, developed, prepared, modified, used or obtained by the Contractor in performance of the Agreement used to create and/or maintain work performed by the Contractor, including but not limited to, all hardware, software computer programs, data files, application programs, intellectual property, source code, documentation and manuals, regardless of state of completion shall be deemed to be owned and remain owned by the State (“State Property”), and the State has the right to (1) reproduce, publish, disclose or otherwise use and to authorize others to use the State Property for State or federal government purposes, and (2) receive delivery of such State Property upon 30 days’ notice by the State throughout the term of the contract and including 120 days thereafter. To be clear with respect to State Property, the work shall be
considered “work for hire,” i.e., the State, not the selected Contractor or any subcontractor, shall have full and complete ownership of all State Property. The selected Contractor and any subcontractor hereby convey, assign and transfer to State any and all of its or their right, title and interest in State Property, if any, including but not limited to trademarks and copyrights. The State hereby grants to the federal government, and the federal government reserves, a royalty-free, nonexclusive and irrevocable license to reproduce, publish, disclose or otherwise use and to authorize others to use for federal government purposes such software, modifications and documentation designed, developed or installed with federal financial participation.

The Contractor agrees that no findings, listing, or information derived from information obtained through performance, as described in the Scope of Work in Addendum I with or without identifiers, may be released or publicly disclosed in any form for any purpose if such findings, listing, or information contain any combination of data elements that might allow an individual to determine a beneficiary’s identification without first obtaining written authorization from the Executive Office’s project officer. Examples of such data elements include, but are not limited to geographic indicators, age, sex, diagnosis, procedure, date of birth, or admission/discharge date(s). The Contractor agrees further that the Executive Office shall be the sole judge as to whether any finding, listing, information, or any combination of data extracted or derived from the Executive Office’s files identify or would, with reasonable effort, permit one to identify an individual, or to deduce the identifying of an individual to a reasonable degree of certainty. The Contractor agrees that the conditions set forth herein apply to any materials presented or submitted review and/or publication that contain individual identifying elements in the information obtained, as stated above, unless such information is presented in the aggregate. Under no circumstance, shall the Contractor publicly disclose or present or submit any materials for review and/or publication that contains an individual’s social security number, in part or in whole. The Contractor is hereby notified that all initial data received from EOHHS is considered confidential by the Executive Office. For further requirements regarding confidentiality of information please refer to Paragraph 23 of this Agreement.

With respect to claims arising from computer hardware or software manufactured by a third party and sold by the Contractor as a reseller, the Contractor will pass through to the Executive Office such indemnity rights as it receives from such third party (“third party obligation”) and will cooperate in enforcing them; provided that if the third party manufacturer fails to honor the third party obligation, the Contractor will provide the Executive Office with indemnity protection equal to that called for by the third party obligation, but in no event greater than that called for in the first sentence of this Paragraph the provisions of the preceding sentence apply only to third party computer hardware or software sold as a distinct unit and accepted by the Executive Office. Unless a third party obligation provides otherwise, the defense and payment obligations set forth in this Paragraph will be conditional upon the following:

1. The Executive Office will notify the Contractor of any such claim in writing and tender the defense thereof within a reasonable time;
2. The Contractor will have sole control of the defense of any action on all third party claims, costs (including without limitation reasonable attorneys’ fees), and losses for infringement or violation of any U.S. Intellectual Property Rights by any product or service provided hereunder; and all negotiations for its settlement or compromise; provided that (i) when substantial principles of government or public law are involved, when litigation might create precedent affecting future state operations or liability, or when involvement of the state is otherwise mandated by law, the state may participate in such action at its own expense with respect to attorneys’ fees and costs (but not liability); (ii) the state will have the right to approve or disapprove any settlement or compromise, which approval will not unreasonably be withheld or delayed; and
3. The State will reasonably cooperate in the defense and in any related settlement negotiations.

Should the deliverables or software, or the operation thereof, become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement or violation of a U.S. Intellectual Property Rights, the Executive Office shall permit the Contractor at its option and expense either to procure for the Executive Office the right to
continue using the deliverables or software, or to replace or modify the same so that they become non-infringing. If none of these options can reasonably be taken, or if the use of such deliverables or software by the Executive Office shall be prevented by injunction, the Contractor agrees to take back such deliverables or software and make every reasonable effort to assist the Executive Office in procuring substitute deliverables or software. If, in the sole opinion of the Executive Office, the return of such infringing deliverables or software makes the retention of other deliverables or software acquired from the Contractor under this Agreement impractical, the Executive Office shall then have the option of terminating such agreements, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such deliverables or software and refund any sums the Executive Office has paid the Contractor less any reasonable amount for use or damage.

The Contractor shall have no liability to the Executive Office under any provision of this clause with respect to any claim of patent, copyright or trade secret infringement that is based upon:

- The combination or utilization of deliverables furnished hereunder with equipment or devices not made or furnished by the Contractor; or,
- The operation of equipment furnished by the Contractor under the control of any operating software other than, or in addition to, the current version of the Contractor-supplied operating software; or
- The modification by the Executive Office of the equipment furnished hereunder or of the software; or
- The combination or utilization of software furnished hereunder with non-Contractor supplied software.

The Contractor certifies that it has appropriate systems and controls in place to ensure that Executive Office funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

PAR. 16. PARTNERSHIP

It is understood and agreed that nothing herein is intended or should be construed in any manner as creating or establishing the legal relation of partnership between the parties hereto, or as constituting the employees, agents, or representatives of the Contractor included in this Agreement as employees, agents, or representatives of the Executive Office.

PAR. 17. INTEREST OF CONTRACTOR

The Contractor covenants that it presently has no pecuniary interest and shall not acquire any such interest, direct or indirect, without first disclosing to the Executive Office in writing and then subsequently obtaining approval, in writing, from the Executive Office, that would conflict in any manner or degree with the performance of services required under this Agreement. The Contractor further covenants that no person having any such interest shall be employed by the Contractor for the performance of any work associated with this Agreement.

PAR. 18. FEDERAL FUNDING PROVISIONS

Funds made available to the Contractor under this Agreement are or may be derived from federal funds made available to the Executive Office. The Provisions of Paragraph 5 and Addendum II notwithstanding, the Contractor agrees to make claims for payment under this Agreement in accordance with applicable federal policies. The Contractor agrees that no payments under this Agreement will be claimed for reimbursement under any other Agreement, grant or contract that the Contractor may hold that provides funding from the same State or Federal sources. The Contractor further agrees to be liable for audit exceptions that may arise.
from examination of claims for payment under this Agreement. The Contractor specifically agrees to abide by all applicable federal requirements for Contractors, including laws, regulations and requirements related to services performed outside the United States by Contractor or its subcontractors. Additionally, the Federal Award must be used in accordance with the specific Catalog of Federal Domestic Assistance (CFDA) number listed in ADDENDUM IV – FISCAL ASSURANCES. https://www.cfda.gov/

States are required to collect information from contractors for awards greater than $25,000 as described in ADDENDUM XVIII – FEDERAL SUBAWARD REPORTING (hereafter referred to as the FFATA form). The Contractor and its subcontractors, if subcontractors are permitted within the scope of this Agreement, will provide new FFATA forms for each contract year. When applicable in multiyear contracts, the Contractor is required to review and update the FFATA form, this must be provided to the Executive Office 30 days prior to the end of the first contract year. For example, if the contract performance period is July 1, 2015 to June 30, 2018; then the FFATA form for the second contract year is due June 1, 2016. Any sub-contractor paid with Federal Funding will provide the FFATA form for each contract year to the Contractor, the Contractor must then provide all sub-contractor FFATA forms to the Executive Office. Sub-contractor forms must be provided within fifteen (15) days of date of signature of this Agreement, and if applicable, within fifteen (15) days of the end of each contract year for all subsequent contract years.

PAR. 19. FUNDING DENIED

It is understood and agreed that in the event that less than full federal funding or other funding is received by the Executive Office due directly to the failure of the Contractor to comply with the terms of this Agreement, the Contractor is liable to the State of Rhode Island for an amount equal to the amount of the denied funding. Should the Contractor be liable for the amount of the denied funding, then such amount shall be payable upon demand of the Executive Office.

The Contractor agrees that no expenditures claimed for reimbursement under this Agreement will be claimed for reimbursement under any other agreement, grant, or contract that the Contractor may hold which provides funding from state or federal sources. The Contractor further agrees to be liable for audit exceptions that may arise from examination of expenditures: (a) claimed by the Contractor for reimbursement under this Agreement, and/or (b) submitted by the Contractor in meeting any cost participation requirements.

PAR. 20. ACCESSIBILITY AND RETENTION OF RECORDS

The Contractor agrees to make accessible and to maintain all fiscal and activity records relating to this Agreement to state and/or federal officials, or their designated representatives, necessary to verify the accuracy of Contractor invoices or compliance with this Agreement. This accessibility requirement shall include the right to review and copy such records. This requirement is also intended to include but is not limited to any auditing, monitoring, and evaluation procedures, including on-site visits, performed individually or jointly, by state or federal officials or their agents necessary to verify the accuracy of Contractor invoices or compliance with the this Agreement (in accordance with 2 CFR §200.331). If such records are maintained out of the State of Rhode Island, such records shall be made accessible by the Contractor at a Rhode Island location. Minutes of board of directors meetings, fiscal records, and narrative records pertaining to activities performed will be retained for audit purposes for a period of at least three (3) years following the submission of the final expenditure report for this Agreement. Additionally, if any litigation, claim, or audit is started before the expiration of the 3 year period, as mentioned in Paragraph 2 of this Agreement, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken in accordance with 2 CFR §200.333. If audit findings have not been resolved at the end of the three
years, the records shall be retained for an additional three (3) years after the resolution of the audit findings are made or as otherwise required by law. The Contractor and its subcontractors, if subcontractors are permitted within the scope of this Agreement, will provide and maintain a quality assurance system acceptable to the state covering deliverables and services under this Agreement and will tender to the state only those deliverables that have been inspected and found to conform to this Agreement’s requirements. The Contractor will keep records evidencing inspections and their result, and will make these records available to the state during Agreement performance and for three (3) years after final payment. The Contractor shall permit the state to review procedures, practices, processes, and related documents to determine the acceptability of Contractor’s quality assurance system or other similar business practices related to performance of the Agreement.

Further, the Contractor agrees to include a similar right of the state to audit records and interview staff in any subcontract related to performance of this Agreement. The parties agree that in regards to fixed price portions of the contract, the state’s access to the Contractor’s books, records and documents shall be limited to those necessary to verify the accuracy of the Contractor’s invoice. In no event will the state have access to the Contractors internal cost data as they relate to fixed price portion of the contract.

PAR. 21. CAPITAL ASSETS

The Contractor agrees that any capital assets purchased on behalf of the Executive Office on a pass-through basis and used on behalf of the Executive Office by the Contractor shall upon payment by the Executive Office, become the property of the Executive Office unless otherwise agreed to by the parties and may be utilized by the Contractor in a reasonable manner. Capital assets are defined as any item having a life expectancy of greater than one (1) year and an initial cost of greater than five thousand dollars ($5,000) per unit, except greater than five hundred dollars ($500) per unit for computer equipment.

Upon written request by the Executive Office, the Contractor agrees to execute and deliver to the Executive Office a security interest in such capital assets in the amount of the value of such capital asset (or for a lesser amount as determined by the Executive Office).

PAR. 22. COMPETITIVE BIDS

With the exception of services or products obtained for use in a leveraged environment, the Contractor agrees competitive bidding will be utilized for all purchases in direct and exclusive support of the Executive Office which are made under this Agreement in excess of five hundred dollars ($500) or an aggregate of one thousand dollars ($1,000) for any like items during the time of performance of this Agreement. Evidence of competitive bids must be retained in accordance with PAR. 20 - ACCESSIBILITY AND RETENTION OF RECORDS.

PAR. 23. SECURITY AND CONFIDENTIALITY

The Contractor shall take security measures to protect against the improper use, loss, access of and disclosure of any confidential information it may receive or have access to under this Agreement as required by this Agreement, the RFP and proposal, or which becomes available to the Contractor in carrying out this Agreement and the RFP and the proposal, and agrees to comply with the requirements of the Executive Office for safeguarding of client and such aforementioned information. Confidential information includes, but is not limited to: names, dates of birth, home and/or business addresses, social security numbers, protected health information, financial and/or salary information, employment information, statistical, personal, technical and other data and information relating to the State of Rhode Island data, and other such data protected by Department/Executive Office laws, regulations and policies (“confidential information”), as well as State and Federal laws and regulations. All such information shall be protected by the Contractor from unauthorized use.
and disclosure and shall be protected through the observance of the same or more effective procedural requirements as are applicable to the Executive Office.

The Contractor expressly agrees and acknowledges that said confidential information provided to and/or transferred to provider by the Executive Office or to which the Contractor has access to for the performance of this Agreement is the sole property of the Executive Office and shall not be disclosed and/or used or misused and/or provided and/or accessed by any other individual(s), entity(ies) and/or party(ies) without the express written consent of the Executive Office. Further, the Contractor expressly agrees to forthwith return to the Executive Office any and all said data and/or information and/or confidential information and/or database upon the Executive Office’s written request and/or cancellation and/or termination of this Agreement.

The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information, which is or becomes legitimately publicly available, is already rightfully in the Contractor’s possession, is independently developed by the Contractor outside the scope of this Agreement, or is rightfully obtained from third parties under no obligation of confidentiality.

The Contractor agrees to abide by all applicable, current and as amended Federal and State laws and regulations governing the confidentiality of information, including to but not limited to the Business Associate requirements of HIPAA (WWW.HHS.GOV/OCR/HIPAA), to which it may have access pursuant to the terms of this Agreement. In addition, the Contractor agrees to comply with the Executive Office confidentiality policy recognizing a person's basic right to privacy and confidentiality of personal information. ("confidential records" are the records as defined as not public in R.I. Gen. Laws 38-2-2-(4) (A)-(AA) entitled "Access to Public Records").

In accordance with this Agreement and all Addenda thereto, the Contractor will additionally receive, have access to, or be exposed to certain documents, records, that are confidential, privileged or otherwise protected from disclosure, including, but not limited to: personal information; Personally Identifiable Information (PII), Sensitive Information (SI), and other information (including electronically stored information), records sufficient to identify an applicant for or recipient of government benefits; preliminary draft, notes, impressions, memoranda, working papers-and work product of state employees; as well as any other records, reports, opinions, information, and statements required to be kept confidential by state or federal law or regulation, or rule of court ("State Confidential Information"). State Confidential Information also includes PII and SI as it pertains to any public assistance recipients as well as retailers within the SNAP Program and Providers within any of the State Public Assistance programs.

Personally Identifiable Information (PII) is defined as any information about an individual maintained by an agency, including, but not limited to, education, financial transactions, medical history, and criminal or employment history and information which can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual, such as their name, social security number, date and place of birth, mother’s maiden name, biometric records, etc. (As defined in 2 CFR §200.79 and as defined in OMB Memorandum M-06-19, "Reporting Incidents Involving Personally Identifiable Information and Incorporating the Cost for Security in Agency Information Technology Investments"). PII shall also include individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts (As defined in 2 CFR § 200.82 Protected Personally Identifiable Information).
Sensitive Information (SI) is information that is considered sensitive if the loss of confidentiality, integrity, or availability could be expected to have a serious, severe or catastrophic adverse effect on organizational operations, organizational assets, or individuals. Further, the loss of sensitive information confidentiality, integrity, or availability might: (i) cause a significant or severe degradation in mission capability to an extent and duration that the organization is unable to perform its primary functions; (ii) result in significant or major damage to organizational assets; (iii) result in significant or major financial loss; or (iv) result in significant, severe or catastrophic harm to individuals that may involve loss of life or serious life threatening injuries. (Defined in HHS Memorandum ISP-2007-005, "Departmental Standard for the Definition of Sensitive Information" as amended).

The Contractor agrees to adhere to any and all applicable State and Federal statutes and regulations relating to confidential health care and substance abuse treatment including but not limited to the Federal Regulation 42 CFR, Part 2; Rhode Island Mental Health Law, R.I. General Laws Chapter 40.1-5-26; Confidentiality of Health Care Communications and Information Act, R.I. General Laws Chapter 5-37.3-1 et seq, HIPAA 45 CFR 160 and the Rhode Island Identity Theft Protection Act, R.I. General Laws Chapter 11-49.3-1. The Contractor acknowledges that failure to comply with the provisions of this paragraph will result in the termination of this Agreement.

The Contractor shall notify the Executive Office and the Executive Office’s designated security officer by telephone call plus e-mail, web form or fax upon the discovery of any breach of security of PHI, PII or SI or suspected breach of security of PHI, PII or SI (where the use or disclosure is not provided for and permitted by this Agreement) of which it becomes aware within one (1) hour and in no case later than forty-eight (48) hours of the breach and/or Security Incident. The Contractor shall, within forty-eight (48) hours, notify the Executive Office and the Executive Office’s designated security officer of any suspected breach of unauthorized electronic access, disclosure or breach of confidential information or any successful breach of unauthorized electronic access, disclosure or breach of confidential information. A breach is defined pursuant to HIPAA guidelines as well as those found in the “Health Information Technology for Economic and Clinical Health Act” (HITECH). A breach or suspected breach may be an acquisition, access, use or disclosure or suspected acquisition, access, use or disclosure of PHI in violation of HIPAA privacy rules that compromise PHI security or privacy. Additionally, a breach or suspected breach may be an acquisition, access, use or disclosure or suspected acquisition, access, use or disclosure of PII or SI. The notice of a breach or suspected breach shall contain information available to the Contractor at the time of the notification to aid the Executive Office in examining the matter. More complete and detailed information shall be provided to the Executive Office as it becomes available to the Contractor.

Upon notice of a breach, suspected breach or a security incident, the Executive Office and Contractor will meet to jointly develop an incident investigation and remediation plan. Depending on the nature and severity of the confirmed breach, the plan may include the use of an independent third-party security firm to perform an objective security audit in accordance with recognized cyber security industry commercially reasonable practices. The parties will consider the scope, severity and impact of the security incident to determine the scope and duration of the third party audit. If the parties cannot agree on either the need for or the scope of such audit, then the matter shall be escalated to senior officials of each organization for resolution. The Contractor will pay the costs of all such audits. Depending on the nature and scope of the security incident, remedies may include, among other things, information to individuals on obtaining credit reports and notification to applicable credit card companies, notification to the local office of the Secret Service, and or affected users and other applicable parties, utilization of a call center and the offering of credit monitoring services on a selected basis.
Notwithstanding any other requirement set out in this Agreement, the Contractor acknowledges and agrees that the HITECH Act and its implementing regulations impose new requirements with respect to privacy, security and breach notification and contemplates that such requirements shall be implemented by regulations to be adopted by the U.S. Department of Health and Human Services. The HITECH requirements, regulations and provisions are hereby incorporated by reference into this Agreement as if set forth in this Agreement in their entirety. Notwithstanding anything to the contrary or any provision that may be more restrictive within this Agreement, all requirements and provisions of HITECH, and its implementing regulations currently in effect and promulgated and/or implemented after the date of this Agreement, are automatically effective and incorporated herein. Where this Agreement requires stricter guidelines, the stricter guidelines must be adhered to.

Failure to abide by the Executive Office's confidentiality policy or the required signed Business Associate Agreement (BAA) will result in termination remedies, including but not limited to, termination of this Agreement. A Business Associate Agreement (BAA) shall be signed by the Contractor, simultaneously or as soon thereafter as possible, from the signing of this Agreement, as required by the Executive Office.

Nothing herein shall limit the Executive Office’s ability to seek injunctive relief or any and all damages resulting from the Contractor’s negligent or intentional disclosure of confidential information.

PAR. 24. AUDIT

In the case wherein the amount identified in PAR. 6. - BUDGET is at least twenty-five thousand dollars ($25,000) in any year, at no additional cost for the Executive Office, the Contractor shall prepare an annual financial statement of the Contractor or the Contractor’s parent, where applicable, within nine (9) months of the end of the Contractor's fiscal year. The financial statements must provide full and frank disclosures of all assets, liabilities, changes in the fund balances, all revenue, and all expenditures. Upon written or oral request by the Executive Office, the Contractor shall provide the Executive Office a copy of the above described financial statement(s) within ten (10) days of the Executive Office’s request or within twenty (20) days of the end of the Time of Performance, Paragraph 3 herein. If additional financial documentation is required by the Federal funding source, these additional financial requirements must be met in addition to the preparation of the above financial statements.

In the case wherein the amount identified in PAR. 6. - BUDGET is at least seven hundred and fifty thousand federal dollars ($750,000) in any fiscal year, at no additional cost for the Executive Office, the audit must be performed in accordance with 2 CFR § 200.500 et. seq., or with "Government Auditing Standards" as published by the Comptroller General of the United States. The audit must address areas of compliance and internal controls as outlined in 2 CFR §200.500 et. seq. If a management letter is also issued as part of the audit, the management letter must be submitted as well (2 CFR §200.512). All financial statements and audits must be submitted in a format that is acceptable to the Executive Office.

In the case wherein the Contractor expends $750,000 or more during the non–Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR § 200.501, et seq. at no additional cost for the Executive Office, the audit must be performed in accordance with 2 CFR §200.500 et. seq., or with "Government Auditing Standards" as published by the Comptroller General of the United States. The audit must address areas of compliance and internal controls as outlined in 2 CFR §200.500 et. seq. If a management letter is also issued as part of the audit, the management letter must be submitted as well (2 CFR §200.512). All financial statements and audits must be submitted in a format that is acceptable to the Executive Office.
Moreover, if the Contractor has Agreements and/or Federal Awards which in aggregate are at least seven hundred and fifty thousand federal dollars ($750,000) in any fiscal year, including the amount identified in PAR. 6 – BUDGET, the audit must be performed in accordance with federal requirements as outlined above (2 CFR §200.500 et seq.).

Should the Contractor expend less than seven hundred and fifty thousand federal dollars ($750,000) in a fiscal year and be, therefore, exempt from having to perform an audit in accordance with 2 CFR §200.500 et seq., the Contractor may not charge the cost of such an audit to a federal award.

Pursuant to 2 CFR §200.501 (h), “for-profit” entities shall conduct a “Yellow Book” audit annually by a Public Accounting Firm in accordance with Government Auditing Standards, mentioned above, and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the U.S. (GAGAS) and provide a copy thereof to Client, the Contractor may not charge the cost of such an audit to a federal award.

The Contractor agrees that the state or its designated representative will be given access to any part of the system which is delivered under this Agreement to inventory and/or inspect the system.

The Contractor expressly agrees that any overpayment identified through an audit must be repaid to the Executive Office within a period of six (6) months from the issuance of the audit.

PAR. 25. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to conform to the terms and requirements of applicable law.

PAR. 26. ON-SITE INSPECTION

The Contractor agrees to permit on-site monitoring, evaluation and inspection of all activities related to the Agreement by officials of the Executive Office, its designee, and where appropriate, the Federal government. On-site inspections and monitoring shall be in accordance with 2 CFR §200.328. All reports pertaining to 2 CFR §200.331, shall be maintained by the Contractor. The Contractor must retain any documents pertaining to changes requested from the Executive Office or the Federal Government in accordance with 2 CFR §200.333.

If, as a result of on-site inspections, changes are requested by the Executive Office to ensure compliance with this Agreement and/or Federal Awards, the Contractor must perform changes within a time period defined by the Executive Office. All changes shall be documented by the Contractor and provided to the Executive Office upon request. All requested changes shall comply with 2 CFR §200.331.

PAR. 27. DRUG-FREE WORKPLACE POLICY

The Contractor agrees to comply with the provisions of the Governor’s Executive Order 91-14, the State’s Drug Free Workplace Policy, and the Federal Omnibus Drug Abuse Act of 1988. As a condition of contracting with the State of Rhode Island, the Contractor hereby agrees to abide by ADDENDUM VII - DRUG-FREE WORKPLACE POLICY, and in accordance therewith has executed ADDENDUM VIII - DRUG-FREE WORKPLACE POLICY CONTRACTOR CERTIFICATE OF COMPLIANCE.
Furthermore, the Contractor agrees to submit to the Executive Office any report or forms which may from time-to-time be required to determine the Contractor's compliance with this policy. The Contractor acknowledges that a violation of the Drug-Free Workplace Policy may, at the Executive Office's option, result in termination of this Agreement.

PAR. 28. PRO-CHILDREN ACT OF 1994 (ACT)

As a condition of contracting with the State of Rhode Island, the Contractor hereby agrees to abide by ADDENDUM X - CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE, and in accordance has executed ADDENDUM X - CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE.

PAR. 29. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

The Contractor agrees to abide by ADDENDUM XI – INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS, and in accordance has executed the required certification included in ADDENDUM XII – CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS.

PAR. 30. CHIEF PURCHASING OFFICER

This Agreement shall take effect upon the issuance of a Purchase Order by the State of Rhode Island's Chief Purchasing Officer or his/her designee. No modifications to this agreement shall be effective unless in an authorized change order issued by the State’s Division of Purchases.

PAR. 31. OWNERSHIP

The following additional paragraphs are added to the Rhode Island Department of Administration, Division of Purchases, Purchasing Rules, Regulations, and General Conditions of Purchasing.

**PROPRIETARY SOFTWARE.** Each party will retain all rights in any software, ideas, concepts, know-how, development tools, techniques or any other proprietary material or information that it owned or developed prior to the date of this Agreement, or acquired or developed after the date of this Agreement without reference to or use of the intellectual property of the other party. All software that is licensed by a party from a third party vendor will be and remain the property of such vendor.

**DEVELOPED SOFTWARE.** All software that is developed by the Contractor and delivered by the Contractor to the Executive Office under this Agreement, and paid for by the Executive Office (“Developed Software”) is and shall remain the property of the Executive Office. For a period of ninety (90) days following acceptance of any developed software in accordance with the approval procedures adopted by the parties, the Contractor warrants that each item of developed software will conform in all material respects to the written technical specifications agreed to by the parties in accordance with the software development methodologies adopted by the parties and set forth in the procedures manual. As soon as reasonably practicable after discovery by State or Contractor of a failure of the Developed Software to so conform (a “non-conformance”), State or Contractor, as applicable, will deliver to the other a statement and supporting documentation describing in reasonable detail the alleged nonconformance. If Contractor confirms that there is a non-conformance, then Contractor will use commercially
reasonable efforts to correct such non-conformance. The methods and techniques for correcting non-conformances will be at the sole discretion of the Executive Office. The foregoing warranty will not extend to any non-conformances caused (i) by any change or modification to software without Contractor’s prior written consent; or (ii) by state operating software otherwise than in accordance with the applicable documentation, for the purpose for which it was designed, or on hardware not recommended, supplied or approved in writing by Contractor. Furthermore, if, after undertaking commercially reasonable efforts to remedy a breach by Contractor of the foregoing warranty, Contractor, in the exercise of its reasonable business judgment, determines that any repair, adjustment, modification or replacement is not feasible, or in the event that the developed software subsequent to all repairs, adjustments, modifications and replacements continues to fail to meet the foregoing warranty, the Executive Office will return the developed software to Contractor, and Contractor will credit to the State, in a manner and on a schedule agreed to by the parties and as the Executive Office’s sole and exclusive remedy for such failure, an amount equal to the charges actually paid by the Executive Office to the Contractor for the developed software that has failed to meet the foregoing warranty. Upon written request of the Executive Office, the Contractor will use commercially reasonable efforts to correct an alleged non-conformance for which Contractor is not otherwise responsible hereunder because it is caused or contributed to by one of the factors listed above and, to the extent that such correction cannot be performed within the scope of the Contractor services, such correction will be paid for by the Executive Office at the Contractor’s then current commercial billing rates for the technical and programming personnel and other materials utilized by the Contractor. Notwithstanding anything to the contrary in this Agreement, the Contractor will continue to own, and will be free to use, the development tools and the residual technology, so long as such use does not breach Contractor’s obligations of confidentiality set forth herein.

OTHER. Notwithstanding anything to the contrary in this Agreement, the Contractor (i) will retain all right, title and interest in and to all know-how, intellectual property, methodologies, processes, technologies, algorithms, software or development tools used in performing the services hereunder which are based on trade secrets or proprietary information of the Contractor, are developed or created by or on behalf of the Contractor without reference to or use of the intellectual property of the Executive Office or are otherwise owned or licensed by the Contractor (collectively, “tools”); (ii) subject to the confidentiality obligations set forth in this Agreement, will be free to use the ideas, concepts, methodologies, processes and know-how which are developed or created in the course of performing the services and may be retained by the Contractor’s employees in an intangible form, all of which constitute substantial rights on the part of the Contractor in the technology developed as a result of the services performed under this Agreement; and (iii) will retain ownership of any Contractor-owned software or tools that are used in producing the developed software and become embedded therein. No licenses will be deemed to have been granted by either party to any of its patents, trade secrets, trademarks or copyrights, except as otherwise expressly provided in this Agreement.

PAR. 32. FORCE MAJEURE

Except for defaults of subcontractors at any tier, in the event that any party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of (or if failure to perform the services is caused by) natural disaster, actions or decrees of governmental bodies, or other event or failure not the fault or within control of the affected party (hereinafter referred to as a “Force Majeure Event”), the party who has been so affected shall immediately give notice to the other parties and shall use reasonable efforts to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended.

PAR. 33. RESERVED
PAR. 34. DISPUTES

The parties shall use good faith efforts to cooperatively resolve disputes and problems that arise in connection with this Agreement. When a dispute arises between the Executive Office and Contractor, both parties will attempt to resolve the dispute pursuant to this subsection. When a dispute arises, the party initiating the dispute shall notify the other party in writing of the dispute, with the notice specifying the disputed issues and the position of the party submitting the notice. The Executive Office's project officer and Contractor project officer shall use good faith efforts to resolve the dispute within ten (10) State business days of submission by either party to the other of such notice of the dispute.

If the Executive Office's Project Officer and the Contractor’s Project Officer are unable to resolve the dispute, either party may request that the dispute be escalated for resolution to the Secretary of the Executive Office of Health and Human Services or his or her designee, the Contractor’s President or his or her designee and a mutually agreed upon third party shall attempt to resolve the issue.

If the issue is not resolved, the parties shall proceed pursuant to R.I. General Laws § 37-2-46 and applicable State Procurement Regulations (1.5).

If the issue is not resolved, the parties shall endeavor to resolve their claims by mediation which, shall be administered by the Presiding Justice of the Providence County Superior Court. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the court. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of sixty (60) days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration is stayed pursuant to this paragraph, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

The parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in the State of Rhode Island where the project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

PAR. 35. GOVERNING LAW

This Agreement is deemed executed and delivered in the City of Cranston, State of Rhode Island, and all questions arising out of or under this Agreement shall be governed by the laws of the State of Rhode Island.

PAR. 36. WAIVER AND ESTOPPEL

Nothing in this Agreement shall be considered waived by any party, unless the party claiming the waiver receives the waiver in writing. No breach of this Agreement is considered to be waived unless the non-breaching party waives it in writing. A waiver of one provision shall not constitute a waiver of any other. A failure of any party to enforce at any time any provisions(s) of this contract, or to exercise any option which is herein provided, shall in no way be construed as a waiver of such provision of this contract. No consent, or excuse by either party, express or implied, shall constitute a subsequent consent, waiver or excuse.

PAR. 37. INSURANCE
Throughout the term of the Agreement, the Contractor and any subcontractor shall procure and maintain, at its own cost and expense, insurance as required by the Bid Specifications.

**PAR. 38. WORK REVIEWS**

The Contractor agrees that all work performed under this Agreement may be reviewed by the Rhode Island Executive Office of Health and Human Services, Department of Administration, and/or by any third party designated by the Executive Office of Health and Human Services.

**PAR. 39. BUSINESS CONTINUITY PLAN**

The Contractor shall prepare and maintain a Business Continuity Plan upon execution of this Agreement, which shall include, but not be limited to, the Contractor’s procedure for recovery of data and recovery for all operation components in case of an emergency or disaster. Upon written or oral request by the Executive Office, the Contractor shall provide the Executive Office a copy of the above described Business Continuity Plan within ten (10) days of the Executive Office’s request.

**PAR. 40. NOTICES**

No notice, approval or consent permitted or required to be given by this Agreement will be effective unless the same is in writing and sent postage prepaid, certified mail or registered mail, return receipt requested, or by reputable overnight delivery service to the other party at the address set forth in **ADDENDUM XVII – CORE STAFF POSITIONS**, or such other address as either party may direct by notice given to the other as provided **ADDENDUM XVII – CORE STAFF POSITIONS**, and shall be deemed to be given when received by the addressee. The Contractor and the Executive Office shall list, in **ADDENDUM XVII – CORE STAFF POSITIONS**, the names, addresses, email addresses, telephone numbers, and the facsimile numbers of all individuals that the above such notice, approval or consent shall be sent to or copied on. The Parties agree to update any changes to the designated notice recipients, in writing pursuant to the terms outlined in **PARAGRAPH 40**.

**PAR. 41. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which will be an original, and such counterparts together will constitute one and the same instrument. Execution may be effected by delivery of facsimiles of signature pages and the parties will follow such delivery by prompt delivery of originals of such pages.

**PAR. 42. AMENDMENTS**

Except as may otherwise set forth in this Agreement, the Agreement may only be amended by the parties agreeing to the amendment, in writing, duly executed by the parties and shall only be effective upon incorporation by the State’s Division of Purchases through the issuance of a change order.

**PAR. 43. SURVIVAL**

Any obligations and provisions of this Agreement which by their nature extend beyond the expiration or termination of this Agreement, including but not limited to safeguarding confidential information and indemnification, shall survive the expiration or termination of this Agreement.
PAR. 44. ADDITIONAL APPROVALS

The parties acknowledge that this Agreement requires issuance of a valid Purchase Order by the State of Rhode Island for this Agreement to remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands as of the date first above written and this Agreement made legally binding upon the issuance of a valid Purchase Order by the State of Rhode Island as follows:

STATE OF RHODE ISLAND:

ELIZABETH H. ROBERTS, SECRETARY
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

***INSERT CONTRACTOR NAME***:

AUTHORIZED AGENT/SIGNATURE
TITLE: ______________________

PRINT NAME

DATE

DATE
ATTACHED, incorporated into and made a part herein of this agreement, are the following addenda:

**ADDENDUM I** - REQUEST FOR PROPOSAL AND/OR SCOPE OF WORK – N/A

**ADDENDUM II** - BUDGET – N/A

**ADDENDUM III** - PAYMENTS AND REPORTS SCHEDULE – N/A

**ADDENDUM IV** - FISCAL ASSURANCES

**ADDENDUM V** - NOTICE TO EXECUTIVE OF HUMAN SERVICES’ SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

**ADDENDUM VI** - NOTICE TO EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES’ SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER SECTION 504 OF THE REHABILITATION ACT OF 1973

**ADDENDUM VII** - DRUG-FREE WORKPLACE POLICY

**ADDENDUM VIII** - DRUG FREE WORKPLACE POLICY CONTRACTOR CERTIFICATE OF COMPLIANCE

**ADDENDUM IX** - SUBCONTRACTOR COMPLIANCE

**ADDENDUM X** - CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

**ADDENDUM XI** - INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS

**ADDENDUM XII** - CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS

**ADDENDUM XIII** - LIQUIDATED DAMAGES

**ADDENDUM XIV** - EQUAL EMPLOYMENT OPPORTUNITY

**ADDENDUM XV** - BYRD ANTI-LOBBYING AMENDMENT

**ADDENDUM XVI** - BID PROPOSAL – N/A

**ADDENDUM XVII** - CORE STAFF POSITIONS – N/A

**ADDENDUM XVIII** - FEDERAL SUBAWARD REPORTING – N/A

**ADDENDUM XIX** - BUSINESS ASSOCIATE AGREEMENT – N/A
ADDENDUM IV
FISCAL ASSURANCES

1. The Contractor agrees to segregate all receipts and disbursements pertaining to this agreement from recipients and disbursements from all other sources, whether by separate accounts or by utilizing a fiscal code system.

2. The Contractor assures a system of adequate internal control will be implemented to ensure a separation of duties in all cash transactions.

3. The Contractor assures the existence of an audit trail which includes: cancelled checks, voucher authorization, invoices, receiving reports, and time distribution reports.

4. The Contractor assures a separate subsidiary ledger of equipment and property will be maintained.

5. The Contractor agrees any unexpended funds from this agreement are to be returned to the Executive Office at the end of the time of performance unless the Executive Office gives written consent for their retention.

6. The Contractor assures insurance coverage is in effect in the following categories: bonding, vehicles, fire and theft, and liability.

7. The following Federal requirements shall apply pursuant to OMB Guidance for Grants and Agreements. Where applicable:
   - Subpart A - Acronyms and Definitions (200.0 – 200.99)
   - Subpart B – General Provisions (200.100 – 200.113)
   - Subpart C – Pre-Federal Award Requirements and Contents of Federal Awards (200.200 – 200.211)
   - Subpart D – Post Federal Award (200.300 – 200.345)
   - Subpart E – Cost Principles (200.400 – 200.475)
   - Subpart F – Audit Requirements(200.500 – 200.521)
   - All Subsequent Addenda

8. If the Contractor expends Federal awards during the Contractor's particular fiscal year of $750,000 or more, then 2 CFR § 200.500 et. seq., audits of states, local governments and non-profit organizations shall also apply or if applicable, an audit shall be performed in accordance with "Government Auditing Standards" as published by the Comptroller General of the United States (see Paragraph 24).

9. This agreement may be funded in whole or in part with Federal funds. If so, the CFDA reference number is ____________ . The Contractor must review applicable Federal Statutes, regulations, terms and conditions of the Federal Award in accordance with 2 CFR § 200.331 (a)(2).
ADDENDUM V

RHODE ISLAND EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

NOTICE TO EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES’ SERVICE PROVIDERS OF THEIR RESPONSIBILITIES UNDER TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Public and private agencies, organizations, institutions, and persons that receive Federal financial assistance through the Executive Office of Health and Human Services (EOHHS) are subject to the provisions of Title VI of the Civil Rights Act of 1964 and the implementing regulations of the United States Department of Health And Human Services (DHHS), which is located at 45 CFR, Part 80, collectively referred to hereinafter as Title VI. EOHHS contracts with Contractors include a Contractor’s assurance that in compliance with Title VI and the implementing regulations, no person shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in its programs and activities on the grounds of race, color, or national origin. Additional DHHS guidance is located at 68 FR 47311-02.

EOHHS reserves its right to at any time review Contractors to assure that they are complying with these requirements. Further, EOHHS reserves its right to at any time require from Contractors, Sub-Contractors and Vendors that they are also complying with Title VI.

The Contractor shall have policies and procedures in effect, including, a mandatory written compliance plan, which are designed to assure compliance with Title VI. An electronic copy of the service providers written compliance plan and all relevant policies, procedures, workflows and relevant chart of responsible personnel must be available to EOHHS upon request.

The Contractor’s written compliance plan must address the following requirements:

- Written policies, procedures and standards of conduct that articulate the organization's commitment to comply with all Title VI standards.
- Designation of a compliance officer who is accountable to the service provider's senior management.
- Effective training and education for the compliance officer and the organization's employees.
- Enforcement of standards through well-publicized guidelines.
- Provision for internal monitoring and auditing.
- Written complaint procedures
- Provision for prompt response to all complaints, detected offenses or lapses, and for development and implementation of corrective action initiatives.
- Provision that all Contractors, Sub-Contractors and Vendors of the service provider execute assurances that said Contractors, Sub-Contractors and Vendors are in compliance with Title VI.

The Contractor must enter into an agreement with each Sub-Contractor or Vendor under which there is the provision to furnish to it, DHHS or EOHHS on request full and complete information related to Title VI compliance.
The Contractor must submit, within thirty-five (35) days of the date of a request by DHHS or EOHHS, full and complete information on Title VI compliance by the Contractor and/or any Sub-Contractor or Vendor of the Contractor.

It is the responsibility of each Contractor to acquaint itself with all of the provisions of the Title VI regulations. A copy of the regulations is available upon request from the community relations liaison officer, Executive Office of Health and Human Services, 74 West Road, Cranston, RI 02920; telephone number: (401) 462-5274.

THE REGULATIONS ADDRESS THE FOLLOWING TOPICS:

SECTION:
80.1 PURPOSE
80.2 APPLICATION OF THIS REGULATION
80.3 DISCRIMINATION PROHIBITED
80.4 ASSURANCES REQUIRED
80.5 ILLUSTRATIVE APPLICATION
80.6 COMPLIANCE INFORMATION
80.7 CONDUCT OF INVESTIGATIONS
80.8 PROCEDURE FOR EFFECTING COMPLIANCE
80.9 HEARINGS
80.10 DECISIONS AND NOTICES
80.11 JUDICIAL REVIEW
80.12 EFFECT ON OTHER REGULATIONS; FORMS AND INSTRUCTIONS
80.13 DEFINITION
ADDENDUM VI

RHODE ISLAND EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

NOTICE TO RHODE ISLAND EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES’ CONTRACTORS OF THEIR RESPONSIBILITIES UNDER SECTION USC 504 OF THE REHABILITATION ACT OF 1973

Public and private agencies, organizations, institutions, and persons that receive Federal financial assistance through the Executive Office Of Health and Human Services (EOHHS) are subject to the provisions of Section 504 of the Rehabilitation Act of 1973 and the Implementing Regulations of the United States Department of Health And Human Services (DHHS), which are located at 45 CFR, part 84 hereinafter collectively referred to as Section 504. EOHHS contracts with service providers include the provider’s assurance that it will comply with Section 504 of the regulations, which prohibits discrimination against handicapped persons in providing health, welfare, or other social services or benefits.

The Contractor shall have policies and procedures in effect, including, a mandatory written compliance plan, which are designed to assure compliance with Section 504. An electronic copy of the Contractor’s written compliance plan and all relevant policies, procedures, workflows and relevant chart of responsible personnel must be available to EOHHS upon request.

The Contractor’s written compliance plan must address the following requirements:

- Written policies, procedures and standards of conduct that articulate the organization's commitment to comply with all Section 504 standards.
- Designation of a compliance officer who is accountable to the service provider's senior management.
- Effective training and education for the compliance officer and the organization's employees.
- Enforcement of standards through well-publicized guidelines.
- Provision for internal monitoring and auditing.
- Written complaint procedures
- Provision for prompt response to all complaints, detected offenses or lapses, and for development and implementation of corrective action initiatives.
- Provision that all Contractors, Sub-Contractors and Vendors of the service provider execute assurances that said Contractors, Sub-Contractors and Vendors are in compliance with Section 504.

The Contractor must enter into an agreement with each Sub-Contractor or Vendor under which there is the provision to furnish to the contractor, DHHS or EOHHS on request full and complete information related to Section 504 compliance.

The contractor must submit, within thirty-five (35) days of the date of a request by DHHS or EOHHS, full and complete information on Section 504 compliance by the Contractor and/or any Sub-Contractor or Vendor of the contractor.

It is the responsibility of each Contractor to acquaint itself with all of the provisions of the Section 504 regulations. A copy of the regulations, together with an August 14, 1978 Policy Interpretation of General Interest to Providers of Health, Welfare, or Other Social Services or Benefits, is available upon request from the Community Relations Liaison Officer, Executive Office of Health and Human Services, 74 West Road, Cranston, RI 02920; telephone number (401) 462-5274.

Contractors should pay particular attention to subparts A, B, C, and F of the regulations which pertain to the following:

SUBPART A - GENERAL PROVISIONS

SECTION:

84.1 PURPOSE
84.2 APPLICATION
84.3 DEFINITIONS
84.4 DISCRIMINATION PROHIBITED
84.5 ASSURANCE REQUIRED
84.6 REMEDIAL ACTION, VOLUNTARY ACTION, AND SELF-EVALUATION
84.7 DESIGNATION OF RESPONSIBLE EMPLOYEE AND ADOPTION OF GRIEVANCE PROCEDURES
84.8 NOTICE
84.9 ADMINISTRATIVE REQUIREMENTS FOR SMALL RECIPIENTS
84.10 EFFECT OF STATE OR LOCAL LAW OR OTHER REQUIREMENTS AND EFFECT OF EMPLOYMENT OPPORTUNITIES

SUBPART B - EMPLOYMENT PRACTICES
SECTION:
84.11 DISCRIMINATION PROHIBITED
84.12 REASONABLE ACCOMMODATION
84.13 EMPLOYMENT CRITERIA
84.14 PREEMPLOYMENT INQUIRIES
84.15 - 84.20 (RESERVED)

SUBPART C - ACCESSIBILITY
SECTION:
84.21 DISCRIMINATION PROHIBITED
84.22 EXISTING FACILITIES
84.23 NEW CONSTRUCTION
84.24 - 84.30 (RESERVED)

SUBPART F - HEALTH, WELFARE, AND SOCIAL SERVICES
SECTION:
84.51 APPLICATION OF THIS SUBPART
84.52 HEALTH, WELFARE, AND OTHER SOCIAL SERVICES
84.53 DRUG AND ALCOHOL ADDICTS
84.54 EDUCATION AND INSTITUTIONALIZED PERSONS
84.55 PROCEDURES RELATING TO HEALTH CARE FOR HANDICAPPED INFANTS
84.56 – 84.60 (RESERVED)
ADDENDUM VII

DRUG-FREE WORKPLACE POLICY

Drug use and abuse at the workplace or while on duty are subjects of immediate concern in our society. These problems are extremely complex and ones for which there are no easy solutions. From a safety perspective, the users of drugs may impair the well-being of all employees, the public at large, and result in damage to property. Therefore, it is the policy of the state that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the workplace. Any employee(s) violating this policy will be subject to discipline up to and including termination. An employee may also be discharged or otherwise disciplined for a conviction involving illicit drug use, regardless of whether the employee’s conduct was detected within employment hours or whether his/her actions were connected in any way with his or her employment. The specifics of this policy are as follows:

1. Any unauthorized employee who gives or in any way transfers a controlled substance to another person or sells or manufactures a controlled substance while on duty, regardless of whether the employee is on or off the premises of the employer will be subject to discipline up to and including termination.

2. The term "controlled substance" means any drugs listed in 21 USC, Section 812 and other Federal regulations. Generally, all illegal drugs and substances are included, such as marijuana, heroin, morphine, cocaine, codeine or opium additives, LSD, DMT, STP, amphetamines, methamphetamines, and barbiturates.

3. Each employee is required by law to inform the agency within five (5) days after he/she is convicted for violation of any Federal or State criminal drug statute. A conviction means a finding of guilt (including a plea of nolo contendere) or the imposition of a sentence by a judge or jury in any Federal or State Court.

4. The employer (the hiring authority) will be responsible for reporting conviction(s) to the appropriate Federal granting source within ten (10) days after receiving notice from the employee or otherwise receives actual notice of such conviction(s). All conviction(s) must be reported in writing to the Office of Personnel Administration (OPA) within the same time frame.

5. If an employee is convicted of violating any criminal drug statute while on duty, he/ she will be subject to discipline up to and including termination. Conviction(s) while off duty may result in discipline or discharge.

6. The state encourages any employee with a drug abuse problem to seek assistance from the Rhode Island Employee Assistance Program (RIEAP). Your Personnel Officer has more information on RIEAP.

7. The law requires all employees to abide by this policy.
ADDENDUM VIII
DRUG-FREE WORKPLACE POLICY
CONTRACTOR CERTIFICATE OF COMPLIANCE

I, ___________________________ (Name) ___________________________ (Title) ___________________________ (Contractor Name), a contractor doing business with the state of Rhode Island, hereby acknowledge that I have received a copy of the state's policy regarding the maintenance of a Drug-Free Workplace. I have been informed that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance (to include but not limited to such drugs as marijuana, heroin, cocaine, PCP, and crack, and may also include legal drugs which may be prescribed by a licensed physician if they are abused), is prohibited on the State's premises or while conducting State business. I acknowledge that my employees must report for work in a fit condition to perform their duties. As a condition for contracting with the state, as a result of the Federal Omnibus Drug Act, I will require my employees to abide by the state's policy. Further, I recognize that any violation of this policy may result in termination of the contract.

SIGNATURE:

____________________________________

TITLE:

____________________________________

DATE:

____________________________________
ADDENDUM IX

SUBCONTRACTOR COMPLIANCE

I, ____________________________ (Name), ____________________________ (Title), ____________________________ (Contractor Name), a contractor doing business with the state of Rhode Island, hereby certify that all approved subcontractors performing services pursuant to this agreement will have executed written contracts with (***CONTRACTOR NAME***). All such contracts shall contain language identical to the following provisions of this agreement as follows:

PAR. 12. CONTRACTOR’S LIABILITY/INDEMNIFICATION

PAR. 13. NONDISCRIMINATION IN EMPLOYMENT AND SERVICES

PAR. 18. FEDERAL FUNDING PROVISIONS

SIGNATURE:

____________________________________

TITLE:

______________________________________

DATE:

______________________________________
CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part c - Environmental Tobacco Smoke (20 U.S.C.A.§ 6081-6084), also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through state or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

Any failure to comply with a prohibition in this section shall be a violation of this section and any person subject to such prohibition who commits such violation may be liable to the United States for a civil penalty in an amount not to exceed $1,000 for each violation, or may be subject to an administrative compliance order, or both, as determined by the Secretary. Each day a violation continues shall constitute a separate violation. In the case of any civil penalty under this section, the total amount shall not exceed the amount of Federal funds received by such person for the fiscal year in which the continuing violations occurred.

By signing and submitting this application the applicant/contractor certifies that it will comply with the requirements of the Act. The applicant/contractor further agrees that it will require the language of this certification be included in any sub-awards which contain provisions for children's services and that all sub-contractors shall certify accordingly.

SIGNATURE: ________________________________

TITLE: ____________________________________

DATE: ____________________________________
ADDENDUM XI
INSTRUCTIONS FOR CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
AND OTHER RESPONSIBILITY MATTERS
PRIMARY COVERED TRANSACTIONS

By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

1. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the Executive Office's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or explanation shall disqualify such person from participation in this transaction.

2. The certification in this clause is a material representation of fact upon which reliance was placed when the Executive Office determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Executive Office. The Executive Office may terminate this transaction for cause or default.

3. The prospective primary participant shall provide immediate written notice to the Executive Office if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.


5. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Executive Office.

6. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled certification regarding debarment, suspension, ineligibility and voluntary exclusion - lower tier covered transactions, provided by the Executive Office, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the non-procurement list (of excluded parties).

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by as prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under Paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Executive Office may terminate this transaction for cause of default.
ADDENDUM XII

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS – PRIMARY COVERED TRANSACTIONS

The contractor, as the primary participant, certifies to the best of the contractor’s knowledge and belief, that the contractor and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three (3) year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under public transaction; violation of federal or state antitrust statues or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicated or otherwise criminally or civilly charged by a governmental entity (federal, State or local) with commission of any of the offenses enumerated in paragraph 2 of this certification; and
4. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

Where the prospective primary participant is unable to certify to any of the statement in this certification, such prospective participant shall attach an explanation to this proposal.

SIGNATURE:
____________________________________

TITLE:
____________________________________

DATE:
____________________________________
ADDENDUM XIII

LIQUIDATED DAMAGES

The prospective primary participant contractor agrees that time is of the essence in the performance of certain designated portions of this contract. The Executive Office and the contractor agree that in the event of a failure to meet the milestones and project deliverable dates or any standard of performance within the time set forth in the Executive Office’s bid proposal and the contractor's proposal response (Addendum XVI), damage shall be sustained by the Executive Office and that it may be impractical and extremely difficult to ascertain and determine the actual damages which the Executive Office will sustain by reason of such failure. It is therefore agreed that Executive Office, at its sole option, may require the contractor to pay liquidated damages for such failures with the following provisions:

1. Where the failure is the sole and exclusive fault of the Executive Office, no liquidated damages shall be imposed. To the extent that each party is responsible for the failure, liquidated damages shall be reduced by the apportioned share of such responsibility.

2. For any failure by the contractor to meet any performance standard, milestone or project deliverable, the Executive Office may require the contractor to pay liquidated damages in the amount(s) and as set forth in the state's general conditions of purchase as described particularly in the LOI, RFP, RFQ, or scope of work, however, any liquidated damages assessed by the Executive Office shall not exceed 10% of the total amount of any such month’s invoice in which the liquidated damages are assessed and shall not in the aggregate, over the life of the agreement, exceed the total contract value.

Written notification of failure to meet a performance requirement shall be given by the Executive Office’s project officer to the contractor’s project officer. The contractor shall have a reasonable period designated by the Executive Office from the date of receipt of written notification. If the failure is not materially resolved within this period, liquidated damages may be imposed retroactively to the date of expected delivery.

In the event that liquidated damages have been imposed and retained by the Executive Office, any such damages shall be refunded, provided that the entire system takeover has been accomplished and approved by the Executive Office according to the original schedule detailed in the contractor's proposal response included in this contract (Addendum XVI) as modified by mutually agreed upon change orders.

To the extent liquidated damages have been assessed, such damages shall be the sole monetary remedy available to the Executive Office for such failure. This does not preclude the state from taking other legal action.
ADDENDUM XIV

EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this agreement, the contractor agrees as follows:

1. The Contractor shall not discriminate against any employee or applicant for employment relating to this agreement because of race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability, unless related to a bona fide occupational qualification. The Contractor shall take affirmative action to ensure that applicants are employed and employees are treated equally during employment, without regard to their race, color, religion, sex, age, national origin, or physical or mental disability.

   Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Contractor agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.

2. The Contractor shall, in all solicitations or advertising for employees placed by or on behalf of the contractor relating to this agreement, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, ancestry, age, physical or mental disability.

3. The Contractor shall inform the contracting Executive Office's equal employment opportunity coordinator of any discrimination complaints brought to an external regulatory body (RI Ethics Commission, RI Department of Administration, US DHHS Office of Civil Rights) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.

4. The Contractor shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.

5. Contractors and subcontractors with agreements in excess of $50,000 shall also pursue in good faith affirmative action programs.

6. The Contractor shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this agreement so that such provisions shall be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
ADDENDUM XV

BYRD ANTI-LOBBYING AMENDMENT

No Federal or State appropriated funds shall be expended by the contractor for influencing or attempting to influence an officer or employee of any agency, a member of congress or State Legislature, an officer or employee of congress or state legislature, or an employee of a member of congress or state legislature in connection with any of the following covered actions: the awarding of any agreement; the making of any grant; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any agreement, grant, or cooperative agreement. Signing this agreement fulfills the requirement that contractors receiving over $100,000 in Federal or State funds file with the Executive Office on this provision.

If any Non-Federal or State Funds have been or will be paid to any person in connection with any of the covered actions in this provision, the Contractor shall complete and submit a "Disclosure of Lobbying Activities" form.


The Contractor hereby certifies that it will comply with Byrd Anti-Lobbying Amendment provisions as defined in 45 CFR Part 93 and as amended from time to time.

SIGNATURE: 
____________________________________

TITLE: 
____________________________________

DATE: 
____________________________________
Appendix B: Budget Form (1 of 3)

| NAME OF AGENCY: | >>>>>>> |
| FEDERAL EMPLOYER IDENTIFICATION NUMBER: | >>>>>>> |
| ADDRESS: | >>>>>>> |
| CITY/TOWN: | ZIP CODE: | >>>>>>> |
| PHONE NUMBER: | FAX: | >>>>>>> |
| EXECUTIVE DIRECTOR: | >>>>>>> |
| TIME OF PERFORMANCE: FROM | TO | >>>>>>> |

**BUDGET SUMMARY**

<table>
<thead>
<tr>
<th>COST CATEGORY</th>
<th>AMOUNT</th>
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</thead>
<tbody>
<tr>
<td>1. PERSONNEL</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
</tr>
<tr>
<td>2. CONSULTANT AND SUB CONTRACT SERVICES</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
</tr>
<tr>
<td>3. TRAVEL</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
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<tr>
<td>4. SPACE</td>
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<tr>
<td>5. SUPPLIES</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
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<tr>
<td>6. EQUIPMENT</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
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<tr>
<td>7. OTHER COSTS</td>
<td>&gt;&gt;&gt;&gt;&gt;&gt;&gt;</td>
</tr>
</tbody>
</table>

**TOTAL FUNDS REQUESTED:** $0.00
### PERSONNEL REQUEST*

<table>
<thead>
<tr>
<th>POSITION TITLE</th>
<th>EMPLOYEE NAME</th>
<th>FULLY LOADED HOURLY RATE</th>
<th>ANNUAL LEVEL OF EFFORT (BY HOURS)</th>
<th>TOTAL ANNUAL POSITION COST</th>
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</thead>
<tbody>
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*RND TO THE NEAREST DOLLAR

TOTAL →

ENTER ON PAGE 1 LINE 1
### Appendix B: Budget Form (3 of 3)

<table>
<thead>
<tr>
<th>BUDGET DETAIL</th>
<th></th>
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<tbody>
<tr>
<td><strong>CONSULTANTS &amp; SUB CONTRACT SERVICES</strong></td>
<td><strong>TYPE, NAME, HOURLY RATE, NUMBER OF HOURS, ETC</strong></td>
</tr>
<tr>
<td></td>
<td><strong>COST</strong></td>
</tr>
<tr>
<td>Enter on page 1, line 2</td>
<td></td>
</tr>
</tbody>
</table>

| TRAVEL | **PURPOSE, RATE, NUMBER OF MILES, ETC** |
| **COST** |  |
| Enter on page 1, line 3 |  |

| SPACE | **DESCRIPTION** |
| **COST** |  |
| Enter on page 1, line 4 |  |

| SUPPLIES | **DESCRIPTION** |
| **COST** |  |
| Enter on page 1, line 5 |  |

| EQUIPMENT | **PURCHASE, LEASE, RENTAL** |
| **COST** |  |
| Enter on page 1, line 6 |  |

| OTHER COSTS | **DESCRIPTION** |
| **COST** |  |
| Enter on page 1, line 7 |  |