



BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 03/05/2024

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

Helping Ourselves Pursue Enrichment, Inc. (HOPE, Inc)

***Project Title/Description:**

Crisis Cooperative for Opioid Misuse/Abuse and Prevention

***Purpose:**

This project aims to provide counter measures and mitigation in response to opioid overdoses in Pima County. Specifically, the contractor will provide peer and family support services to individuals and their families following an opioid overdose and for those at risk of experiencing an overdose. The contractor will provide linkages to outpatient services, patient education, and local resources.

***Procurement Method:**

Direct Selection under BOS D29.7.III.1.6, any willing, qualified provider.

***Program Goals/Predicted Outcomes:**

Enhance local capacity to refer/link individuals to clinical services and wrap around care in close proximity to an overdose. Establish streamlined communication between emergency departments and community treatment providers. Improve the response time from community providers to help engage and initiate critical outpatient services for the treatment of opioid addiction.

***Public Benefit:**

Contractor aims to create a more efficient use of emergency services, reduce recidivism, and decrease costs associated with the opioid epidemic. Services will also address individuals with opioid use disorder being released from the Pima County Adult Detention Complex and connect individuals to care in the community. The contractor will also distribute lifesaving medication (Naloxone) to individuals at high risk in an effort to reduce overdose fatalities.

***Metrics Available to Measure Performance:**

Contractor will report based on ADHS mandated template which includes:

- Number of patients served;
- Number engaged in the Emergency Department (ED);
- Number successfully connected to services;
- Number of patients provided with "take home" Naloxone kits; and
- Number of participating hospitals/EDs who engage in grant activities and coordination the contractor.

***Retroactive:**

Yes. The contract was partially executed prior to another subrecipient deciding not to participate in this work. This contract amount was therefore increased, which then required restaffing and sending the Agreement to the BOS. If not approved, we will need to re-do the term with a later start date, further delaying getting these time-limited funds spent on much needed services.

6m1 approved
REC 2/16/24

TO: COB, 2-20-2024(1)
Vers.: 1
pgs.: 35

FEB20 24AM0952 PD

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: CT Department Code: HD Contract Number (i.e., 15-123): 24-240
Commencement Date: 10/1/2023 Termination Date: 9/30/2024 Prior Contract Number (Synergen/CMS): N/A
☐ Expense Amount \$ 275,000.00 * ☐ Revenue Amount: \$ _____

***Funding Source(s) required:** Substance Abuse and Mental Health Services Administration - (SAMHSA)

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☒ Yes ☐ No

If Yes, is the Contract to a vendor or subrecipient? Subrecipient

Were insurance or indemnity clauses modified? ☐ Yes ☒ No
If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Amendment No.: _____ AMS Version No.: _____
Commencement Date: _____ New Termination Date: _____
Prior Contract No. (Synergen/CMS): _____

☐ Expense ☐ Revenue ☐ Increase ☐ Decrease

Is there revenue included? ☐ Yes ☐ No If Yes \$ _____

Amount This Amendment: \$ _____

***Funding Source(s) required:** _____

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards)

☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:** _____

***Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Craig McCarthy

Department: Health Department

Telephone: 724-7614

Department Director Signature: 

Date: 2-9-24

Deputy County Administrator Signature: _____

Date: 14 Feb 2024

County Administrator Signature: _____

Date: 2-14-2024

Pima County Department of Health**Project:** Crisis Cooperative for Opioid Misuse/Abuse and Prevention**Subrecipient name and address:** Helping Ourselves Pursue Enrichment, Inc. (HOPE, Inc.)
1200 North Country Club Road
Tucson, Arizona 85712**Amount:** \$275,000.00**Contract No.:** CT-HD-24-240-00

Subrecipient Unique Entity Identifier (UEI):	ZN8EX96YZ853	SAM expiration date (if applicable):	01/02/2025
Federal Award Identification Number (FAIN)	H79TI085739	Federal award date	09/23/2022
Subaward term/ period of performance start and end date	10/1/2023 - 9/30/2024	Subaward budget period start and end date	10/1/2023 - 9/30/2024
Amount of federal funds obligated by this action by the pass-through entity to the subrecipient (amount of this agreement)			\$275,000.00
Total amount of the federal award committed to the subrecipient by the pass-through entity (original amount of this agreement, plus any match, plus any future budget periods, if applicable)			\$275,000.00
Federal award project description (descriptive project title)		The goal of the Arizona State Opioid Response III Grant is to increase access to Opioid Use Disorder treatment, coordinated and integrated care, support services and prevention activities to reduce the prevalence of Opioid Use Disorder. Services will be delivered by trained Forensic Peer Support Staff to support individuals who are at risk of experiencing an overdose and are simultaneously involved in the justice system.	
Funding agency		Substance Abuse and Mental Health Services Administration - (SAMHSA)	
Pass-through entity (primary recipient)		Arizona Health Care Cost Containment System (AHCCCS)	
Pass-through entity (secondary recipient, if applicable)		Arizona Department of Health Services (ADHS)	
Assistance listing number and title (applies to 100% of this sub-award, including all disbursements)		93.788 State Opioid Response	
Is this subaward for research and development?			Yes No X
Subrecipient indirect cost rate and methodology	<input type="checkbox"/> Negotiated Indirect Cost Rate Agreement	X De minimis rate	<input type="checkbox"/> No Indirect
Required match	<input type="checkbox"/> YES X NO	Match amount	N/A

FEDERAL FINANCIAL ASSISTANCE SUBRECIPIENT AGREEMENT

1. PARTIES, BACKGROUND AND PURPOSE.

- 1.1. Parties. This Subrecipient Agreement ("Agreement") is between Pima County, a body politic and corporate of the State of Arizona ("County"), and Helping Ourselves Pursue Enrichment, Inc. (HOPE, Inc.) ("Subrecipient"), a non-profit corporation doing business in the State of Arizona.
- 1.2. Authority. County is authorized by A.R.S. §§ 11-254.04, 11-251 (5) and 11-251 (17), to spend public monies to improve and enhance the economic welfare and health of the inhabitants of the County. Pima County received a grant subaward from funding provided to the state of Arizona by the U.S. Department of Substance Abuse and Mental Health Services Administration (SAMHSA) grant State Opioid Response (SOR). The State application is incorporated here by reference.
- 1.3. Background and Purpose. County complied with 2 C.F.R. § 200.331 *et seq.* risk assessment requirements in determining that Subrecipient will be receiving Federal program funds under this agreement.

2. TERM.

- 2.1. Initial Term. The term of this Agreement commences on 10/01/2023 and will terminate on 9/30/2024 ("Initial Term"). "Term," when used in this Agreement, means the Initial Term plus any exercised extension options under Section 2.2. If the commencement date of the Initial Term is before the signature date of the last party to execute this Agreement, the parties will, for all purposes, deem the Agreement to have been in effect as of the commencement date.
- 2.2. Extension Options. If allowable under the Federal award period of performance, County may renew this Agreement for 3 additional one-year period(s). An Extension Option will be effective only upon execution by the Parties of a formal written amendment.
- 2.3. Notwithstanding paragraphs 2.1 and 2.2 above, the applicable terms and conditions of this Agreement will survive and remain in effect during any period that Subrecipient has control over program income.

3. USE OF FUNDS.

Subrecipient understands and agrees that the funds disbursed under this Agreement may only be used in compliance with the Substance Abuse and Mental Health Services Administration (SAMHSA) and the Uniform Guidance at 2 C.F.R. Part 200. Subrecipient is responsible for being informed of all updates to applicable regulations and Federal funding agency's compliance and reporting guidance.

4. SCOPE OF SERVICES.

Subrecipient will implement the services described in the attached **Exhibit A - Scope of Services** (2 pages), at the dates and times described in **Exhibit A** or, if **Exhibit A** contains no dates or time frames, then upon demand. Subrecipient will perform its duties in a humane and respectful manner and in accordance with any applicable professional standards and will obtain and maintain all required licenses, permits and authority required for performance under this Agreement.

5. **KEY PERSONNEL.** Subrecipient will employ suitably trained and skilled professional personnel to perform all activities under this Agreement. Unless otherwise provided for herein, the personnel delivering services pursuant to this Agreement will: (1) be employees or volunteers of Subrecipient; (2) satisfy any qualifications in this Agreement; and (3) be covered by the personnel policies and practices of Subrecipient. The key personnel for this Subrecipient Agreement is Christopher Chavez.
6. **LICENSING.** Subrecipient warrants that it is appropriately licensed to provide the services under this Agreement and that its subcontractors will be appropriately licensed.
7. **NO COMMISSION.** Subrecipient certifies that no individual or agent has been employed or retained to solicit or secure this Agreement for commission, percentage, brokerage or contingent fee except a bona fide employee or bona fide established agents maintained by the Subrecipient for the purpose of securing business.
8. **COMPENSATION AND PAYMENT.**
 - 8.1. Maximum Payment Amount. County's total payments to Subrecipient under this Agreement, including any sales taxes, may not exceed \$275,000.00 (the "NTE Amount"). The NTE Amount can only be changed by a formal written amendment executed by the Parties. Subrecipient is not required to provide any services, payment for which will cause the County's total payments under this Agreement to exceed the NTE Amount; if Subrecipient does so, it is at the Subrecipient's own risk.
 - 8.1.1. Payment of the full Maximum Allocated Amount is subject to the Award Acronym funds being made available to County for this Agreement. The Maximum Allocated Amount may be decreased at any time due to reduction, termination, or any other changes in funding. Unless specifically authorized by County, unexpended funds will not be carried over into another fiscal year.
 - 8.2. Budget; Adjustment. Pima County will reimburse Subrecipient according to the budget in **Exhibit B – Compensation and List of Unallowable Costs** (2 pages). This budget will remain in effect throughout the term unless otherwise adjusted and formally agreed to.
 - 8.3. Cost Restrictions. Subrecipient may use funds only for reasonable program purposes, including personnel, travel, supplies, and services. Cost restrictions that must be considered are listed in **Exhibit B**. Subrecipient must utilize funds available under this Agreement to supplement rather than supplant funds otherwise available. Subrecipient may not bill County for costs which are paid by another source. Subrecipient must notify County within ten days of receipt of alternative funding for costs which would otherwise be subject to payment pursuant to this Agreement.
 - 8.4. Timing of Invoices. Subrecipient will invoice County monthly unless a different billing period is included in **Exhibit B**. County must receive invoices no later than 30 days after the end of the previous month, even if no funds are being requested for the previous month. Due to County fiscal year-end close, County must receive invoices for June expenses within 15 calendar days after June 30 of any year that falls within the Term. Request for final payment for compensation earned and/or eligible costs incurred must be submitted to the County within 30 calendar days after the end of the Agreement term. County may refuse to pay for any period for which Subrecipient does

not timely invoice the County. Pursuant to A.R.S. § 11-622, County will deny reimbursement for requests for payment submitted later than six months after the last item of the account accrues.

- 8.5. Content of Invoices. Subrecipient will include detailed documentation in support of its invoices and assign each amount billed to an appropriate line item. Each request for reimbursement must have a unique invoice number, reference this Agreement number, be approved and signed by the person(s) that prepared the request and an authorized manager, supervisor, or executive of the Subrecipient to ensure proper internal financial controls, and be for costs identified as allowable in **Exhibit B** of this Agreement. Each reimbursement request must be accompanied by documentation which must include, but is not limited to:

- 8.5.1. A Financial Status Report and Request for Funds summarizing monthly expenditures by expense categories as shown in the approved budget in **Exhibit B** of this Agreement. County will provide Subrecipient with a form similar to that attached hereto as **Exhibit C – Pima County Invoice Request** (1 page) upon execution of this Agreement. The Financial Status Report and Request for Funds must be signed by the person who prepared the report and by an authorized representative of Subrecipient.
- 8.5.2. Copies of paid invoices and receipts or cancelled checks (front and back) to support all purchases of goods or services.
- 8.5.3. Timesheets or other records, signed by the employee and the employee's immediate supervisor with direct knowledge of the employee's efforts under this Agreement, that account for one hundred percent (100%) of the employee's time worked in the pay period and specify hours worked on the program; total hours worked per pay period; days worked; and hours worked each day.
- 8.5.4. Accounting system report(s) specifying rate of pay and cost of employer-paid benefits.
- 8.5.5. Detailed travel reports to support all travel expenses if reimbursement is authorized for travel.
- 8.5.6. Any other documentation requested by County.

- 8.6. Payment to Subrecipient. If each request for payment includes adequate and accurate documentation, County will generally pay Subrecipient within 30 days from the date invoice is received. Subrecipient should budget cash needs accordingly. County may, at its sole discretion:

- 8.6.1. Determine the acceptability and progress of work performed and determine the resulting entitlement to payment of each request for reimbursement.
- 8.6.2. Liquidate funds available under this Agreement for costs incurred by County on behalf of Subrecipient.
- 8.6.3. Deny full payment for requests for reimbursement that are submitted to County after the period set forth in Paragraph 8.4. County may deduct its processing

costs or delay-related damages in connection with a request for payment submitted after that date.

- 8.7. Match Requirement. If Subrecipient is required to provide matching funds under the terms of the awarding agency, Subrecipient must also provide the documentation described in paragraphs 8.3 through 8.5 and 8.12 for the matching funds.
- 8.8. Payment Conditions. No payments will be made to Subrecipient, until all of the following conditions are met:
- 8.8.1. Subrecipient has completed and submitted a W-9 Taxpayer Identification Number form to County;
 - 8.8.2. Subrecipient has a valid Unique Entity Identifier (UEI);
 - 8.8.3. Subrecipient has registered as a Pima County Vendor at the Pima County Procurement Vendor Portal:
<http://webcms.pima.gov/cms/One.aspx?portalId=169&pageId=18377>
 - 8.8.4. Subrecipient has provided adequate and accurate documentation with each request for payment or invoice; and
 - 8.8.5. This Agreement is fully executed.
- 8.9. Changes to Agreement. Changes requiring an Amendment to this agreement include any changes to the Scope of Work, or any changes to the maximum allocated amount. Any change that requires an Amendment to the agreement will not be effective, nor will compensation under the change be provided, until the Agreement amendment is fully executed by both parties.
- 8.9.1. The Director of Pima County Grants Management & Innovation Department ("GMI") (or the Director's designee) has the sole discretion to approve requests to reallocate funding between budget line items within the approved budget. Subrecipient must submit a written request to the individual listed in Section 23, "Notice," at County for the above changes. The request must be received on or before 07/01/2024. The written request must contain a detailed explanation of the reason the change is necessary for achieving the specified purpose, program(s), metrics, or outcomes set forth in this Agreement.
 - 8.9.2. Change requests must be submitted and approved prior to incurring costs associated with the proposed changes. If the Director of GMI does not approve the request, charges made in anticipation of approval will not be allowable nor compensated. If the Director of GMI (or designee) approves the request for the budget line-item change, the change will be considered effective on the date set forth in the written approval. Costs incurred prior to the effective date, reflective of the proposed changes, will not be allowable or reimbursable.
 - 8.9.3. Any items in budget "**Exhibit B**" requiring prior funding agency approval must be designated and labeled as such and will only be allowable once written approval from the federal funding agency is received. The GMI Director or

designee has the sole discretion to approve these costs once approval from the funding agency is received. If the funding agency does not approve expenditures, a budget modification reallocating these costs to another allowable expenditure category must be submitted and approved by the GMI Director or designee. The Director or designee has the sole discretion to approve reallocation of these costs to another, allowable, expenditure category.

- 8.9.4. Expenditures incurred in excess of the budgeted line item or the maximum allocated amount without prior authorization will be at Subrecipient's own risk.
- 8.10. Invoice Adjustments. County may, at any time, question any payment under this Agreement. If County raises a question about the propriety of a past payment, Subrecipient will cooperate with County in reviewing the payment. County may set-off any overpayment against amounts due to Subrecipient under this or any other Agreement between County and Subrecipient. Subrecipient will promptly pay to County any overpayment that County cannot recover by set-off.
- 8.11. Program Income. County does not anticipate that program income, as defined by 2 C.F.R. § 200.80, will be generated under the activities of this Agreement. In the event that activities under this Agreement do generate program income, Subrecipient will report program income in its Financial Status Report and Request for Funds for the period in which the income was received and return program income to County within 30 days of the end of the month in which the income was received.
- 8.12. Closeout Requirements. The final invoice/request for payment must include a report summarizing Subrecipient's performance during the term of the Agreement.

9. **AUDIT REQUIREMENTS.**

- 9.1. Subrecipient will:
 - 9.1.1. Comply with the applicable provisions of the Audit Requirements for Federal Awards in 2 C.F.R. Part 200, Subpart F and 2 C.F.R. Part 2400.
 - 9.1.2. Establish and maintain a separate, identifiable accounting of all funds provided by County under this Agreement. The accounting must record all expenditures that are used to support invoices and requests for payment from County.
 - 9.1.3. Maintain an accounting manual that describes its financial procedures in sufficient detail to ensure that its financial practices are easily understood.
 - 9.1.4. Establish and maintain accounting records that identify the source and application of any funds not provided under this Agreement used to support these Agreement activities.
 - 9.1.5. Ensure that all accounting records meet the requirements of the Federal, State, County, and generally accepted accounting principles laws and regulations.

- 9.1.6. Upon written notice from County, provide a program-specific or financial audit. Such notice from County will specify the period to be covered by the audit, the type of audit and the deadline for completion and submission of the audit.
- 9.1.7. Ensure that any audit conducted pursuant to this Agreement is performed by a qualified, independent accounting firm and submitted to County within six (6) months of completion of the audit required pursuant to this Section, unless a different time is specified by County. The audit submitted must include Subrecipient responses, if any, concerning any audit findings.
- 9.1.8. Pay all costs for any audit required or requested pursuant to this Section.
- 9.2. Subrecipient status:
 - 9.2.1. If Subrecipient is a "nonprofit corporation" that meets the definition of "corporation" in A.R.S. § 10-3140, Subrecipient will comply with the applicable audit requirements set forth in A.R.S. § 11-624, "Audit of Non-Profit Corporations Receiving County Monies."
 - 9.2.2. If Subrecipient meets or exceeds the single audit threshold in 2 C.F.R. Part 200, Subrecipient will comply with federal single audit requirements and provide County with a copy of the required audit document within twelve months following the end of Subrecipient's fiscal year.
- 9.3. Subrecipient must timely submit the required or requested audit(s) to:

Pima County Grants Management & Innovation
130 West Congress St,
Mailstop: DT-ADE-127
Tucson, Arizona 85701

10. MONITORING AND EVALUATION.

- 10.1. County will monitor Subrecipient's activities and information sources in the management, fiscal, and services systems of Subrecipient and any subcontracted parties relating to performance of duties and obligations under this Agreement to ensure that Subrecipient is:
 - 10.1.1. Using the funding as allowed by Substance Abuse and Mental Health Services Administration (SAMHSA).
 - 10.1.2. Making adequate and acceptable progress in the provision of services;
 - 10.1.3. Maintaining adequate and acceptable systems to document services and expenditures; and
 - 10.1.4. Using the funds provided pursuant to this Agreement effectively and efficiently to accomplish the purposes for which funds were made available.
- 10.2. Subrecipient must cooperate with the County's monitoring and evaluation process and any monitoring or oversight by the Substance Abuse and Mental Health Services

Administration (SAMHSA). To the greatest extent permissible by law, and in addition to the provisions above in Audit Requirement and below in Books, Records, and Data, County, and any authorized federal, state, or local agency, will at all reasonable times have the right of access to Subrecipient's facilities. Within 60 days of award, Subrecipient must provide the core documents set forth in **Exhibit D – Subrecipient Core Documents** (1 page), as applicable, to Pima County GMI. Subrecipient must assist County in providing reports and documentation related to Subrecipient's performance and, where applicable, the impact of the activities funded under this Agreement on the community.

- 10.3. If County finds that Subrecipient's performance is inconsistent with the terms of this Agreement, with Uniform Guidance at 2 C.F.R. Part 200, or with Substance Abuse and Mental Health Services Administration (SAMHSA) grant guidance, Subrecipient will be in default of this Agreement. If Subrecipient fails to take appropriate actions to correct the default within fifteen (15) calendar days from date of notice, this Agreement may be suspended, modified to reduce the NTE amount, or terminated.
11. **REMEDIES.** Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Agreement.
12. **BOOKS, RECORDS, AND DATA.**
 - 12.1. Subrecipient will keep and maintain proper and complete books, records, and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County. In addition, Subrecipient will retain all records relating to this Agreement for at least five (5) years after its expiration or termination or, if later, until any related pending proceeding or litigation has concluded.
 - 12.2. To the greatest extent permissible by law, County, and any authorized federal, state, or local agency, including, but not limited to, the Arizona Auditor General's Office and Substance Abuse and Mental Health Services Administration (SAMHSA), will at all reasonable times have the right of access to Subrecipient's facility, books, documents, papers, or other records which are pertinent to this Agreement, in order to make audits, examinations, excerpts and transcripts for the purpose of evaluating Subrecipient's compliance with this Agreement.
 - 12.3. All data and data work product containing personally identifiable information collected by Subrecipient under this Agreement is confidential. Any personally identifiable information must be collected and used only for the purpose of providing the services and reports described in **Exhibit A**. Subrecipient will hold all Data and Data Work Product in a secure manner and will protect it from disclosure, except as specifically provided in this Agreement. Subrecipient destroy all data and data work product related to this Agreement after the retention period specified in 12.1, unless instructed otherwise by County.
13. **INSURANCE.** Subrecipient will procure and maintain at its own expense insurance policies (the "**Required Insurance**") satisfying the below requirements (the "**Insurance Requirements**") until all its obligations under this Agreement have been met. The below Insurance Requirements are minimum requirements for this Agreement and in no way limit

Subrecipient's indemnity obligations under this Agreement. The County in no way warrants that the required insurance is sufficient to protect the Subrecipient for liabilities that may arise from or relate to this Agreement. If necessary, Subrecipient may obtain commercial umbrella or excess insurance to satisfy the Insurance Requirements.

13.1. Insurance Coverages and Limits: Subrecipient will procure and maintain, until all its obligations have been discharged, coverage with limits of liability not less than those stated below. Coverage must be placed with insurers acceptable to the County with A.M. Best rating of not less than A-VII, unless otherwise approved by the County.

13.1.1. Commercial General Liability (CGL) – Occurrence Form with limits not less than \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy shall include coverage for liability arising from premises, operations, independent contractors, personal injury, bodily injury, broad form contractual liability and products-completed operations. Any standard coverages excluded from the CGL policy, such as products/completed operations, etc. shall be covered by endorsement or separate policy and documented on the Certificates of Insurance.

13.1.2. Business Automobile Liability – Coverage for bodily injury and property damage on any owned, leased, hired, and/or non-owned autos assigned to or used in the performance of this Agreement with minimum limits not less than \$1,000,000 Each Accident.

13.1.3. Workers' Compensation and Employers' Liability – Statutory coverage for Workers' Compensation. Workers' Compensation statutory coverage is compulsory for employers of one or more employees. Employers Liability coverage with limits of \$1,000,000 each accident and \$1,000,000 each employee – disease.

13.1.4. Professional Liability (E & O) Insurance – This insurance is required for work from professionals whose coverage is excluded from the above CGL policy. The policy limits shall be not less than \$2,000,000 Each Claim and \$2,000,000 Annual Aggregate. The insurance shall cover professional misconduct or negligent acts of anyone performing any services under this Agreement.

13.2. Additional Coverage Requirements:

13.2.1. Claims Made Coverage: If any part of the Required Insurance is written on a claims-made basis, any policy retroactive date must precede the effective date of this Agreement, and Subrecipient must maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination, or cancellation.

13.2.2. Additional Insured Endorsement: The General Liability and Business Automobile Liability Policies shall each be endorsed to include Pima County, its departments, districts, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Subrecipient.

13.2.3. Subrogation Endorsement: The General Liability, Business Automobile

Liability, and Workers' Compensation Policies shall each contain a waiver of subrogation endorsement in favor of Pima County, and its departments, districts, officials, agents, and employees for losses arising from work performed by or on behalf of the Subrecipient.

- 13.2.4. Primary Insurance Endorsement: The Required Insurance policies must stipulate that they are primary and that any insurance carried by County, or its agents, officials, or employees, is excess and not contributory insurance.
- 13.2.5. The Required Insurance policies may not obligate County to pay any portion of Subrecipient's deductible or Self Insurance Retention (SIR).
- 13.2.6. Subcontractors: Subrecipient must either (a) include all subcontractors as additional insureds under its Required Insurance policies, or (b) require each subcontractor to separately meet all Insurance Requirements and verify that each subcontractor has done so. Subrecipient must furnish, if requested by County, appropriate insurance certificates for each subcontractor. Subrecipient must obtain County's approval of any subcontractor request to modify the Insurance Requirements as to that subcontractor.
- 13.3. Notice of Cancellation: Subrecipient must notify County, within two business days of Subrecipient's receipt of notice from an insurer, if any required insurance policy is suspended, voided, or cancelled for any reason. Notice must include the Pima County project or Agreement number and project description.
- 13.4. Verification of Coverage:
 - 13.4.1. Subrecipient must furnish County with a certificate of insurance (valid ACORD form or equivalent approved by Pima County) for each Required Insurance policy, which must specify that the policy has all the required endorsements, and must include the Pima County project or Agreement number and project description. Each certificate must be signed by an authorized representative of the insurer.
 - 13.4.2. County may at any time require Subrecipient to provide a complete copy of any Required Insurance policy or endorsement. Note: Subrecipients for larger projects must provide actual copies of the additional insured and subrogation endorsements.
 - 13.4.3. Subrecipient must provide the certificates to County before work commences. Each Required Insurance policy must be in effect at least 10 days before work under this Agreement commences. Subrecipient must provide County a renewal certificate not less than 15 days prior to a Required Insurance policy's expiration date. Failure to maintain the Required Insurance policies, or to provide evidence of renewal, is a material breach of this Agreement.
 - 13.4.4. All insurance certificates must be sent directly to the appropriate County Department.
- 13.5. Approval and Modifications: The Pima County Risk Manager may modify the Insurance Requirements at any point during the Term of this Agreement. This can be

done administratively, with written notice from the Risk Manager and does not require a formal Agreement amendment. Neither the County's failure to obtain a required insurance certificate or endorsement, the County's failure to object to a non-complying insurance certificate or endorsement, nor the County's receipt of any other information from the Subrecipient, its insurance broker(s) and/or insurer(s), constitutes a waiver of any of the Insurance Requirements.

14. **INDEMNIFICATION.** To the fullest extent permitted by law, Subrecipient will defend, indemnify, and hold harmless Pima County and any related taxing district, and the officials and employees of each of them (collectively, "Indemnitee") from and against any and all claims, actions, liabilities, losses, and expenses (including reasonable attorney fees) (collectively, "Claims") arising out of actual or alleged injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by any act or omission of Subrecipient or any of Subrecipient's directors, officers, agents, employees, volunteers, or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Subrecipient to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. The Indemnitee will, in all instances, except for Claims arising solely from the acts or omissions of the Indemnitee, be indemnified by Subrecipient from and against any and all Claims. Subrecipient is responsible for primary loss investigation, defense, and judgment costs for any Claim to which this indemnity applies. This indemnity will survive the expiration or termination of this Agreement.

15. **LAWS AND REGULATIONS.**

- 15.1. Compliance with Laws. The parties will comply with all applicable federal, state, and local laws, rules, regulations, standards and Executive Orders.
- 15.2. Choice of Law; Venue. The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Agreement. Any action relating to this Agreement must be filed and maintained in the appropriate court of the State of Arizona in Pima County.
- 15.3. Compliance with Special Grant Terms and Conditions. The Subrecipient will comply with the Special Federal Award Grant Terms and Conditions set forth in **Exhibit E – Special Federal Award Grant Terms and Conditions** (3 pages) of this Agreement.
- 15.4. Compliance with Federal Grant Regulations. The Subrecipient acknowledges that federal financial assistance will be used to fund this Agreement. The Subrecipient will comply with all applicable federal law, regulations, executive orders, federal funding agency policies, guidance, procedures, and directives.
- 15.5. Federal Funding Accountability and Transparency Act (FFATA). Subrecipient acknowledges that County is obligated to report on this agreement in the FFATA Subaward Reporting System (FSRS), if the NTE amount is \$30,000 or above and if the County is the direct recipient of the federal funding agency. If Subrecipient received 80 percent or more of gross annual revenues from Federal grants and contracts in the Subrecipient's preceding fiscal year, and \$25,000,000 or more in annual gross revenues from Federal grants and contracts; Subrecipient will report to County the names and total compensation of each of the Subrecipient's five most highly compensated executives for the preceding completed fiscal year.

- 15.6. No Obligation by Federal Government. The federal government is not a party to this Agreement and is not subject to any obligations or liabilities to the non-federal entity, Subrecipient, or any other party pertaining to any other matter resulting from the Agreement.
- 15.7. Byrd Anti-Lobbying Amendment. Subrecipient certifies that it has not and will not use Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. §1352.
- 15.8. Debarment and Suspension. (Executive Orders 12549 and 12689)—Subrecipient certifies that they are not listed on the government wide exclusions in the System for Award Management (SAM).
- 15.8.1. This Agreement is a covered transaction for purposes of 2 C.F.R. Part 180 and 2 C.F.R. Part 3000. As such the Subrecipient is required to verify that none of its contractors, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- 15.8.2. The Subrecipient is required to provide their UEI number to Pima County.
- 15.8.3. The Subrecipient is required to notify Pima County within three business days if any Federal agency excludes Subrecipient, its contractor, principal or affiliates under Executive Order 12549 or Executive Order 12689.
- 15.8.4. The Subrecipient must comply with 2 C.F.R. Part 180, Subpart C and 2 C.F.R. Part 3000, Subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- 15.8.5. This certification is a material representation of fact relied upon by County. If it is later determined that the Subrecipient did not comply with 2 C.F.R. Part 180, Subpart C and 2 C.F.R. Part 3000, Subpart C, in addition to remedies available to Pima County, the Federal Government may pursue available remedies, including but not limited to suspension and/ or debarment.
- 15.9. Consistent with 45 CFR 75.113, applicants and recipients must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:
U.S. Department of Health and Human Services
Office of Inspector General
ATTN: Mandatory Grant Disclosures, Intake Coordinator
330 Independence Avenue, SW, Cohen Building Room 5527
Washington, DC 20201

Fax: (202) 205-0604 (Include "Mandatory Grant Disclosures" in subject line) or email: MandatoryGranteeDisclosures@oig.hhs.gov Failure to make required disclosures can result in any of the remedies described in 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321).

- 15.10. Whistleblower Protection. An employee of Subrecipient or personal services contractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.
- 15.11. Program Fraud and False or Fraudulent Statements or Related Acts. The Subrecipient acknowledges that 31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the Subrecipient's actions pertaining to this contract. Making false statements or claims in connection with this subaward is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.
- 15.12. Non-Discrimination.
- 15.12.1. Subrecipient will comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this Agreement, including flow-down of all provisions and requirements to any subcontractors. During the performance of this Agreement, Subrecipient will not discriminate against any employee, client, or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability, or national origin.
- 15.12.2. As a condition of receipt of Federal financial assistance, Subrecipient acknowledges and agrees that it must comply (and require any subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:
- 15.12.2.1. Title II of the Americans with Disabilities Act (Public Law 110-325, 42 U.S.C. §§ 12101-12213) and the federal regulations for Title II (28 C.F.R. Part 35).
- 15.12.2.2. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, or national origin (42 U.S.C. § 2000(d) *et seq.*).
- 15.12.2.3. Title VII of the Civil Rights Act of 1964, as amended, which prohibits employment discrimination on the basis of race, color, sex, or national origin (42 U.S.C. § 2000(e) *et seq.*).

- 15.12.2.4. As clarified by Executive Order 13166, Improving Access to

Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, Subrecipient must take reasonable steps to ensure that LEP persons have meaningful access to your programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. Subrecipient is encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding LEP obligations, go to <http://www.lep.gov>.

- 15.13. § 200.216 Prohibition on certain telecommunications and video surveillance services or equipment. Subrecipient is prohibited from obligating or expending loan or grant funds to:

15.13.1. Procure or obtain;

15.13.2. Extend or renew a contract to procure or obtain; or

15.13.3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, Section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

15.13.4. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

15.13.5. Telecommunications or video surveillance services provided by such entities or using such equipment.

15.13.6. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

16. **INDEPENDENT CONTRACTOR.** Subrecipient is an independent contractor. Subrecipient and its Subrecipient's officers, agents, or employees must not be considered an employee of Pima County for any purpose or be entitled to receive any employment-related benefits, or assert any protections, under the Pima County Administrative Procedures or Merit System. Subrecipient is responsible for paying all federal, state and local taxes on the compensation received by Subrecipient under this Agreement and will indemnify and hold County harmless

from any and all liability that County may incur because of Subrecipient's failure to pay such taxes.

17. **SUBCONTRACTORS.** Subrecipient is fully responsible for all acts and omissions of any subcontractor, and of persons directly or indirectly employed by any subcontractor, and of persons for whose acts any of them may be liable, to the same extent that the Subrecipient is responsible for the acts and omissions of its own employees. Nothing in this Agreement creates any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.
18. **ASSIGNMENT.** Subrecipient may not assign its rights or obligations under this Agreement, in whole or in part, without the County's prior written approval. County may withhold approval at its sole discretion.
19. **AUTHORITY TO CONTRACT.** Subrecipient warrants its right and power to enter into this Agreement. If any court or administrative agency determines that County does not have authority to enter into this Agreement, County will not be liable to Subrecipient or any third party by reason of such determination or by reason of this Agreement.
20. **FULL AND COMPLETE PERFORMANCE.** The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Agreement, or to take any action based on the other party's failure to completely and satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this Agreement, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.
21. **CANCELLATION FOR CONFLICT OF INTEREST.** This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.
22. **TERMINATION BY COUNTY.**
 - 22.1. Without Cause. Either Party may terminate this Agreement at any time without cause by notifying the other Party, in writing, at least 30 days before the effective date of the termination. In the event of such termination, County's only obligation to Subrecipient will be payment for services rendered prior to the date of termination.
 - 22.2. With Cause. Either Party may terminate this Agreement at any time without advance notice and without further obligation to the other Party when either Party finds the other Party to be in default of any provision of this Agreement.
 - 22.3. Non-Appropriation. Notwithstanding any other provision in this Agreement, either Party may terminate this Agreement if for any reason there are not sufficient appropriated and/or available monies for the purpose of maintaining County, Subrecipient, or other public entity obligations under this Agreement. In the event of such termination, County will have no further obligation to Subrecipient, other than to pay for services rendered prior to termination.
 - 22.4. Suspension: County reserves the right to suspend Subrecipient's performance and payments under this Agreement immediately upon notice delivered to Subrecipient's

designated agent in order to investigate Subrecipient's activities and compliance with this Agreement. In the event of an investigation by County, Subrecipient will cooperate fully and provide all requested information and documentation. At the conclusion of the investigation, or within 45 days, whichever is sooner, Subrecipient will be notified in writing that the Agreement will be immediately terminated or that performance may be resumed.

23. **NOTICE.** Any notice required or permitted to be given under this Agreement must be in writing and be served by personal delivery or by certified mail upon the other party as follows:

County:

Theresa Cullen, Director
Pima County Health Department
3950 S. Country Club Rd., Suite #100
Tucson, AZ 85714

Subrecipient:

Daniel Lee Haley, CEO
HOPE Inc.
1200 N. Country Club Rd.
Tucson, AZ 85716

24. **NON-EXCLUSIVE AGREEMENT.** Subrecipient understands that this Agreement is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

25. **REMEDIES.** Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Agreement.

26. **SEVERABILITY.** Each provision of this Agreement stands alone, and any provision of this Agreement found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement.

27. **PUBLIC RECORDS.**

27.1. Disclosure. Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all documents submitted in response to the solicitation resulting in award of this Agreement, including, but not limited to, pricing schedules, product specifications, work plans, and any supporting documents, are public records. As such, those documents are subject to release and/or review by the general public upon request, including competitors.

27.2. Records Marked Confidential; Notice and Protective Order. If Subrecipient reasonably believes that some of those records contain proprietary, trade-secret or otherwise-confidential information, Subrecipient must prominently mark those records "CONFIDENTIAL." In the event a public-records request is submitted to County for records marked CONFIDENTIAL, County will notify Subrecipient of the request as soon as reasonably possible. County will release the records 10 business days after the date of that notice, unless Subrecipient has, within that period, secured an appropriate order from a court of competent jurisdiction, enjoining the release of the records. County will not, under any circumstances, be responsible for securing such an order, nor will County be in any way financially responsible for any costs associated with securing such an order.

28. **LEGAL ARIZONA WORKERS ACT COMPLIANCE.**

- 28.1. Compliance with Immigration Laws. Subrecipient hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to its employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Subrecipient will further ensure that each subcontractor who performs any work for Subrecipient under this Agreement likewise complies with the State and Federal Immigration Laws.
- 28.2. Books & Records. County has the right at any time to inspect the books and records of Subrecipient and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.
- 28.3. Remedies for Breach of Warranty. Any breach of Subrecipient's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, is a material breach of this Agreement subjecting Subrecipient to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Subrecipient will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion. Any additional costs attributable directly or indirectly to such remedial action are the responsibility of Subrecipient.
- 28.4. Subcontractors. Subrecipient will advise each subcontractor of County's rights, and the subcontractor's obligations, under this Section 28 by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23- 214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor is a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

29. **ISRAEL BOYCOTT CERTIFICATION.** Pursuant to A.R.S. § 35-393.01, if Subrecipient engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of \$100,000.00 or more, Subrecipient certifies it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.
30. **FORCED LABOR OF ETHNIC UYGHURS.** Pursuant to A.R.S. § 35-394, if Subrecipient engages in for-profit activity and has 10 or more employees, Subrecipient certifies it is not currently using, and agrees for the duration of this Agreement to not use (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and (3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Subrecipient becomes

aware during the term of the Agreement that the Company is not in compliance with A.R.S. § 35-394, Subrecipient must notify the County within five business days and provide a written certification to County regarding compliance within one hundred eighty days.

31. **AMENDMENT.** The parties may modify, amend, alter or extend this Agreement only by a written amendment signed by the parties.
32. **CITED LAWS AND REGULATIONS.** Laws and regulations cited in this agreement may be modified after execution of the Agreement. Such modifications shall be assumed to be incorporated into the Agreement and may be used to update its provisions without requiring a formal amendment.
33. **ENTIRE AGREEMENT.** This document constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Agreement supersedes all prior or contemporaneous agreements and understandings, oral or written.

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This agreement may be executed in counterparts, each of which, when taken together, will constitute one original agreement.


PIMA COUNTY

SUBRECIPIENT

Chair, Board of Supervisors

Date

~~APPROVED~~ AS TO FORM



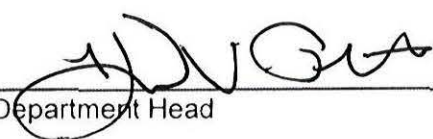
Deputy County Attorney

Jonathan Pinkney

Print DCA Name

2/9/24
Date

APPROVED AS TO CONTENT



Department Head

2-12-24
Date

Daniel Lee Haley

Authorized Officer Signature

Daniel Lee Haley CEO HOPE Inc.

Printed Name and Title

2/5/24

Date

ATTEST

Clerk of the Board

Date

Exhibit A (2 Pages)

Scope of Services

PROJECT PURPOSE

Helping Ourselves Pursue Enrichment, Inc. (HOPE, Inc., "Subrecipient") will work with the Pima County Health Department (PCHD) Community Mental Health & Addiction Program (CMHA) for the provision of drug overdose prevention services. Services will be delivered by trained Forensic Peer Support Staff (PSS) to support individuals who are at risk of experiencing an overdose and are simultaneously involved in the justice system. Specific project activities are funded by a grant awarded to the PCHD through the Substance Abuse and Mental Health Services Administration (SAMHSA) for State Opioid Response (SOR) through the Arizona Department of Health Services (ADHS). The primary objective for this project is to reduce overdose fatalities among high-risk populations in Pima County, with specific focus on individuals entering and incarcerated at the Pima County Adult Detention Complex (PCADC).

GOALS

1. Increase the proportion of individuals engaged, of those in the court system and diversion programs.
2. Reduce the occurrence of fatal and non-fatal drug overdoses.
3. Enhance linkages to substance use and support services for individuals at risk of an overdose.
4. Increase awareness of health risks, available resources, specialty providers, stigma reduction, and life saving measures for substance use.
5. Refer individuals to long-term substance use treatment programs, such as intensive outpatient programs, residential treatment, medical detoxification, and medication-assisted treatment.

PROJECT ACTIVITIES

Through project activities, HOPE, Inc. will provide peer support, linkage to care, and overdose prevention education for individuals who are at risk of an overdose.

Subrecipient will:

1. Collaborate and work with PCHD and local justice system partners to conduct overdose prevention and linkage to care activities related to the SOR-funded project.
2. Utilize trained Forensic Peer Support Staff to connect in-person with individuals who enter or are incarcerated at the PCADC or are discharging from a local inpatient or emergency facility/department.
 - 2.1. Encounters may occur at the PCADC, Superior Court, in the community, or other location, depending upon the needs of an individual.
 - 2.2. During the encounter, subrecipient staff will provide education on overdose prevention, harm reduction, and substance use treatment options.
 - 2.3. Harm reduction items will be provided to individuals, which can include: naloxone, fentanyl drug testing kits, and basic first aid supplies.
3. Receive guidance and referrals from key court personnel to help establish rapport and initiate support services. The goal is to support individuals awaiting their initial hearing and/or participants already accepted into a diversion program.
4. Participate in provider networks and coalitions to improve service coordination and collaboration.
5. Participate in quarterly check-in meetings with PCHD program staff to provide updates and address technical assistance needs.
6. Submit monthly activity and progress reports for payment using provided templates.

PERFORMANCE MEASURES, DELIVERABLES, AND TIMELINES

1. Subrecipient will be required to submit a written work plan for the period of performance.

2. Subrecipient will submit Monthly Activity Reports for payment using the provided templates. Monthly reports will include, at minimum, the following information:
 - a. Aggregate totals for number of individuals served.
 - b. Number of individuals referred to Medication-assisted Treatment (MAT).
 - c. Number of individuals successfully linked to Substance Use Disorder (SUD) services.
 - d. Summary of progress, barriers, and any technical assistance needs.
 - e. Staff training events, dates, attendance sheets, and meeting notes, if applicable.
3. Submit documentation of all service delivery encounters for the month (template provided by Pima County).
4. Submit a final report that shares lessons learned, success, and challenges experienced during the project.

REPORTS AND DEADLINES

1. Subrecipient will be required to attend meetings regularly, at minimum quarterly meetings, with the Health Department.
2. Monthly Reports: Due by the 10th of each month for the previous month (template provided by Pima County). Where a due date falls on a weekend the report is due the following Monday. Where a due date falls on a holiday, reports are due the following business day.
3. Monthly Invoices: Due by the 10th of each month for the previous month (template provided by Pima County), clearly specifying which deliverables in **Exhibit B** are being billed. Where a due date falls on a weekend the report is due the following Monday. Where a due date falls on a holiday, reports are during the following business day.

ADDITIONAL TERMS

1. PCHD is required to review Monthly Activity Report for approval of monthly invoice.
2. PCHD and Subrecipient will be required to review spending projection by month.

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Exhibit B (2 Pages)
Compensation and List of Unallowable Costs

BUDGET PERIOD (10/01/2023 – 9/30/2024 - 12 months)

1. COMPENSATION

- 1.1. County will reimburse Subrecipient's expenses in accordance with the budget set forth below. Invoices submitted with monthly reports must contain adequate supporting documentation to verify the amount and nature of expenditures. Invoices shall be submitted to the County no later than the 10th of the month following the end of the month being invoiced for. County will pay invoices no later than 30 days from receipt of invoice and monthly report. County reserves the right to audit Subrecipient's financial records as relates to the performance of duties under this Agreement.
- 1.2. Total amount for this Budget Period is \$275,000.00.
- 1.3. Subrecipient uses the Federal de minimis indirect cost rate of 10%.

Budget Line Items	Total Direct Cost
Salaries & Wages	\$160,635
Fringe Benefits	\$57,122
Supplies	\$15,423
Travel	\$5,000
Other	\$11,820
Total Direct Costs	\$250,000
Indirect Costs (MTDC x 10% de minimis rate)	\$ 25,000
TOTAL BUDGET (Total Direct Costs + Indirect Costs)	\$275,000

2. VARIANCE OR REPROGRAMMING

3. Reallocation(s) or budget variance(s) between budget categories must be approved by Pima County Grants Management & Innovation Director.

4. COSTS REQUIRING PRIOR APPROVAL BY THE PIMA COUNTY GMI DIRECTOR.

Unusual or large items, for example: capital equipment purchases, including software systems.

5. UNALLOWABLE COSTS:

- Alcoholic beverages
- Entertainment
- Fines, penalties, damages, and other settlements
- Pre-award costs
- Lobbying activities
- Any lease beyond the project period
- Purchase or construction of any building or structure to house any part of the program

(\$75,000 may be allowed for renovations and alterations of existing facilities, if necessary and appropriate to the project)

- Provide residential or outpatient treatment services when the facility has not yet been acquired, sited, approved, and met all requirements for human habitation and services provision. (Expansion or enhancement of existing residential services is permissible)
- Provide detoxification services unless it is a part of transition to MAT with extended-release naltrexone.
- Make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services.
- Non-evidence-based treatment approaches.
- Meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense in the Funding Opportunity Announcement (FOA). Grant funds may be used for light snacks, not to exceed \$3.00 per person.

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EXHIBIT C (1 page)

PIMA COUNTY INVOICE REQUEST SAMPLE

Invoice For The Month Of _____, 2023

PLEASE SEND INVOICE TO THE ATTENTION OF:	AGENCY INVOICE INFORMATION:	FEDERAL FUNDING INFORMATION _____
		INV DATE _____
		PROGRAM NAME _____
		INVOICE # _____ CFDA # _____

APPROVED BUDGET & BILLING DETAILS (07/01/22-06/30/23)

PAYMENT TERMS: Net 30 Days	APPROVED BUDGET	Mar-20 Billed Amt	Apr-20 Billed Amt	May-20 Billed Amt	Jun-20 Billed Amt	Jul-20 Billed Amt	Aug-20 Billed Amt	Sep-20 Billed Amt	Oct-20 Billed Amt	Nov-20 Billed Amt	YEAR TO DATE TOTALS	BALANCE REMAINING
Salary	-										-	-
Fringe Benefits	-										-	-
Travel	-										-	-
Supplies	-										-	-
Contractual Services	-										-	-
Other	-										-	-
Indirect	-										-	-
TOTAL CONTRACT BILLING	-	-	-	-	-	-	-	-	-	-	-	-

By signing this report: I certify that to the best of my knowledge: (1) the information reported represents actual receipts and actual expenditures which have been incurred in accordance with the agreement for management and implementation of the contracted program and are based on official accounting records and supporting documents which will be maintained by us for purposes of audit; and (2) the report is true, complete and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statement, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

REQUIRED SUBRECIPIENT SIGNATURES:

Agency Preparer Signature - please print & sign	Date	Contact Phone Num/Ext	Agency Authorized Approver Signature - please print &	Contact Phone Num/Ext
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~~~~~FOR PIMA COUNTY USE ONLY~~~~~

Date bill rcv'd/Initials

Date rtnd for corrections/Initials

Date row & submitted for payment/Initials

**EXHIBIT D (1 Page)**  
**Subrecipient Core Documents**

All Subrecipients are required to submit the following core documents to County within 60 days of approval of this Agreement. Core documents may be submitted via email to [GMIagreements@pima.gov](mailto:GMIagreements@pima.gov) or via Surface Mail to Grants Management & Innovation, Grants Admin Compliance Division, 130 W. Congress, DT-ADE-127, Tucson, Arizona 85701.

1. Audited Financial Statement(s)(most current)
2. Single Audit in accordance with the audit requirements at 2 C.F.R. § 200.501(a):  

Non-Federal entities that expend \$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 this part.
3. Organizational Charts
4. Chart of Accounts with Cost Centers
5. Internal Control Procedure(s) such as:
  - Procurement/Purchasing Policy(ies)
  - Procedure for budgeting grants
  - Personnel Policies
  - Drug-free Workplace Policy
  - Code of Conduct
  - Conflict of Interest
  - Whistleblower Protection
  - Employee Travel
6. The following administrative and/or financial management procedures for administering federal grants such as:
  - Cost Allocation Plan
  - Cash Management Procedure(s)
  - Methodology for reporting accrued expenditures for Pima County contracts
  - Financial Management Systems
  - Determination of Allowable costs
  - Financial Reporting
  - Records Retention
7. Certificate of Insurance or Fidelity Bond for construction projects (if applicable)
8. Indirect Cost Rate (most current issued by a Federal agency). Per 2 CFR 200.332(a)(4), Pima County will accept the following types of indirect cost rates:
  - An approved federally recognized indirect cost rate negotiated between the entity and the Federal Government; or
  - If no such rate exists, a de minimis indirect cost rate as defined in 2 C.F.R. § 200.414(f).

If additional documents are required, Subrecipient will be notified by the County.

**Exhibit E (3 Pages)**  
**Special Federal Award Grant Terms and Conditions**

**HEALTHCARE REGULATIONS**

1. **HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT.** The parties acknowledge that the County is a hybrid covered entity as described in 45 C.F.R. § 160.103 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and is required to comply with the provisions of HIPAA with respect to safeguarding the privacy, confidentiality, and security of protected health information. Subrecipient acknowledges that it may obtain confidential personal health information in the course of Subrecipient's performance under the terms of this Agreement. "Confidential personal health information" includes information that could be used to identify a participant, information pertaining to the participant's care, treatment, or experience in County's program, and information pertaining to the cost of, payment for, or collections activities related to participant's care, treatment, and experience in County's program. Subrecipient agrees to maintain the privacy, confidentiality, and security of information it may obtain in the course of its performance under this Agreement. Subrecipient agrees that it is County's Business Associate and agrees to be bound by the Business Associate Agreement in **Exhibit E-1 – Business Associates Agreement** (7 pages) which is incorporated into this agreement, and further specifically agrees that:
  - 1.1. Any confidential personal health information that Subrecipient may obtain shall remain the sole property of the County; and
  - 1.2. Subrecipient shall establish and maintain procedures and controls that are acceptable to County to assure that no confidential personal health information contained in its records or obtained from County or from others in carrying out its functions under this Agreement shall be used by or disclosed by Subrecipient, its agents, officers, employees or sub-contractors, except as required in the performance of its obligations under the terms of this Agreement; and
  - 1.3. Subrecipient shall not remove any confidential personal health information from County premises, if applicable; and
  - 1.4. Any other information pertaining to individual persons shall not be divulged other than to employees or officers of Subrecipient as needed for the performance of its duties under this Agreement, or to County.
2. **CONFIDENTIALITY OF ALCOHOL AND DRUG ABUSE PATIENT RECORDS.** All project patients' records are confidential and may be disclosed and used only in accordance with 42 C.F.R. Part 2. The Subrecipient is responsible for assuring compliance with these regulations and principles including responsibility for assuring the security and confidentiality of all electronically transmitted patient material.

**STATUTORY AND NATIONAL POLICY REQUIREMENTS**

1. **TRAFFICKING VICTIMS PROTECTION ACT.** This award is subject to termination, without penalty, if the subrecipient:



- 1.1. Engages in severe forms of trafficking in persons during the period of time that the award is in effect;
  - 1.2. Procures a commercial sex act during the period of time that the award is in effect; or
  - 1.3. Uses forced labor in the performance of the award or subawards under the award.
2. **Energy Policy and Conservation Act.** Subrecipient is obligated to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub\_ L. 94-163, 89 Stat 871) as amended.
3. **Fingerprinting.** If the project will be working with people under 18 years of age, or vulnerable adults: the subrecipient will ensure that each person, whether paid or not, shall have as a condition of employment a valid fingerprint clearance card issued pursuant to Arizona Revised Statutes section 41-1758.07 or shall apply for a fingerprint clearance card within seven working days after being employed, if the person is responsible for the provision of services directly to juveniles or vulnerable adults.
4. **Stevens Amendment.** When issuing statements, press releases, publications, requests for proposal, bid solicitations and other documents --such as tool-kits, resource guides, websites, and presentations (hereafter "statements") -- describing the projects or programs funded in whole or in part with HHS federal funds, the recipient must clearly state:
  - a. the percentage and dollar amount of the total costs of the program or project funded with federal money; and,
  - b. the percentage and dollar amount of the total costs of the project or program funded by non-governmental sources.

When issuing statements resulting from activities supported by HHS financial assistance, the recipient entity must include an acknowledgement of federal assistance using one of the following or a similar statement.

If the HHS Grant or Cooperative Agreement is NOT funded with other non-governmental sources:

"This [project/publication/program/website, etc.] [is/was] supported by the Administration for Children and Families (ACF) of the United States (U.S.) Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with 100 percent funded by ACF/HHS. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACF/HHS, or the U.S. Government. For more information, please visit the ACF website, Administrative and National Policy Requirements."

The HHS Grant or Cooperative Agreement IS partially funded with other nongovernmental sources:

"This [project/publication/program/website, etc.] [is/was] supported by the Administration for Children and Families (ACF) of the United States (U.S.) Department of Health and Human Services (HHS) as part of a financial assistance award totaling \$XX with XX percentage funded by ACF/HHS and \$XX amount and XX percentage funded by non-government source(s). The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by ACF/HHS, or the U.S. Government. For more information, please visit the ACF website, Administrative and National Policy Requirements."

The federal award total must reflect total costs (direct and indirect) for all authorized funds (including supplements and carryover) for the total competitive segment up to the time of the public statement. Any amendments by the recipient to the acknowledgement statement must be coordinated with the HHS Awarding Agency. If the recipient plans to issue a press release concerning the outcome of activities supported by HHS financial assistance, it should notify the HHS Awarding Agency in advance to allow for coordination. For examples of applicability for the Stevens Amendment, please review Examples of Stevens Amendment Documents or Other Publications. (PDF)

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**EXHIBIT E-1 (7 pages)**  
**Business Associate Agreement**

WHEREAS, Pima County, on behalf of the Pima County Health Department ("Covered Entity"), and HOPE, Inc. ("Business Associate") (each, a "Party," and collectively, the "Parties") wish to enter into a Business Associate Agreement to ensure compliance with the Privacy, Security, Breach Notification, and Enforcement Rules of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA Privacy and Security Rules") (45 C.F.R. Parts 160 and 164); and

WHEREAS, the Health Information Technology for Economic and Clinical Health ("HITECH") Act of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5, modified the HIPAA Privacy and Security Rules (hereinafter, all references to the "HIPAA Privacy and Security Rules" include all amendments thereto set forth in the HITECH Act and any accompanying regulations); and

WHEREAS, the Parties have entered into a written or oral arrangement or arrangements (the "Underlying Agreement") whereby Business Associate will provide certain services to Covered Entity that require Business Associate to create, receive, maintain, or transmit Protected Health Information ("PHI") on Covered Entity's behalf, and accordingly Business Associate may be considered a "business associate" of Covered Entity as defined in the HIPAA Privacy and Security Rules; and

WHEREAS, Business Associate and Covered Entity wish to comply with the HIPAA Privacy and Security Rules, and Business Associate wishes to honor its obligations as a business associate to Covered Entity.

THEREFORE, in consideration of the Parties' continuing obligations under the Underlying Agreement, the Parties agree to the provisions of this Business Associate Agreement ("Agreement").

Except as otherwise defined herein, any and all capitalized terms in this Agreement shall have the definitions set forth in the HIPAA Privacy and Security Rules. In the event of an inconsistency between the provisions of this Agreement and mandatory provisions of the HIPAA Privacy and Security Rules, as amended, the HIPAA Privacy and Security Rules in effect at the time the inconsistency is discovered shall control. Where provisions of this Agreement are different than those mandated by the HIPAA Privacy and Security Rules but are nonetheless permitted by the HIPAA Privacy and Security Rules, the provisions of this Agreement shall control.

**1. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE.**

- 1.1. Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Underlying Agreement, provided that such use or disclosure would not violate the HIPAA Privacy and Security Rules if done by Covered Entity.
- 1.2. Business Associate may use PHI in its possession for its proper management and administration and to fulfill any present or future legal responsibilities of Business Associate, provided that such uses are permitted under state and federal confidentiality laws.

- 1.3. Business Associate may disclose PHI in its possession to third parties for the purposes of its proper management and administration or to fulfill any present or future legal responsibilities of Business Associate, provided that:
  - 1.3.1. the disclosures are required by law; or
  - 1.3.2. Business Associate obtains reasonable assurances from the third parties to whom the PHI is disclosed that the information will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party, and that such third parties will notify Business Associate of any instances of which they are aware in which the confidentiality of the information has been breached.
- 1.4. Until such time as the Secretary issues regulations pursuant to the HITECH Act specifying what constitutes "minimum necessary" for purposes of the HIPAA Privacy and Security Rules, Business Associate shall, to the extent practicable, access, use, and request only PHI that is contained in a limited data set (as defined in 45 C.F.R. § 164.514(e)(2)), unless Business Associate requires certain direct identifiers in order to accomplish the intended purpose of the access, use, or request, in which event Business Associate may access, use, or request only the minimum necessary amount of PHI to accomplish the intended purpose of the access, use, or request.

## **2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE.**

- 2.1. Business Associate agrees not to use or further disclose PHI other than as permitted or required by this Agreement or the Underlying Agreement or as required by state and federal law.
- 2.2. Business Associate agrees to use appropriate safeguards and to comply, where applicable, with 45 C.F.R. Part 164, Subpart C with respect to Electronic Protected Health Information, to prevent use or disclosure of PHI other than as provided for by this Agreement. Specifically, Business Associate will:
  - 2.2.1. implement the administrative, physical, and technical safeguards set forth in 45 C.F.R. §§ 164.308, 164.310, and 164.312 that reasonably and appropriately protect the confidentiality, integrity, and availability of any PHI that it creates, receives, maintains, or transmits on behalf of Covered Entity, and, in accordance with 45 C.F.R. § 164.316, implement and maintain reasonable and appropriate policies and procedures to enable it to comply with the requirements outlined in 45 C.F.R. §§ 164.308, 164.310, and 164.312; and
  - 2.2.2. report to Covered Entity any Security Incident, and any use or disclosure of PHI that is not provided for by this Agreement, of which Business Associate becomes aware without unreasonable delay and in no case later than thirty (30) calendar days after discovery.
- 2.3. Business Associate shall require each subcontractor that creates, receives, maintains, or transmits PHI on its behalf to enter into a business associate agreement or equivalent agreement containing the same restrictions on access,



use, and disclosure of PHI as those applicable to Business Associate under this Agreement. Furthermore, to the extent that Business Associate provides Electronic PHI to a subcontractor, Business Associate shall require such subcontractor to comply with all applicable provisions of 45 C.F.R. Part 164, Subpart C.

- 2.4. Business Associate agrees to comply with any requests for restrictions on certain disclosures of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. § 164.522 of which Business Associate has been notified by Covered Entity.
- 2.5. If Business Associate maintains a designated record set on behalf of Covered Entity, at the request of Covered Entity and in a reasonable time and manner, Business Associate agrees to make available PHI required for Covered Entity to respond to an individual's request for access to his or her PHI in accordance with 45 C.F.R. § 164.524. If Business Associate maintains PHI in an electronic designated record set, it agrees to make such PHI available electronically to Covered Entity or, upon Covered Entity's specific request, to the applicable individual or to a person or entity specifically designated by such individual, upon such individual's request.
- 2.6. If Business Associate maintains a designated record set on behalf of Covered Entity, at the request of Covered Entity and in a reasonable time and manner, Business Associate agrees to make available PHI required for amendment by Covered Entity in accordance with the requirements of 45 C.F.R. § 164.526.
- 2.7. Business Associate agrees to document any disclosures of Protected Health Information, and to make PHI available for purposes of accounting of disclosures, as required by 45 C.F.R. § 164.528.
- 2.8. If Business Associate is to carry out one or more of Covered Entity's obligations under 45 C.F.R. Part 164, Subpart E, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity in the performance of such obligation(s).
- 2.9. Business Associate agrees that it will make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity, available to the Secretary, in a time and manner designated by the Secretary, to enable the Secretary to determine Business Associate's or Covered Entity's compliance with the HIPAA Privacy and Security Rules. Business Associate also shall cooperate with the Secretary and, upon the Secretary's request, pursuant to 45 C.F.R. § 160.310, shall disclose PHI to the Secretary to enable the Secretary to investigate and review Business Associate's or Covered Entity's compliance with the HIPAA Privacy and Security Rules.
- 2.10. Unless expressly authorized in the Underlying Agreement, Business Associate shall not:
  - 2.10.1. use PHI for marketing or fundraising;
  - 2.10.2. use PHI to create a limited data set or to de-identify the information;

- 2.10.3. use PHI to provide data aggregation services relating to the health care operations of Covered Entity; or
- 2.10.4. use or disclose PHI in exchange for remuneration of any kind, whether directly or indirectly, financial or non-financial, other than such remuneration as Business Associate receives from Covered Entity in exchange for Business Associate's provision of the services specified in the Underlying Agreement.
- 2.10.5. Prior express written authorization from Covered Entity is required for Business Associate to access, store, share, maintain, transmit, use, or disclose PHI in any form via any medium with any entity or person, including the Business Associate's employees and subcontractors, beyond the boundaries and jurisdiction of the United States. Authorization may be granted in the sole discretion of Covered Entity and, if granted, will be subject to additional conditions with which Business Associate must agree. Prior express written authorization from Covered Entity is required for Business Associate to access, store, share, maintain, transmit, use, or disclose PHI in any form via any medium with any entity or person, including the Business Associate's employees and subcontractors, beyond the boundaries and jurisdiction of the United States. Authorization may be granted in the sole discretion of Covered Entity and, if granted, will be subject to additional conditions with which Business Associate must agree.

**3. BUSINESS ASSOCIATE'S MITIGATION AND BREACH NOTIFICATION OBLIGATIONS.**

- 3.1. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- 3.2. Following the discovery of a Breach of Unsecured PHI ("Breach"), Business Associate shall notify Covered Entity of such Breach without unreasonable delay and in no case later than thirty (30) calendar days after discovery of the Breach, and shall assist in Covered Entity's breach analysis process, including risk assessment, if requested. A Breach shall be treated as discovered by Business Associate as of the first day on which such Breach is known to Business Associate or, through the exercise of reasonable diligence, would have been known to Business Associate. The Breach notification shall be provided to Covered Entity in the manner specified in 45 C.F.R. § 164.410(c) and shall include the information set forth therein to the extent known. If, following the Breach notification, Business Associate learns additional details about the Breach, Business Associate shall notify Covered Entity promptly as such information becomes available. Covered Entity shall determine whether Business Associate or Covered Entity will be responsible for providing notification of any Breach to affected individuals, the media, the Secretary, and/or any other parties required to be notified under the HIPAA Privacy and Security Rules or other applicable law. If Covered Entity determines that Business Associate will be responsible for providing such notification, Business Associate may not carry out notification until Covered Entity approves the proposed notices in writing.

3.3. Notwithstanding the provisions of Section III.B., above, if a law enforcement official states to Business Associate that notification of a Breach would impede a criminal investigation or cause damage to national security, then:

3.3.1. if the statement is in writing and specifies the time for which a delay is required, Business Associate shall delay such notification for the time period specified by the official; or

3.3.2. if the statement is made orally, Business Associate shall document the statement, including the identity of the official making it, and delay such notification for no longer than thirty (30) days from the date of the oral statement unless the official submits a written statement during that time.

Following the period of time specified by the official, Business Associate shall promptly deliver a copy of the official's statement to Covered Entity.

3.4. Business Associate shall bear Covered Entity's costs of any Breach and resultant notifications, if applicable, to the extent the Breach arises from Business Associate's negligence, willful misconduct, violation of law, violation of the Underlying Agreement, or violation of this Agreement.

#### 4. **OBLIGATIONS OF COVERED ENTITY**

4.1. Upon request of Business Associate, Covered Entity shall provide Business Associate with the notice of privacy practices that Covered Entity produces in accordance with 45 C.F.R. § 164.520.

4.2. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an individual to use or disclose Protected Health Information, if such changes could reasonably be expected to affect Business Associate's permitted or required uses and disclosures.

4.3. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. § 164.522, and Covered Entity shall inform Business Associate of the termination of any such restriction, and the effect that such termination shall have, if any, upon Business Associate's use and disclosure of such Protected Health Information.

#### 5. **TERM AND TERMINATION.**

5.1. Term. The Term of this Agreement shall be effective as of the first effective date of any Underlying Agreement, and shall terminate upon later of the following events: (i) in accordance with Section V.C., when all of the PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity is returned to Covered Entity or destroyed (and a certificate of destruction is provided) or, if such return or destruction is infeasible, when protections are extended to such information; or (ii) upon the expiration or termination of the last of the Underlying Agreement.

5.2. Termination. Upon either Party's knowledge of a material breach by the other Party of its obligations under this Agreement, the non-breaching Party shall, within twenty

(20) days of that determination, notify the breaching Party, and the breaching Party shall have thirty (30) days from receipt of that notice to cure the breach or end the violation. If the breaching Party fails to take reasonable steps to effect such a cure within such time period, the non-breaching Party may terminate this Agreement and the Underlying Agreement without penalty.

Where either Party has knowledge of a material breach by the other Party and determines that cure is infeasible, prior notice of the breach is not required, and the non-breaching Party shall terminate the portion of the Underlying Agreement affected by the breach without penalty.

5.3. Effect of Termination.

5.3.1. Except as provided in paragraph 2 of this subsection C., upon termination of this Agreement, the Underlying Agreement or upon request of Covered Entity, whichever occurs first, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors of Business Associate. Neither Business Associate nor its subcontractors shall retain copies of the PHI except as required by law.

5.3.2. In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide within ten (10) days to Covered Entity notification of the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that return or destruction of PHI is infeasible, Business Associate, and its applicable subcontractors, shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate and its applicable subcontractors maintain such Protected Health Information.

6. **MISCELLANEOUS.**

6.1. No Rights in Third Parties. Except as expressly stated herein or in the HIPAA Privacy and Security Rules, the Parties to this Agreement do not intend to create any rights in any third parties.

6.2. Survival. The obligations of Business Associate under Section V.C. of this Agreement shall survive the expiration, termination, or cancellation of this Agreement, the Underlying Agreement, and/or the business relationship of the Parties, and shall continue to bind Business Associate, its agents, employees, contractors, successors, and assigns as set forth herein.

6.3. Amendment. The Parties agree that this Agreement will be amended automatically to conform to any changes in the HIPAA Privacy and Security Rules as are necessary for each of them to comply with the current requirements of the HIPAA Privacy and Security Rules and the Health Insurance Portability and Accountability Act, unless a particular statutory or regulatory provision requires that the terms of this Agreement be amended to reflect any such change. In those instances where

an amendment to this Agreement is required by law, the Parties shall negotiate in good faith to amend the terms of this Agreement within sixty (60) days of the effective date of the law or final rule requiring the amendment. If, following such period of good faith negotiations, the Parties cannot agree upon an amendment to implement the requirements of said law or final rule, then either Party may terminate this Agreement and the Underlying Agreement upon ten (10) days written notice to the other Party. Except as provided above, this Agreement may be amended or modified only in a writing signed by the Parties.

- 6.4. Assignment. Neither Party may assign its respective rights and obligations under this Agreement without the prior written consent of the other Party.
- 6.5. Independent Contractor. None of the provisions of this Agreement are intended to create, nor will they be deemed to create, any relationship between the Parties other than that of independent parties contracting with each other solely for the purposes of effecting the provisions of this Agreement and any other agreements between the Parties evidencing their business relationship. Nothing in this Agreement creates or is intended to create an agency relationship.
- 6.6. Governing Law. To the extent this Agreement is not governed exclusively by the HIPAA Privacy and Security Rules or other provisions of federal statutory or regulatory law, it will be governed by and construed in accordance with the laws of the state in which Covered Entity has its principal place of business.
- 6.7. No Waiver. No change, waiver, or discharge of any liability or obligation hereunder on any one or more occasions shall be deemed a waiver of performance of any continuing or other obligation, or shall prohibit enforcement of any obligation, on any other occasion.
- 6.8. Interpretation. Any ambiguity of this Agreement shall be resolved in favor of a meaning that permits Covered Entity and Business Associate to comply with the HIPAA Privacy and Security Rules.
- 6.9. Severability. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions of this Agreement will remain in full force and effect.
- 6.10. Notice. Any notification required in this Agreement shall be made in writing to the representative of the other Party who signed this Agreement or the person currently serving in that representative's position with the other Party.
- 6.11. Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written. In the event of any inconsistency between this Agreement and any other agreement between the Parties concerning the use and disclosure of PHI and the Parties' obligations with respect thereto, the terms of this Agreement shall control.
- 6.12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.