

AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND WEHOPE

This Agreement is entered into this _____ day of _____, 20____, by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and WeHOPE, hereinafter called "Contractor."

* * *

Whereas, pursuant to Section 31000 of the California Government Code, County may contract with independent contractors for the furnishing of such services to or for County or any Department thereof; and

Whereas, it is necessary and desirable that Contractor be retained for the purpose of operating their homeless shelter.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

- Exhibit A—Program/Project Description
- Exhibit B—Method and Rate of Payment
- Exhibit C— Performance Reporting and Monitoring
- Exhibit D — Clarity Human Services System
- Attachment I—§ 504 Compliance
- Attachment P – Personally Identifiable Information for County Contractors, Sub Contractors, Vendors and Agents

2. Services to be performed by Contractor

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for County in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, County shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. In no event shall County's total fiscal obligation under this Agreement exceed **ONE MILLION SEVEN HUNDRED AND THIRTY TWO THOUSAND AND SIXTY DOLLARS (\$1,732,060)**. In the event that the County makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the County at the time of contract termination or expiration. Contractor is not entitled to payment for work not performed as required by this agreement.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1 , 2017, through June 30 , 2020.

5. Termination

This Agreement may be terminated by Contractor or by the Human Services Agency Director or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

County may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or County funds by providing written notice to Contractor as soon as is reasonably possible after County learns of said unavailability of outside funding.

County may terminate this Agreement for cause. In order to terminate for cause, County must first give Contractor notice of the alleged breach. Contractor shall have five business days after receipt of such notice to respond and a total of ten calendar days after receipt of such notice to cure the alleged breach. If Contractor fails to cure the breach within this period, County may immediately terminate this Agreement without further action. The option available in this paragraph is separate from the ability to terminate without cause with appropriate notice described above. In the event that County provides notice of an alleged breach pursuant to this section, County may, in extreme circumstances, immediately suspend performance of services and payment under this Agreement pending the resolution of the process described in this paragraph. County has sole discretion to determine what constitutes an extreme circumstance for purposes of this paragraph, and County shall use reasonable judgment in making that determination.

6. Contract Materials

At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Contractor under this Agreement shall become the property of County and shall be promptly delivered to County. Upon termination, Contractor may make and retain a copy of such contract materials if permitted by law.

7. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of County and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of County employees.

8. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

- (A) injuries to or death of any person, including Contractor or its employees/officers/agents;
- (B) damage to any property of any kind whatsoever and to whomsoever belonging;
- (C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or
- (D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of County. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice.

10. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by County's Risk Management, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

- | | |
|--|-------------|
| (a) Comprehensive General Liability... | \$1,000,000 |
| (b) Motor Vehicle Liability Insurance... | \$1,000,000 |

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

11. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal

Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Further, Contractor certifies that it and all of its subcontractors will adhere to all applicable provisions of Chapter 4.106 of the San Mateo County Ordinance Code, which regulates the use of disposable food service ware. Accordingly, Contractor shall not use any non-recyclable plastic disposable food service ware when providing prepared food on property owned or leased by the County and instead shall use biodegradable, compostable, reusable, or recyclable plastic food service ware on property owned or leased by the County.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

12. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to County upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Compliance with County's Equal Benefits Ordinance

Contractor shall comply with all laws relating to the provision of benefits to its employees and their spouses or domestic partners, including, but not limited to, such laws prohibiting discrimination in the provision of such benefits on the basis that the spouse or domestic partner of the Contractor's employee is of the same or opposite sex as the employee.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor certifies that no finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other investigative entity. If any finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or other investigative entity, Contractor shall provide County with a written explanation of the outcome(s) or remedy for the discrimination prior to execution of this Agreement. Failure to comply with this Section shall constitute a material breach of this Agreement and subjects the Agreement to immediate termination at the sole option of the County.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the County Manager the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or the Section titled "Compliance with Laws". Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the County Manager, including but not limited to the following:

- i. termination of this Agreement;
- ii. disqualification of the Contractor from being considered for or being awarded a County contract for a period of up to 3 years;
- iii. liquidated damages of \$2,500 per violation; and/or
- iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the County Manager.

To effectuate the provisions of this Section, the County Manager shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and County.

h. Compliance with Living Wage Ordinance

As required by Chapter 2.88 of the San Mateo County Ordinance Code, Contractor certifies all contractor(s) and subcontractor(s) obligated under this contract shall fully comply with the provisions of the County of San Mateo Living Wage Ordinance, including, but not limited to, paying all Covered Employees the current Living Wage and providing notice to all Covered Employees and Subcontractors as required under the Ordinance.

13. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply if this Agreement's total value listed in the Section titled "Payments", is less than one-hundred

thousand dollars (\$100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

14. Retention of Records; Right to Monitor and Audit

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after County makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by County, a Federal grantor agency, and the State of California.

(b) Contractor shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by County.

(c) Contractor agrees upon reasonable notice to provide to County, to any Federal or State department having monitoring or review authority, to County's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

15. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

16. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

17. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of County, to:

| | |
|-------------|--|
| Name/Title: | Jessica Silverberg, Human Services Manager, Center on Homelessness |
| Address: | 1 Davis Dr. Belmont, CA 94002 |
| Telephone: | (650) 802-3378 |
| Email: | jsilverberg@smcgov.org |

In the case of Contractor, to:

Name/Title: Paul Bains
Address: 1858 Bay Road, East Palo Alto, CA 94303
Telephone: (650) 330-8000
Email: pbains7@projectwehope.com

18. Electronic Signature

Both County and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County's Electronic Signature Administrative Memo. Any party to this Agreement may revoke such agreement to permit electronic signatures at any time in relation to all future documents by providing notice pursuant to this Agreement.

19. Payment of Permits/Licenses

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

* * *

In witness of and in agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

For Contractor: WeHOPE


Contractor Signature

5/25/2017
Date

WeHOPE/Paul Bains
Contractor Name (please print)

COUNTY OF SAN MATEO

By: _____
President, Board of Supervisors, San Mateo County

Date: _____

ATTEST:

By: _____
Clerk of Said Board

Exhibit A
Program/Project Description
WeHOPE Shelter
Homeless Shelter Operations

A. Purpose

The purpose of this contract between the San Mateo County Human Services Agency (HSA) and WeHOPE (Contractor) is to provide homeless shelter services, including specific program components of: housing-focused case management and service linkage; a safe, decent environment for residents to stay until they find permanent housing; and inclement weather beds during the San Mateo County Inclement Weather Program activations.

Homeless shelters, both emergency shelter and transitional housing programs, are short-term interventions designed to act as a safety net for households who are unsheltered or who are in the midst of a housing crisis and have no alternative housing options. Homeless shelter services provide an entry point into stabilization services and move households towards permanent housing as quickly as possible. Individuals and families who enter a homeless shelter receive immediate short-term case management to address and resolve current crises, as well as case management focused on addressing barriers that prevent households from re-entering housing. Shelter stays are generally short term (1 month), but the stays vary by client.

B. Services to be Provided

Target Population

The target population for homeless shelter services are homeless persons who are unsheltered (living outdoors, in vehicles, or other places not meant for human habitation), as well as those who are experiencing a housing crisis and have no alternative housing options after having been assessed and referred from the Coordinated Entry System (CES).. This includes persons with disabilities, little to no income, evictions, criminal convictions, alcohol or substance use issues, mental and physical health challenges, and/or other barriers to maintaining housing. Contractor must accept referrals following the process established by the County, including participation in and receiving referrals only from the County's CES when implemented.

The specific population to be served under this agreement are homeless individuals and households as defined by Category 1, 2, and 4 of the Department of Housing and Urban Development's (HUD) Homeless Definition Final Rule, current and inclusive of any updates during the term of this agreement. Households will be identified and referred to the homeless shelter programs through the San Mateo County's CES when implemented.

Category 1:

Literally Homeless includes an individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- Has a primary nighttime residence that is a public or private place not meant for human habitation;

- Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels/motels paid for by charitable organizations or by federal, state, and local government programs); or
- Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Category 2:

Imminent Risk of Homelessness includes an individual or family, who will imminently lose their primary nighttime residence, provided that:

- Residence will be lost within 14 days of the date application for homeless assistance;
- No subsequent residence has been identified; and
- The individual or family lacks the resources or support networks needed to obtain other permanent housing.

Note: CES will work with each household to identify alternate housing situations, rather than the household entering into homelessness. Households in Category 2 will only be eligible for shelter services after receiving CES/Diversion services and CES determining that the household is in need of shelter and there is no appropriate alternative housing resource.

Category 4:

Fleeing/Attempting to flee domestic violence includes any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing

San Mateo County Residency

Program participants will be San Mateo County residents at the time of program enrollment. Case management and housing plans may include strategies for out-of-county permanent housing solutions; however, if a household chooses to move out of County, services under this proposal would cease and the Contractor would identify resources in the community to which the client moves so the client could continue to receive services in his/her new location.

Program Philosophy and Design

Contractor will develop, document, and update program policies and procedures to maintain that homeless shelter program(s):

- Focus on serving the households determined to need shelter at the time of assessment through the Coordinated Entry System. This entails serving households who are unsheltered or are at imminent risk of being unsheltered, who cannot otherwise be diverted from shelter entry.
- Accept clients who are referred via the Coordinated Entry System.
- Assess clients for the sole purpose of informing client's housing-focused case plan and determining immediate needs. Service needs or other types of assessments are not be used to make eligibility and admission decisions.

- Employ Housing First principles and seek to reduce requirements that act as barriers to shelter services. Contractor does not deny admission based on conditions of: sobriety and/or an expressed commitment to becoming sober, participation in supportive services or other programming, proof of employment or citizenship, ability to pay, etc.
- Provide ongoing, comprehensive staff trainings on safety protocols and procedures, job functions and responsibilities, and emergency response protocol, and Housing First principles.
- Train all staff in cultural competence and sensitivity.
- Maintain written documentation of policies and procedures, and update the documents as necessary.
- Operate in compliance with the Department of Housing and Urban Development's (HUD) Equal Access to Housing Final Rule, ensuring that all individuals have equal access and accommodations to shelter, regardless of gender, gender identity, sexual orientation, and/or marital status.
- Record data for all clients served in the San Mateo County Clarity Homeless Management Information System (HMIS).
 - Shelter program(s) will obtain and record information of every client who stays in the shelter. Client information, including universal data elements and program-specific data elements, will be accurate, complete, and current.
 - Programs will train staff on HMIS data collection and entry.
- Programs will continuously monitor data quality and review data/outcomes and utilize for continuous quality improvement.

Program Components

Process by which clients access/are referred into shelters

Once the Coordinated Entry System (CES) is implemented, Contractor will only accept clients who have been referred via the CES established by HSA. The only exception to this is if the shelter has received approval from HSA for a modified referral process for a specific number of beds as listed below or as updated by HSA in writing.

Until the Coordinated Entry System is implemented, for all shelter beds, shelters must only accept clients who have been referred via the shelter referral process that has been established by HSA, unless the shelter has received approval from HSA for a modified referral process for a specific number of beds as listed below or as updated by HSA in writing.

Shelter Beds/Units

Contracted Shelter Beds/Units

Contractor provides the following homeless shelter program beds/units: 55 Emergency Shelter beds – At least 50 of these beds are for San Mateo County residents

Contractor's current shelter program model includes two separate components: a night-to-night emergency bed and a Supportive Housing Program (a longer emergency shelter component).

As part of alignment to the County's strategic plan to end homelessness and to provide assistance to all clients to help them move into permanent housing, the Contractor will make modifications to their program to have all 50 shelter beds be one emergency shelter program where all clients enrolled in the shelter program will receive housing-focused case management. Contractor will design and operate its program and services in a manner in alignment with all 50 beds participating in the Coordinated Entry System (CES) and clients in all of the beds will be provided with equal access to services and the same duration of stay and (i.e. there are no beds designated as short-term beds or long-term beds). Contractor will shift to this new program model by the time the CES for individuals/adults is implemented, which is planned to be approximately fall 2017 but will be no later than January 2018.

Since this is a significant programmatic shift, Contractor will create an implementation plan and will make incremental programmatic shifts in order to meet the timeline. Contractor will provide an implementation plan to HSA within one month of contract execution, and Contractor will provide HSA with a monthly update detailing the programmatic shifts that have occurred and the steps that are planned to occur in the upcoming month, as well as any changes to the implementation plan.

Contractor is authorized to utilize a separate referral process for the following restricted beds/contracted out beds at this time.

| Number of Beds/Units | Funder | Population |
|----------------------|-----------------------|--|
| Up to 5 | County of Santa Clara | Homeless residents of Santa Clara County |

The remaining 50 beds are not reserved for any funder or specific population and are available for homeless individuals/households in San Mateo County to be referred by CES.

Contractor will track clients from Santa Clara County separately from all San Mateo County residents. Residents of Santa Clara County must only utilize the 5 beds funded by Santa Clara County, and not beds funded by San Mateo County. The 50 beds funded by this contract are to be used only by San Mateo County residents.

Housing-Focused Case Management and Service Linkage

Contractor shall provide housing-focused case management and service linkage to all clients in the shelter program(s). Shelter case managers will respond to clients' immediate and short-term service needs, complete an initial housing needs assessment, and develop a housing-focused case plan to secure housing. Case managers will work to identify and build upon clients' strengths. Additionally, case management will provide linkage to appropriate services and supports, as well as continued monitoring and follow-up regarding client progress and ongoing needs. The goal of the housing-focused case management is to help clients locate and move to a permanent housing situation as quickly as possible; permanent housing includes market housing, senior housing, affordable housing, shared housing situations, moving in with a relative or friend,

obtaining housing with a voucher or subsidy, or any housing situation that is not time-limited.

Under this program component, Contractor shall:

- Offer housing-focused case management to all clients, not only clients who are there for longer stays or clients in certain parts of the shelter program(s).
- Employ a person-centered, strengths-based approach that tailors case management to each client/household. Case management is individualized to each client or household; case managers actively work to identify the unique needs and goals of each client.
- Implement Housing First principles, focusing on addressing clients' housing needs and goals.
- Ensure case management participation is not mandatory. Case managers will engage with and develop a rapport with each client and offer assistance that is relevant and useful to addressing the goals and needs the client has identified to reach the goal of re-entering permanent housing as quickly as possible.
- Employ harm-reduction and trauma-informed care to tailor services to clients' needs.
- Work collaboratively with any other programs/staff that are providing services to the client while in shelter (e.g. a rapid re-housing program case manager). Shelter case managers will work to ensure a smooth transition and continuity of care with a client's new or additional case manager.
- Ensure shelter(s) policies and procedures employ involuntary exits as an absolute last resort strategy. Instead, case managers should support clients to manage conflict and/or any other problems that may be presented during their shelter stay.

Shelter Facility – Health, Safety, and Disability Accommodations

Contractor is responsible for upholding standards and following protocol to ensure shelter program's client and staff health and safety. Proper procedures and appropriate training on a range of safety measures are in place to ensure shelter residents and staff are afforded a high level of safety and security while onsite. Contractor works to create and maintain an environment where the safety of clients, staff, and volunteers are prioritized at all times.

Under this program component, Contractor shall:

- Provide a safe living space for residents.
- Adhere to all applicable local, state, and federal safety and health guidelines and maintain agency policies and training to address safe food handling, injury and burn prevention, sanitation and hygiene, client health management, and staff health management.
- Train staff on health and safety measures to effectively promote a desirable, safe environment for all shelter residents. This includes training on emergency situations, de-escalation, and crisis prevention.

- Provide access for clients to the shelter facility, including sleeping areas as applicable, for clients who need a place to stay during the day due to health issues, medical fragility, sleeping schedule (for those who work at night and sleep during the day), or other reasonable purposes.
- Enact policies and procedures to prevent, identify and address workplace violence and sexual harassment.
- Be in compliance with Fair Housing rules and implement a set of policies and procedures to provide reasonable accommodations for households with disabilities.
- Enact training, policies and protocol to prevent violence, theft, and other incidents that put the safety and well-being of shelter clients and/or staff at risk. Have policies and procedures in place to investigate any potential incident of violence, theft or other incidents, including a thorough investigation and actions to address the findings.
- Complete appropriate background checks and screening for all staff and any volunteers who may have interaction with clients or may have access to client information.
- Train staff and any volunteers who may have interaction with clients or client information on client confidentiality.

Inclement Weather Program

Under this program component, Contractor shall:

- Provide additional capacity on nights when the Inclement Weather program is activated.
- Engage clients participating in the inclement weather program in services and encourage them to access shelter and housing services.

Contractor will participate in the San Mateo County Inclement Weather Program. Contractor will provide **12** beds on winter nights with wet and cold weather when the Inclement Weather Program is activated.

These beds are for residents of the County of San Mateo who are homeless and are referred through the Inclement Weather Program process established by HSA. Contractor will adhere to the activation announcement dates sent by the County start and end each activation.

Contractor will receive referrals for these beds only via the Inclement Weather referral process established by HSA. Contractor will communicate and coordinate with referring agencies and the LifeMoves inclement weather program staff regarding beds available and questions regarding clients being referred.

Quality Assurance and Continuous Quality Improvement

Contractor will conduct quality assurance and continuous quality improvement including ongoing training, coaching, and internal review to ensure quality and consistency of services, and adherence to policies and procedures.

Contractor will conduct ongoing reviews of services and documentation of services (file reviews), and data quality

Contractor will implement systematic processes to collect ongoing feedback from clients and other stakeholders.

Program Policies, Procedures, and Training

Contractor will maintain all policies, procedures and tools for staff, and ensure that they are updated to be in alignment with current HUD guidance as appropriate, CES best practices, and the County's CES structure as determined by HSA.

Contractor will continually review shelter policies, manuals, and procedures. Contractor will review all policies, manuals, and procedures at least once per fiscal year to ensure alignment with housing first principles, housing-focused services, the County's CES structure, equal access, fair housing/accommodations, mandated reporting, incident reporting, HMIS data entry, and other key topics for shelter operations (or more often per Contractor internal plans or per County's request)

Contractor will review onboarding training for all shelter staff to ensure alignment with housing first principles, housing-focused services, the County's CES structure, equal access, fair housing/accommodations, mandated reporting, incident reporting, HMIS data entry, de-escalation techniques and crisis response, and other key topics for shelter operations.

C. Other Contractor Responsibilities

- Provide services that are culturally appropriate to the populations served.
- Maintain policies, procedures, and tools for staff and update as needed to align Housing First principles and enable shelter staff to identify and serve the hardest-to-serve.
- Provide services that are low-barrier, meaning that participants are not screened out or discharged from the program based on having too little or no income, an active or history of substance abuse, a criminal record, or perceived "lack of motivation" or lack of participation in shelter services/programs.
- Maintain timely, accurate client records of all clients served in the San Mateo County Clarity/HMIS database (see Exhibit D).
 - All client records will be entered into Clarity.
 - Data entry will be entered during or as soon as possible after the services.
 - With the implementation of CES, program entries and exits will be entered on the same day as the client enters or exits the program, in order to maintain accurate information about bed availability for CES.
 - Under all circumstances, data entry will be completed within 4 business days of the service provision.

- Apply for/pursue existing and additional funding from a variety of potential funding sources, including private foundations, individual donations, corporate giving, grants, and public funding opportunities, in order to maintain a diverse mix of funding sources.
- Maintain process to thoroughly investigate any alleged incident involving clients. If an incident occurred, identify and address any staffing, staff training, facility improvement, policy/protocol/procedure, or other changes necessary to address the incident and prevent future incidents.
- Critical Incident Reports – All critical incidents will be reported via email within 24 hours to the HSA, Center on Homelessness staff, including the events of: death, homicide, suicide or suicide attempt, assault (to another client or staff) and other significant incidents.
- Participate in the County's Homeless System Redesign/strategic plan implementation and the Coordinated Entry System.
- Participate in point-in-time counts and surveys.
- Participate in Continuum of Care meetings and HSA Homeless and Safety Net provider meetings.
- Provide a budget summarizing how the contract funds will be spent. Contractor will need approval from HSA for any budget change requests.
- Inform HSA regarding any shelter beds that may be contracted out, restricted, or funded by any entity, funder, or specific population.
- As set forth above, Contractor shall provide 50 beds for HSA's use pursuant to this Agreement. If Contractor wishes to increase or decrease the number of beds contracted out or dedicated to non-HSA entities or renew contracts/funding for beds, Contractor must contact HSA at least 6 months in advance of any such change or renewal to meet and confer regarding the impact. In particular, Contractor will meet and confer with HSA regarding the referral/access process for those beds, staffing and other costs for the beds, and funding. HSA may modify the terms and reduce the funding of this Agreement based on changes to Contractor's restricted/contracted beds.

(End of Exhibit A)

Exhibit B
Method and Rate of Payments
WeHOPE Shelter
Homeless Shelter Operations

In consideration of the services provided by Contractor as shown in Exhibit A and subject to the terms and conditions of the Agreement, County shall pay Contractor based on the following fee schedule and terms.

General Payment Terms

Availability of Funding:

County may terminate this Agreement in whole or a portion of services based upon availability of federal, state or county funds by providing a thirty (30) day written notice to Contractor.

Quality of Work:

The County reserves the right to withhold payment if County determines that the quantity or quality of the work performed is unacceptable. If the County should find that the quantity or quality of work is unacceptable, County shall notify Contractor in writing with a detailed statement and plan to correct performance. Contractor shall respond to County within 15 days of receipt of statement with a plan to confirm what steps will be taken to correct performance.

Funding:

Funding for services shown in this contract may be adjusted, including line item costs in budgets and across quarters and fiscal years, to meet service goals as agreed upon by both parties and approved by the County in writing so long as it does not exceed the total Agreement obligation.

Right of County to Request Additional Services:

The County shall have the option to adjust, modify or add related services to meet its project/program goals as agreed upon by both parties and adjust costs across line items accordingly as long as it does not exceed the total agreement obligation and is not restricted by any grant or specific funding agreements.

Yearly Allocations

Shelter Operations:

| Fiscal Year | Amount Per Fiscal Year | Amount per quarter (one fourth of annual total) |
|-------------|------------------------|--|
| 2017-2018 | \$550,000 | \$137,500 |
| 2018-2019 | \$561,000 | \$140,250 |
| 2019-2020 | \$572,220 | \$143,055 |
| Total | \$1,683,220 | Not applicable |

Shelter Services Budget:

| Personnel Expense | FY 2017-2018 | FY 2018-2019 | FY 2019-2020 |
|--|------------------|------------------|------------------|
| Director | \$24,873 | \$25,370 | \$25,868 |
| Associate Director | \$36,999 | \$37,739 | \$38,479 |
| Shelter Super | \$14,874 | \$15,172 | \$15,469 |
| Security/IT | \$14,357 | \$14,644 | \$14,931 |
| Case Manager | \$45,292 | \$46,197 | \$47,103 |
| Residential Coordinator (8-9 positions) | \$236,304 | \$241,030 | \$245,756 |
| Food Coordinator | \$14,939 | \$15,238 | \$15,536 |
| subtotal personnel | \$387,636 | \$395,389 | \$403,142 |
| Operating Expenses | | | |
| Supplies | \$35,263 | \$35,969 | \$36,894 |
| Rent | \$30,734 | \$31,348 | \$31,963 |
| Contract Sevices | \$11,681 | \$11,914 | \$12,148 |
| Maintenance | \$11,470 | \$11,699 | \$11,929 |
| Utilities | \$6,267 | \$6,393 | \$6,518 |
| Insurance | \$4,972 | \$5,071 | \$5,170 |
| Training | \$3,249 | \$3,314 | \$3,379 |
| Client Assistance | \$2,260 | \$2,305 | \$2,350 |
| Licenses | \$2,034 | \$2,075 | \$2,115 |
| Equipment | \$1,808 | \$1,844 | \$1,880 |
| Phones | \$1,406 | \$1,434 | \$1,462 |
| Travel | \$1,220 | \$1,245 | \$1,269 |
| subtotal operating expenses | \$112,363 | \$114,611 | \$117,078 |
| Admin Expense | | | |
| Overhead Payroll - actual budgeted cost 131,439 | \$44,441 | \$45,330 | \$46,219 |
| Overhead Other - actual budgeted cost 16,440 | \$5,559 | \$5,670 | \$5,781 |
| subtotal admin expense | \$50,000 | \$51,000 | \$52,000 |
| Total Expenses | \$550,000 | \$561,000 | \$572,220 |

Inclement Weather Rates:

Daily rate per night on activated nights when at least one inclement weather cot is used: \$296. This component of the contract shall not exceed \$16,280 for each fiscal year of the agreement.

Program Budget Overview

| Fiscal Year | Shelter Operations amount | Inclement weather maximum | Total |
|-------------|---------------------------|---------------------------|-------------|
| 2017-2018 | \$550,000 | \$16,280 | \$566,280 |
| 2018-2019 | \$561,000 | \$16,280 | \$577,280 |
| 2019-2020 | \$572,220 | \$16,280 | \$588,500 |
| Total | \$1,683,220 | \$48,840 | \$1,732,060 |

The total Agreement obligation for all services under this agreement including any taxes or fees will not exceed **\$1,732,060**.

Payments & Invoicing

Inclement Weather

1. Contractor will invoice County quarterly for Inclement Weather for activated nights when at least one cot is used. Invoice should itemize dates and usage. This invoice should be separate from Shelter Services invoice.
2. County shall pay Contractor for Inclement Weather Services upon receipt and approval of invoices.

Shelter Services

Contractor shall invoice HSA quarterly for actual costs incurred based on the Shelter Services Budget above and schedule below. Contractor shall submit invoice, supporting documentation, and all required reporting by the 20th of the month following the end of the prior quarter for operating expenses, direct client support, salaries and wages, and administration costs for services in accordance with the scope of work in Exhibit A and the budget submitted to HSA by the Contractor. Contractor will supply supporting documents for reimbursement by the 20th of month for the prior quarter. The final invoice for each Fiscal Year will be submitted by June 20th due to year-end processing.

| Reporting Period | Due Date for Invoice (with reporting, supporting documentation) |
|------------------------|--|
| Q1 (July-September) | October 20 th |
| Q2 (October- December) | January 20 th |
| Q3 (January-March) | April 20 th |
| Q4 (April-June) | Invoice due June 20 th Reporting due July 20 th |

County shall pay Contractor upon receipt and approval of invoices and required documentation and reporting as shown in Exhibit C.

(End of Exhibit B)

Exhibit C
Performance Reporting and Monitoring

WeHOPE Shelter
Homeless Shelter Operations

Quarterly reporting is a requirement of payment. Delays in submission of complete reports will delay payments of invoices to Contractor.

A. Performance Measures

Emergency Shelter Beds

| | Targets | | |
|---|---------------|---------------|---------------|
| Performance Measure | FY 17-18 | FY 18-19 | FY 19-20 |
| Exits to Permanent Housing Percentage of all leavers who exited to a permanent situation | 15% | 23% | 30% |
| Length of Stay Average length of stay for program participants | 34 days | 32 days | 30 days |
| Increased Employment Income Percentage of adult leavers who exited and stayers (who stayed for 12 months or more) with increased employment income | 10% | 12% | 15% |
| Increased Non-Employment Income Percentage of adult leavers who exited and stayers (who stayed for 12 months or more) with increased non-employment income | 10% | 12% | 15% |
| Utilization Rate Average daily bed/unit program slot utilization | 95% | 95% | 95% |
| HMIS Data Quality Percentage of null/missing and don't know/refused values | Less than 10% | Less than 10% | Less than 10% |

Returns to homelessness will also be tracked, with a goal of minimizing the number of people who return to homelessness after exiting to permanent housing.

The County shall have the option to modify performance measures, goals, and targets by written notice. The County shall give the Contractor advance notice of any modifications and will also discuss changes with the Contractor.

- Submit reports to HSA within 20 days of the end of the designated reporting period. Reports will include the following:
 - Quarterly reports
 - i. Invoices with supporting documentation
 - ii. Number of unduplicated clients served during the reporting period
 - iii. Performance measure report (results for performance measures listed in table above for the current quarter and for fiscal year-to-date)
 - iv. Narrative describing trends, successes, challenges during the reporting period
- Contractor will provide a brief paragraph about this Measure K-funded initiative and its goals, to be used for press releases, Measure K dashboard and other public documents to highlight the purpose and impact of the program.
- Submit annual program report within 20 days of the end of the fiscal year. Annual program report will provide information on the impact that shelter services had throughout the entire service year and annual results for each performance measure.
- Contractor will provide HSA with annual audited financial statements in accordance with generally accepted government auditing standards annually within nine months after the fiscal year end.
- Contractor will agree to and participate in Site Review/Contract Compliance Visits with HSA designated staff. Visits will occur at least once per year, with increased frequency if areas for program improvement arise. Contractor will receive at least two weeks advanced notice unless there is an urgent programmatic need to expedite the process.
- Contractor will participate in program evaluations and other analysis/evaluations of the homeless system conducted by HSA.
- HSA may request additional data from contractor and/or retrieve reports from Clarity to understand client requests, services, and outcomes. Contractor will receive at least two weeks advanced notice unless there is an urgent programmatic need to expedite the data/report.
- All reports shall be submitted by email to Brian Eggers at BEggers@smcgov.org or the designated HSA contact.

(End of Exhibit C)

Exhibit D
Revised October 2016
Clarity Human Services System
Usage and Data Sharing Agreement for Core Service Agencies and
Homeless Service Providers

In 2014, Core Service Agencies and homeless service providers migrated to the secure, private and confidential Clarity Human Services system network by BitFocus ("Clarity"). This migration to Clarity allows for data sharing across providers.

A. Commitment to Data Entry

The Core Service Agencies and homeless service providers agree to timely enter into Clarity's secure system accurate data about the clients to whom they provide safety net services and homeless services pursuant to their contracts with the County of San Mateo ("County"). Timely entry of this data is crucial to the Core Service Agencies and homeless service providers' ability to refer clients to other providers, report accurate performance measures and to capture data on community need.

If any provider experiences difficulty in timely entry of data into Clarity, they will notify HSA of the delay, seek technical assistance if necessary and provide a plan within one week to bring the data entry current as soon as possible.

B. Confidentiality of Client Data

Core Service Agencies and homeless service providers will establish appropriate administrative, technical, and physical safeguards to protect the confidentiality of the data and to prevent unauthorized use or access to it.

The data in Clarity shall not be disclosed to anyone or any entity except in connection with the administration of the safety net and homeless service programs, as necessary to achieve the provision of homeless and safety net services, or for the analysis of the data to show performance measurements, including that of contract compliance.

The data may be reviewed by San Mateo County personnel on a need to know basis to check performance measurements, community trends, client services, and for the purpose of monitoring contract compliance. Summary results (e.g., non-identifying information such as general statistical data, caseload provide data, funding and expenditure information) is non-confidential may be shared upon request. Data that contains identifying information will be accessible and shared on a need-to-know basis only, and only to the extent permitted by applicable law.

Core Service Agencies and homeless service providers acknowledge that these confidential data are proprietary to the County and agree to comply with all applicable State and Federal confidentiality laws and regulations.

To authorize the parties to this Agreement to share individually identifiable client information, clients who are entered into the system must sign a Client Consent for Clarity System Data Collection and Release of Information form that will be kept with their records in Clarity and/or in their paper file. The release informs the client that partner agencies in San Mateo County will have access on a need-to-know basis to their records in the secure system. If a client refuses to

sign a release, services will not be denied and the client will be entered into Clarity as a private client.

C. Agencies Entering and Accessing Data in Clarity

| CORE SERVICE AGENCIES | HOMELESS SERVICE PROVIDERS |
|--|--|
| <ul style="list-style-type: none">• Coastside Hope• Daly City Community Services Center• Fair Oaks Community Center• Puente de la Costa Sur• Tides/Pacifica Resource Center• Samaritan House• El Concilio of San Mateo County• YMCA Community Resource Center | <ul style="list-style-type: none">• Abode Services• StarVista• San Mateo County Human Services Agency• Housing Authority of the County Of San Mateo• San Mateo County Department of Housing• San Mateo County Health System, Behavioral Health And Recovery Services• Mateo Lodge• Home and Hope• LifeMoves (formerly known as InnVision Shelter Network)• Mental Health Association of San Mateo County• Next Step Center, Veterans Resource Center of America• Project WeHOPE• Samaritan House• Service League Of San Mateo County• VA Palo Alto Health Care System (VAPAHCS)• San Francisco VA Health Care System (SFVA) |

Efforts are made to keep this list current, however there may be Core Service Agencies and/or homeless service providers that begin to participate in the data system in the future.

D. Licensing

Only agency staff who provide safety net or homeless services shall be granted access to Clarity. When an agency is requesting a Clarity license for a new staff, the agency director or manager will review with the staff the confidentiality and security rules regarding Clarity and will send the completed, signed Clarity oath of confidentiality form to HSA to request a new account.

ACCESS TO THE CLARITY SYSTEM AFTER EMPLOYMENT ENDS IS PROHIBITED. If an authorized user separates from employment with a Core Service Agency or homeless service provider, notification must be made as soon as possible to the HSA Service Desk in advance of the employee leaving. The request will provide a license termination date.

If any license goes unused for more than 90 days, that license may be deactivated. The agency holding the license will be notified prior to deactivation of the license and the agency will have 5 business days to respond with a request if the license is to be continued.

E. System Configuration Change Requests

All agencies Change Requests (CR) will be evaluated by HSA. For the cost of all Change Requests (CRs) unique to one or a group of agencies and for non-Core or non-HMIS standard programs, payment shall be made by the requesting agency(ies).

F. User Support

If a Core Service Agency or homeless service provider experiences any technical difficulty with the system, a service request must be sent to the Human Services Agency, Business Systems Group at hsa_servicedesk@smcgov.org or (650) 802-7573.

G. Contractor/Service Provider Agreement

The Core Service Agencies and homeless service providers agree to train their staff and to establish internal processes and procedures to ensure all staff and volunteers safeguard clients' confidentiality and privacy and enter accurate, complete data. It is understood that accessing Clarity's secure, private and confidential network is for the sole purpose of serving clients. All authorized individuals accessing the Clarity network of Core Service Agencies and homeless service providers must have a legitimate business reason when searching and accessing information. All activity is logged and participating agencies understand and agree that this audit trail can be viewed at any time by authorized County personnel.

(End of Exhibit D)

ATTACHMENT I

Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended

The undersigned (hereinafter called "Contractor(s)") hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, all requirements imposed by the applicable DHHS regulation, and all guidelines and interpretations issued pursuant thereto.

The Contractor(s) gives/give this assurance in consideration of for the purpose of obtaining contracts after the date of this assurance. The Contractor(s) recognizes/recognize and agrees/agree that contracts will be extended in reliance on the representations and agreements made in this assurance. This assurance is binding on the Contractor(s), its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Contractor(s).

The Contractor(s): (Check a or b)

☐ a. Employs fewer than 15 persons.

☒ b. Employs 15 or more persons and, pursuant to section 84.7 (a) of the regulation (45 C.F.R. 84.7 (a), has designated the following person(s) to coordinate its efforts to comply with the DHHS regulation.

Name of 504 Person:

Cheryl Bains

Name of Contractor(s):

WeHOPE

Street Address or P.O. Box:

1854 Bay Road

City, State, Zip Code:

East Palo Alto, CA 94303

I certify that the above information is complete and correct to the best of my knowledge

Signature:



Title of Authorized Official:

President/Founder

Date:

5/25/2017

*Exception: DHHS regulations state that: "If a recipient with fewer than 15 employees finds that, after consultation with a disabled person seeking its services, there is no method of complying with (the facility accessibility regulations) other than making a significant alteration in its existing facilities, the recipient may, as an alternative, refer the handicapped person to other providers of those services that are accessible."

(End of Attachment I)

Attachment P
Personally Identifiable Information
Requirements for County Contractors, Subcontractors, Vendors and Agents

I. Definitions

Personally Identifiable Information (PII), or Sensitive Personal Information (SPI), as used in Federal information security and privacy laws, is information that can be used on its own or with other information to identify, contact, or locate a single person, or to identify an individual in context. PII may only be used to assist in the administration of programs in accordance with 45 C.F.R. § 205.40, *et seq.* and California Welfare & Institutions Code section 10850.

- a. **“Assist in the Administration of the Program”** means performing administrative functions on behalf of County programs, such as determining eligibility for, or enrollment in, and collecting context PII for such purposes, to the extent such activities are authorized by law.
- b. **“Breach”** refers to actual loss, loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for other than authorized purposes have access or potential access to context PII, whether electronic, paper, verbal, or recorded.
- c. **“Contractor”** means those contractors, subcontractors, vendors and agents of the County performing any functions for the County that require access to and/or use of PII and that are authorized by the County to access and use PII.
- d. **“Personally Identifiable Information” or “PII”** is personally identifiable information that can be used alone, or in conjunction with any other reasonably available information, to identify a specific individual. PII includes, but is not limited to, an individual's name, social security number, driver's license number, identification number, biometric records, date of birth, place of birth, or mother's maiden name. PII may be electronic, paper, verbal, or recorded.
- e. **“Security Incident”** means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PII, or interference with system operations in an information system which processes PII that is under the control of the County or County's Statewide Automated Welfare System (SAWS) Consortium, or under the control of a contractor, subcontractor or vendor of the County, on behalf of the County.
- f. **“Secure Areas”** means any area where:
 - i. Contractors administer or assist in the administration of County programs;
 - ii. PII is used or disclosed; or
 - iii. PII is stored in paper or electronic format.

II. Restrictions on Contractor re Use and Disclosure of PII

- a. Contractor agrees to use or disclose PII only as permitted in this Agreement and only to assist in the administration of programs in accordance with 45 CFR § 205.50, *et seq.* and California Welfare & Institutions Code section 10850 or as otherwise authorized or required by law. Disclosures, when authorized or required by law, such as in response to a court order, or when made upon the explicit written authorization of the individual, who is the subject of the PII, are allowable. Any other use or disclosure of PII requires the express approval in writing by the County. No Contractor shall duplicate, disseminate or disclose PII except as allowed in this Agreement.
- b. Contractor agrees to only use PII to perform administrative functions related to the administration of County programs to the extent applicable.
- c. Contractor agrees that access to PII shall be restricted to Contractor's staff who need to perform specific services in the administration of County programs as described in this Agreement.
- d. Contractor understands and agrees that any of its staff who accesses, discloses or uses PII in a manner or for a purpose not authorized by this Agreement may be subject to civil and criminal sanctions available under applicable Federal and State laws and regulations

III. Use of Safeguards by Contractor to Protect PII

- a. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides PII received from, or created or received by Contractor on behalf of County, agrees to adhere to the same restrictions and conditions contained in this Attachment PII.
- b. Contractor agrees to advise its staff who have access to PII, of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in applicable Federal and State laws and regulations.
- c. Contractor agrees to train and use reasonable measures to ensure compliance by Contractor's staff, including, but not limited to (1) providing initial privacy and security awareness training to each new staff within thirty (30) days of employment; (2) thereafter, providing annual refresher training or reminders of the PII privacy and security safeguards to all Contractor's staff; (3) maintaining records indicating each Contractor's staff name and the date on which the privacy and security awareness training was completed; and (4) retaining training records for a period of three (3) years after completion of the training.
- d. Contractor agrees to provide documented sanction policies and procedures for Contractor's staff who fail to comply with privacy policies and procedures or any provisions of these requirements, including termination of employment when appropriate.

- e. Contractor agrees that all Contractor's staff performing services under this Agreement sign a confidentiality statement prior to accessing PII and annually thereafter. The signed statement shall be retained for a period of three (3) years, and the statement include at a minimum: (1) general use; (2) security and privacy safeguards; (3) unacceptable use; and (4) enforcement policies.
- f. Contractor agrees to conduct a background check of Contractor's staff before they may access PII with more thorough screening done for those employees who are authorized to bypass significant technical and operational security controls. Contractor further agrees that screening documentation shall be retained for a period of three (3) years following conclusion of the employment relationship.
- g. Contractor agrees to conduct periodic privacy and security reviews of work activity, including random sampling of work product by Contractor's staff by management level personnel who are knowledgeable and experienced in the areas of privacy and information security in the administration of County's programs and the use and disclosure of PII. Examples include, but are not limited to, access to data, case files or other activities related to the handling of PII.
- h. Contractor shall ensure that PII is used and stored in an area that is physically safe from access by unauthorized persons at all times and safeguard PII from loss, theft, or inadvertent disclosure by securing all areas of its facilities where Contractor's staff assist in the administration of the County's programs and use, disclose, or store PII.
- i. Contractor shall ensure that each physical location, where PII is used, disclosed, or stored, has procedures and controls that ensure an individual who is terminated from access to the facility is promptly escorted from the facility by an authorized employee of Contractor and access is revoked.
- j. Contractor shall ensure that there are security guards or a monitored alarm system at all times at Contractor's facilities and leased facilities where five hundred (500) or more individually identifiable records of PII is used, disclosed, or stored. Video surveillance systems are recommended.
- k. Contractor shall ensure that data centers with servers, data storage devices, and/or critical network infrastructure involved in the use, storage, and/or processing of PII have perimeter security and physical access controls that limit access to only those authorized by this Agreement. Visitors to any Contractor data centers area storing PII as a result of administration of a County program must be escorted at all times by authorized Contractor's staff.
- l. Contractor shall have policies that include, based on applicable risk factors, a description of the circumstances under which Contractor staff can transport PII, as well as the physical security requirements during transport.
- m. Contractor shall ensure that any PII stored in a vehicle shall be in a non-visible area such as a trunk, that the vehicle is locked, and under no circumstances

permit PII be left unattended in a vehicle overnight or for other extended periods of time.

- n. Contractor shall ensure that PII shall not be left unattended at any time in airplanes, buses, trains, etc., including baggage areas. This should be included in training due to the nature of the risk.
- o. Contractor shall ensure that all workstations and laptops, which use, store and/or process PII, must be encrypted using a FIPS 140-2 certified algorithm 128 bit or higher, such as Advanced Encryption Standard (AES). The encryption solution must be full disk. It is encouraged, when available and when feasible, that the encryption be 256 bit.
- p. Contractor shall ensure that servers containing unencrypted PII must have sufficient administrative, physical, and technical controls in place to protect that data, based upon a risk assessment/system security review. It is recommended to follow the guidelines documented in the latest revision of the National Institute of Standards and Technology (NIST) Special Publication (SP) 800-53, Security and Privacy Controls for Federal Information Systems and Organizations.
- q. Contractor agrees that only the minimum necessary amount of PII required to perform required business functions will be accessed, copied, downloaded, or exported.
- r. Contractor shall ensure that all electronic files, which contain PII data is encrypted when stored on any mobile device or removable media (i.e. USB drives, CD/DVD, smartphones, tablets, backup tapes etc.). Encryption must be a FIPS 140-2 certified algorithm 128 bit or higher, such as AES. It is encouraged, when available and when feasible, that the encryption be 256 bit.
- s. Contractor shall ensure that all workstations, laptops and other systems, which process and/or store PII, must install and actively use an antivirus software solution. Antivirus software should have automatic updates for definitions scheduled at least daily. In addition, Contractor shall ensure that:
 - i. All workstations, laptops and other systems, which process and/or store PII, must have critical security patches applied, with system reboot if necessary.
 - ii. There must be a documented patch management process that determines installation timeframe based on risk assessment and vendor recommendations.
 - iii. At a maximum, all applicable patches deemed as critical must be installed within thirty (30) days of vendor release. It is recommended that critical patches which are high risk be installed within seven (7) days.
 - iv. Applications and systems that cannot be patched within this time frame, due to significant operational reasons, must have compensatory controls implemented to minimize risk.
- t. Contractor shall ensure that all of its staff accessing Personally Identifiable Information on applications and systems will be issued a unique individual

password that is a least eight (8) characters, a non-dictionary word, composed of characters from at least three (3) of the following four (4) groups from the standard keyboard: upper case letters (A-Z); lower case letters (a-z); Arabic numerals (0-9) and special characters (!, @, #, etc.). Passwords are not to be shared and changed if revealed or compromised. All passwords must be changed every (90) days or less and must not be stored in readable format on the computer or server.

- u. Contractor shall ensure that usernames for its staff authorized to access PII will be promptly disabled, deleted, or the password changed upon the transfer or termination of an employee within twenty- four (24) hours. Note: Twenty-four (24) hours is defined as one (1) working day.
- v. Contractor shall ensure when no longer needed, all PII must be cleared, purged, or destroyed consistent with NIST SP 800-88, Guidelines for Media Sanitization, such that the Personally Identifiable Information cannot be retrieved.
- w. Contractor shall ensure that all of its systems providing access to PII must provide an automatic timeout, requiring re-authentication of the user session after no more than twenty (20) minutes of inactivity.
- x. Contractor shall ensure that all of its systems providing access to PII must display a warning banner stating, at a minimum that data is confidential; systems are logged, systems use is for business purposes only by authorized users and users shall log off the system immediately if they do not agree with these requirements.
- y. Contractor will ensure that all of its systems providing access to PII must maintain an automated audit trail that can identify the user or system process which initiates a request for PII, or alters PII. The audit trail shall be date and time stamped; log both successful and failed accesses be read-access only; and be restricted to authorized users. If PII is stored in a database, database logging functionality shall be enabled. The audit trail data shall be archived for at least three (3) years from the occurrence.
- z. Contractor shall ensure that all of its systems providing access to PII shall use role-based access controls for all user authentications, enforcing the principle of least privilege.
- aa. Contractor shall ensure that all data transmissions of PII outside of its secure internal networks must be encrypted using a Federal Information Processing Standard (FIPS) 140-2 certified algorithm that is 128 bit or higher, such as Advanced Encryption Standard (AES) or Transport Layer Security (TLS). It is encouraged, when available and when feasible, that 256 bit encryption be used. Encryption can be end to end at the network level, or the data files containing PII can be encrypted. This requirement pertains to any type of PII in motion such as website access, file transfer, and email.

- bb. Contractor shall ensure that all of its systems involved in accessing, storing, transporting, and protecting PII, which are accessible through the Internet, must be protected by an intrusion detection and prevention solution.
- cc. Contractor shall ensure that audit control mechanisms are in place. All Contractor systems processing and/or storing Personally Identifiable Information must have at least an annual system risk assessment/security review that ensure administrative, physical, and technical controls are functioning effectively and provide an adequate level of protection. Review shall include vulnerability scanning tools.
- dd. Contractor shall ensure that all of its systems processing and/or storing PII must have a process or automated procedure in place to review system logs for unauthorized access.
- ee. Contractor shall ensure that all of its systems processing and/or storing PII must have a documented change control process that ensures separation of duties and protects the confidentiality, integrity and availability of data.
- ff. Contractor shall establish a documented plan to enable continuation of critical business processes and protection of the security of PII kept in an electronic format in the event of an emergency. Emergency means any circumstance or situation that causes normal computer operations to become unavailable for use in performing the work required under this Agreement for more than twenty-four (24) hours.
- gg. Contractor shall ensure its data centers with servers, data storage devices, and critical network infrastructure involved in the use, storage and/or processing of PII, must include environmental protection such as cooling, power, and fire prevention, detection, and suppression.
- hh. Contractor shall establish documented procedures to backup PII to maintain retrievable exact copies of PII. The documented backup procedures shall contain a schedule which includes incremental and full backups, storing backups offsite, inventory of backup media, recovery of PII data, an estimate of the amount of time needed to restore PII data.
- ii. Contractor shall ensure that PII in paper form shall not be left unattended at any time, unless it is locked space such as a file cabinet, file room, desk or office. Unattended means that information may be observed by an individual not authorized to access the information. Locked spaces are defined as locked file cabinets, locked file rooms, locked desks, or locked offices in facilities which are multi-use, meaning that there are Contractor's staff and non-Contractor functions in one building in work areas that are not securely segregated from each other. It is recommended that all PII be locked up when unattended at any time, not just within multi-use facilities.
- jj. Contractor shall ensure that any PII that must be disposed of will be through confidential means, such as cross cut shredding or pulverizing.

- kk. Contractor agrees that PII must not be removed from its facilities except for identified routine business purposes or with express written permission of the County.
- ll. Contractor shall ensure that faxes containing PII shall not be left unattended and fax machines shall be in secure areas. Faxes containing PII shall contain a confidentiality statement notifying persons receiving faxes in error to destroy them and notify the sender. All fax numbers shall be verified with the intended recipient before send the fax.
- mm. Contractor shall ensure that mailings containing PII shall be sealed and secured from damage or inappropriate viewing of PII to the extent possible. Mailings that include five hundred (500) or more individually identifiable records containing PII in a single package shall be sent using a tracked mailing method that includes verification of delivery.

IV. Reporting of Breaches Required by Contractor to County; Mitigation

- a. Contractor shall report to County within one business day of discovery, to the County contact listed in this agreement by email or telephone as listed in the of unsecured PII, if that PII was, or is, reasonably believed to have been accessed or acquired by an unauthorized person, any suspected security incident, intrusion or unauthorized access, use or disclosure of PII in violation of this Agreement, or potential loss of confidential data affecting this Agreement.
- b. Contractor understands that State and Federal Law requires a breaching entity to notify individuals of a breach or unauthorized disclosure of their PII. Contractor shall ensure that said notifications shall comply with the requirements set forth in California Civil Code section 1798.29, and 42 U.S.C. section 17932, and its implementing regulations, including but not limited to, the requirement that the notifications be made without unreasonable delay and in no event later than sixty (60) calendar days.
- c. Contractor agrees to promptly mitigate, to the extent practicable, any harmful effect that is known to Contractor stemming from a use or disclosure of PII in violation of the requirements of this Agreement, including taking any action pertaining to such use or disclosure required by applicable Federal and State laws and regulations.

V. Permitted Uses and Disclosures of PII by Contractor

Except as otherwise limited in this schedule, Contractor may use or disclose PII to perform functions, activities, or services for, or on behalf of, County as specified in the Agreement; provided that such use or disclosure would not violate the Privacy Rule if done by County.

VI. Obligations of County

- a. County shall provide Contractor with the notice of privacy practices that County produces in accordance with California Welfare and Institutions Code section 10850, as well as any changes to such notice.
- b. County shall notify Contractor of any changes in, or revocation of, permission by Individual to use or disclose PII, if such changes affect Contractor's permitted or required uses and disclosures.
- c. County shall notify Contractor of any restriction to the use or disclosure of PII that County has agreed to in accordance with California Welfare and Institutions Code section 10850.

VII. Permissible Requests by County

County shall not request Contractor to use or disclose PII in any manner that would not be permissible under the Privacy Rule if so requested by County, unless Contractor will use or disclose PII for, and if the Agreement provides for, data aggregation or management and administrative activities of Contractor.

VIII. Duties Upon Termination of Agreement

- a. Upon termination of the Agreement, for any reason, Contractor shall return or destroy all PII received from County, or created, maintained, or received by Contractor on behalf of County that Contractor still maintains in any form. This provision shall apply to PII that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PII.
- b. In the event that Contractor determines that returning or destroying PII is infeasible, Contractor shall provide to County notification of the conditions that make return or destruction infeasible. Upon mutual Agreement of the Parties that return or destruction of PII is infeasible, Contractor shall extend the protections of the Agreement to such PII and limit further uses and disclosures of such PII to those purposes that make the return or destruction infeasible, for so long as Contractor maintains such PII.

IX. Miscellaneous

- a. **Regulatory References.** A reference in this Attachment to a section in the Personally Identifiable Information Privacy Rule means the section as in effect or as amended, and for which compliance is required.
- b. **Amendment.** The Parties agree to take such action as is necessary to amend this Schedule from time to time as is necessary for County to comply with the requirements of the Privacy Rule and in accordance 45 CFR § 205.40, *et seq.* and California Welfare and Institutions Code section 10850.
- c. **Survival.** The respective rights and obligations of Contractor under this Attachment shall survive the termination of the Agreement unless and until the PII is destroyed or returned to the County.

- d. **Interpretation.** Any ambiguity in any provision in this Attachment shall be resolved in favor of a meaning that permits County to comply with the Privacy Rule.
- e. **Reservation of Right to Monitor Activities.** County reserves the right to monitor the security policies and procedures of Contractor.