

Strategic Prevention Framework State Incentive Grant

GENERAL TERMS AND CONDITIONS

These terms and conditions, when applicable, are to be incorporated by reference and made a part of, but not necessarily limited to, the following documents: grant project agreements, contracts, subcontracts, interagency agreements, invitations for bid, and requests for proposal for goods and services for which Substance Abuse and Mental Health Services Projects of Regional and National Significance Strategic Prevention Framework State Incentive (SPF SIG) grant (CFDA 93.243) program funding reimbursement is requested through the California Department of Alcohol and Drug Programs.

I Grant Project Agreement Exhibits

- A. This Agreement between the Department of Alcohol and Drug Programs (State) and the governmental or nonprofit entity named in the Notice of Grant Award attached hereto (Grantee) consists of the Notice of Grant Award; Project Budget, Budget Narrative, Assurances and Certifications, General Terms and Conditions, and the Grant Roles and Expectations.
- B. This grant is governed by Section 516 of the Public Health Services Act, as amended (42 USC § 290bb-22) and 45 CFR Part 74 or 92, as applicable, Health and Human Services (HHS) Grants Policy Statement, implementing regulations, and the most recent information available from the United State Department of HHS and addresses Healthy People 2020 - topic area Substance Abuse. The State reserves the right to amend the terms and conditions of this grant program based on future clarification by HHS and/or the Substance Abuse and Mental Health Services Administration (SAMHSA).
- C. Each Grantee will follow the program goals and objectives, tasks and time frames as agreed upon.
- D. This Agreement is of no force or effect until signed by both parties. The Grantee may not commence performance until such approval has been obtained.

II Grant Term

- A. The term of this Grant Project Agreement is shown on page one of the Notice of Grant Award. However, this agreement will be valid and enforceable for subsequent years past the first year of the agreement only if sufficient funds are made available to the State by the United States Government for the purposes of the program, and the Grantee satisfactorily complies with all requirements of the agreement.
- B. The source of funds is Section 516 of the Public Health Services Act, as amended (42 USC § 290b-22). The federal funds identified in this project agreement are time limited. In order for the Grantee to receive payment from the federal funds identified in this Grant Project Agreement, the Grantee must expend funds in the timeframes identified in the project budget estimate and submit claims and reports within the timeframes specified in this Grant Project Agreement (see VII). Failure to submit claims and reports within the specified timeframes will result in such claims not being paid if the time for which such funds are available has expired.
- C. The agreement will be subject to any additional restrictions, limitations, or conditions enacted by Congress or conditions that may affect the provision, terms, or funding of the agreement in any

manner. If funds are not appropriated for this program by both state and federal government, the agreement will be terminated and have no further force and effect.

- D. It is mutually understood between the parties that this agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if the agreement were executed after that determination was made.
- E. The parties mutually agree that if the Congress or the California Budget Act do not appropriate sufficient funds for the program, the State has the option to void the agreement under the 30-day cancellation clause or to amend the agreement to reflect any reduction in funds.

III Use of Funds

- A. The Grantee agrees that funds provided from the grant cannot be used for distributing sterile needles or syringes for the hypodermic injection of any illegal drug.
- B. The Grantee agrees that the funds may not be used for religious worship, instruction, proselytization, or for equipment and supplies to be used for any of these activities.
- C. The Department of Health and Human Services Appropriations Act requires that to the greatest extent possible, all equipment and products purchased with funds made available under this award should be American made.
- D. The Grantee or contractors who apply or bid for an award of \$100,000 or more shall file the required anti-lobbying certification. Each tier certifies to the tier above it that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of an agency or any officer, employee or member of Congress in connection with the awarding, modifying, renewing or extending of any federal contract, grant, loan, cooperative agreement, or any other award covered by 31 USC 1352. Each tier shall also disclose any lobbying with nonfederal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier.
- E. The Grantee is responsible for assuring that the use of funds from this grant will comply with Section 516 of the Public Health Services Act, as amended (42 USC § 290bb-22) and 45 CFR Part 74 or 92, as applicable. Further, the funds will only be used for allowable costs under the appropriate Office of Management and Budget Circular, "General Principles for Determining Allowable Costs" (OMB Circular A-87, A-122, or A-21).
- F. The Grantee agrees that it has no ongoing or completed projects under agreement with other federal funding sources that duplicate or overlap any work contemplated or described in this project. It is further agreed that any pending or proposed request for other federal grant funds that would duplicate or overlap work under this project will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of federal fund expenditures subsequently determined by audit will be subject to recovery.
- G. By law, none of the funds awarded can be used to pay the salary of an individual at a rate in excess of the federal Executive Level II, which is currently \$179,700 annually.
- H. Per 45 CFR 92.34 and 45 CFR 74.36 and the Public Health Services Grants Policy Statement, any copyrighted or copyrightable works developed under this grant shall be subject to a royalty

fee, nonexclusive and irrevocable license to the government to reproduce, publish, or otherwise use them and to authorize others to do so for federal government purposes. Income earned from any copyrighted work developed under this grant must be used as program income.

IV Program Implementation

- A. The Grantee will provide a project director for grant administrative oversight,
- B. The project director will ensure the local SPF SIG projects are being implemented and activities are monitored;
- C. The Grantee is responsible for reporting progress towards goals and objects.
- D. If the funding mechanism for the SPF SIG identifies community coalitions as SPF SIG subrecipients, and if they serve the targeted areas, existing anti-drug coalitions, such as those funded by the Drug Free Communities Program, should be used.
- E. SPF SIG funds are not to be used to create a duplicative sub-State anti-drug coalition infrastructure.
- F. SPF SIG project communities will implement a broad array of programs, policies, and practices, to include both direct and indirect services.

V Grant Revision

- A. Both the Grantee and the State must agree in order to revise the agreement. The Grantee shall contact the State SPF SIG Program Analyst before making any changes to the budget, goals, objectives, or design of the project plan to determine if changes can be made at the discretion of the Grantee, with the written approval of the State, or if they require a formal grant revision. Changes requiring written approval will not be valid unless such approval is given. Changes requiring a formal grant revision shall not be valid unless made in writing, signed by the parties, and approved as required. Project modifications made prior to obtaining written approval as required are subject to denial from the State SPF SIG Program Analyst, and may result in denial of payment for all charges related to the modification(s) made.
- B. The proposed revisions that affect the program budget shall include a revised Budget Estimate and Budget Justification, and a statement of the reason and basis for the proposed change.
- C. In the event of changes in law that affect provisions of this Grant, the parties agree to amend the affected provisions to conform to the changes in law retroactive to the effective date of such changes in law. The parties further agree that the terms of this Grant are severable and in the event of changes in law as described above, the unaffected provisions and obligations of this grant will remain in full force and effect.
- D. This agreement is not assignable by the Grantee, either in whole or in part, without the consent of the State in the form of a formal written revision.

VI Reimbursement Claims

- A. The Grantee will be reimbursed in arrears for actual allowable costs incurred under this grant program.

- B. The Grantee must seek reimbursement from the State by submitting a complete project claim, which is incorporated by this reference. The claim shall include all grant-related costs for the billing period, and be submitted no more and no less frequently than once each quarter of the project year. The progress report (discussed in Section VII) must be submitted with the claim.
- C. Claims shall be submitted to the State SPF SIG Program Analyst, California Department of Alcohol and Drug Programs, Prevention Services Division, 1700 K Street, Sacramento, CA 95811.

Claims will be submitted to the Department of Alcohol and Drug Programs Accounting Section for payment only after the Analyst has reviewed and approved the quarterly/annual progress report for the billing period covered by the claim.

- D. The State may withhold or disallow grant payments, reduce or terminate grant funds, and/or deny future grant funding anytime a Grantee fails to comply with any term or condition of the grant agreement or program guidelines. Failure to comply may include, but is not limited to, the failure to submit acceptable and timely reimbursement claims, quarterly, or annual comprehensive reports.

VII Reporting Requirements

- A. The Grantee is required to submit quarterly progress reports and claims for each calendar quarter, or portion thereof, during which the grant is in effect. Reports and claims are to be received by the State SPF SIG Program Analyst no later than 30 days after the close of each calendar quarter (January 31, April 30, July 31, and October 31).
- B. Quarterly reports must include the following: a comparison of the actual accomplishments to the goals and objectives established for the period; the reasons for any variance if objectives were not met and the plans to address the variance; a fiscal report of expended grant funds; and additional pertinent information including, when appropriate, analysis and explanation of costing problems.
- C. The Grantee is required to submit a comprehensive report at the end of each 12-month project year. Comprehensive reports are due 30 days after the end of the project year.
- D. The Grantee is required to submit a final performance report. The final report is due 90 days after the end of the project period.

VIII Grantee Meetings

The Grantee must plan to send a minimum of two people (including a project community representative or coalition member) to two joint Grantee meetings each year of the grant. The Grantee must include a detailed budget and narrative for this travel in their budget. At these meetings, the Grantee will present the results of the project and State staff or their designee(s) will provide technical assistance. These meetings will usually be held in the Sacramento area and attendance is mandatory.

IX Subcontracts

The Grantee may subcontract for elements of program implementation. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Grantee of its responsibilities and obligations hereunder. The Grantee agrees to pass down to subcontractors all applicable federal and state requirements. The Grantee agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Grantee. The Grantee's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Grantee. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

X Audits

- A. Grantees and subcontractors must maintain records that adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subcontract awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.
- B. The Grantee shall comply, and shall require that subcontractors comply, with all terms and conditions of this agreement and all pertinent state and federal statutes and regulations. The State, the Comptroller General of the United States, or other authorized federal agencies and representatives, will be allowed to evaluate the quality, appropriateness, and timeliness of services performed under this grant. Any and all books, records, and facilities shall be maintained by the Grantee and subcontractors for a minimum of three (3) years after the day the Grantee submits its final expenditure report/claim. These records may be inspected and copied at any time during normal business hours. Unannounced visits may be made at the discretion of the State. Employees who might reasonably have information related to such records may be interviewed. Further, the Grantee agrees to include a similar right of the State and authorized federal agencies and representatives, to audit records and interview staff in any subcontract related to performance of this agreement.
- C. By accepting these grant funds, the Grantee is agreeing to participate in audits as requested by the State, or authorized federal agencies and representatives, and as required by Office of Management and Budget Circular A-133. Audits may be requested for the purpose of programmatic and/or fiscal review.

XI Compliance Review

- A. The State will monitor counties and programs for compliance with the requirements of the grant agreement and will approve strategic plans and performance reports. Each grant will be monitored to ensure quality programs, coordination of efforts, and compliance with the statute and regulations. If programs are not meeting the requirements of the grant, a plan for corrective action will be required and the State may provide technical assistance to achieve compliance or reduce or terminate the funding under the agreement.
- B. Site visits to the Grantee and/or subcontractor may be as frequent as deemed necessary by the State, but shall be at least once during the up to five-year grant period. Site visits may be requested for the purpose of programmatic and/or fiscal review. Appointments will be made in advance for site visits.

XII Disadvantaged business enterprise/small business affirmative steps

The Grantee will take all necessary affirmative steps to assure that disadvantaged business enterprises (DBE), as defined in 49 Code of Federal Regulations 26.5 are used as vendors when possible. Affirmative steps shall include:

- Placing qualified DBEs and small businesses on solicitation lists.
- Assuring that DBEs and small businesses are solicited whenever they are potential sources.
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small businesses and DBEs.
- Establishing delivery schedules, where the requirement permits, which encourage the participation by DBEs and small businesses.
- Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.
- Requiring the prime recipient, if subcontracts are to be let, to take the affirmative steps listed above.

XIII Child Support Compliance Act

For any Agreement in excess of \$100,000, the Grantee, contractor, and subcontractors must acknowledge that they:

- 1) Recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the California Family Code; and
- 2) To the best of their knowledge, are fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

XIV Confidentiality of Information

A. The Grantee and its subcontractors that provide services covered by this Agreement shall comply with all applicable state and federal statutes and regulations regarding confidentiality, including, but not limited to, the confidentiality of information requirements in 42 USC Section 290 dd-2; Part 2, Title 42, CFR; Section 11845.5 of the Health and Safety Code; and the Health Insurance Portability and Accountability Act of 1996, as applicable.

B. The Grantee and its subcontractors shall ensure that the identity of persons receiving services under this Agreement is not published, disclosed, or used for any purpose except for the direct administration of this program or other uses authorized by law.

C. The Grantee shall monitor compliance with the above provisions and shall include them in all subawardees.

XV Nondiscrimination in Services

A. For the purpose of this Agreement, discriminations on the basis of race, color, creed, national origin, sex, age, or physical or mental disability include, but are not limited to, the following:

denying an otherwise eligible individual any service or providing a benefit which is different, or is provided in a different manner or at a different time, from that provided to others under this contract; subjecting any individual to segregation or separate treatment in any matter related to the receipt of any service; restricting an otherwise eligible individual in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and/or treating any individual differently from others in determining whether such individual satisfied any admission, enrollment, eligibility, membership or other requirement or condition which individuals must meet in order to be provided any service or benefit.

B. The Grantee shall, on a cycle of at least every three years, assess, monitor, and document each contractor's or subcontractor's compliance with the Rehabilitation Act of 1973 and Americans with Disabilities Act of 1990 to ensure that recipients/ beneficiaries and intended recipients/beneficiaries of services are provided services without regard to physical or mental disability. The Grantee shall also monitor to ensure that beneficiaries and intended beneficiaries of service are provided services without regard to race, color, creed, national origin, sex, or age.

C. Noncompliance shall constitute grounds for the State to withhold payments under this agreement or terminate all, or any type, of funding provided hereunder.

XVI Conflict of Interest

The Grantee agrees it is aware of the following provisions regarding current or former state employees. If the Grantee has any questions on the status of any person rendering services or involved with the agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (California Public Contracts Code Section 10410)

1. No officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required as a condition of regular state employment.
2. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (California Public Contracts Code Section 10411)

1. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
2. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving state service.

If the Grantee violates any provisions of above paragraphs, such action by the Grantee, contractor, or subcontractor shall render this agreement void. (California Public Contracts Code Section 10420)

Members of boards or commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. [California Public Contracts Code Section 10430(e)]

XVII Resolution

Upon request, the Grantee must provide the State with a copy of the resolution, order, motion, or ordinance of the local governing body that by law has authority to enter into an Agreement, authorizing execution of the Agreement.

XVIII No Unlawful Use, or Unlawful Use Messages, Regarding Drugs and/or Alcohol

The Grantee agrees that information produced through these funds, and which pertains to drug- and alcohol-related programs, shall contain a clearly written statement that there shall be no unlawful use of drugs or alcohol associated with the program. Additionally, no aspect of a drug- or alcohol-related program shall include any message on the responsible use, if the use is unlawful, of drugs or alcohol (Health and Safety Code Section 11999). By signing this Agreement, the Grantee agrees that it and its contractors and subcontractors will enforce these requirements.

XIX Smoking Prohibition Requirements

The Grantee shall comply, and require that its contractors and subcontractors comply, with Public Law 103-227, also known as the Pro-Children Act of 1994, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education, or library services to children under the age of 18 if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed.

XX Hazardous Activities

The Grantee shall have liability insurance sufficient to cover hazardous activities pursuant to Section 7.40 of the *State Contracting Manual* (Document 1S), incorporated by this reference. To the extent the Grantee contracts or subcontracts for the provision of transportation services, the Grantee is liable to determine that the contractor or subcontractor has sufficient liability insurance to meet the requirements of Section 7.40 of the *State Contracting Manual*.

XXI Disputes

If the Grantee believes that there is a dispute or grievance between the Grantee and the State arising out of or relating to this grant agreement, the Grantee shall first discuss and attempt to

resolve the issue informally with the State's representative. If the issue cannot be resolved at this level, the Grantee shall follow the following procedures:

If the issue cannot be resolved informally with the State's representative, the Grantee may submit, in writing, a grievance report together with any evidence to the California Department of Alcohol and Drug Programs, Prevention Services Division Deputy Director. The grievance report must state the issues in the dispute and the legal authority, or other basis for the Grantee's position and the remedy sought. Within ten (10) working days of receipt of the written grievance report from the Grantee, the Program Services Division Deputy Director shall make a determination on the problem, and shall respond in writing to the Grantee indicating the decisions and the reasons therefore. Should the Grantee disagree with the Division Deputy Director's decision, the Grantee may appeal to the next level as provided in the following paragraph.

The Grantee must submit a letter of appeal to The California Department of Alcohol and Drug Programs (ADP) Chief Deputy Director explaining why the Deputy Director's decision is unacceptable. The letter must include, as an attachment, copies of the Grantee's original grievance report, evidence originally submitted, and the response from ADP's representative. The Grantee's letter of appeal must be submitted within ten (10) working days of the receipt of the Division Deputy Director's written decision. The Chief Deputy Director shall, within twenty (20) working days of receipt of the Grantee's letter of appeal, review the issues raised and shall render a written decision to the Grantee. The decision of the Chief Deputy Director shall be final.

XXII Indemnification

The Grantee agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Grantee in the performance of this grant.

XXIII Independent Contractor

The Grantee, and the agents and employees of the Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

XXIV Right to Terminate

A. The State reserves the right to terminate this agreement subject to 30 days written notice to the Grantee.

B. However, the State can terminate the agreement immediately for cause. The term "for cause" shall mean that the Grantee fails to meet the terms, conditions, and/or responsibilities of the Agreement. In this instance, the termination of the grant agreement shall be effective as of the date indicated on the State's notification to the Grantee. The notice shall state the effective date of and reason for the termination.

C. This agreement may be suspended or cancelled without notice, at the option of the Grantee, if the Grantee or the State's premises or equipment are destroyed by fire or other catastrophe,

or so substantially damaged that it is impractical to continue service, or in the event the Grantee is unable to render service as a result of any action by any governmental entity.

XXV Governing Law

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

XXVI Assignment of Grant Agreement

The California Department of Alcohol and Drug Programs expressly consents to assign and transfer all rights and interests in this SPF SIG Notice of Grant Award to Department of Health Care Services as of July 1, 2013. By executing this grant revision, Department of Health Care Services assumes all rights, duties, obligations, responsibilities, and liabilities of any type that accrue on or after July 1, 2013 and agrees to abide by these grant terms and conditions.

As of July 1, 2013, all references to the Department of Alcohol and Drug Programs (ADP) appearing in this grant agreement and its exhibits shall be deemed to read Department of Health Care Services (DHCS).

As a result of the government reorganization that resulted in the assignment, various department programs may experience a physical relocation, reassignment of personnel, change in programmatic procedures/policies, or other effect. If this agreement, during the remainder of its duration, is impacted by such changes, the Department of Health Care Services reserves the right, without initiation of a formal amendment, to issue one or more written notices to the grantee supplying alternative information and/or instructions regarding grant numbers, claim instructions, document addressing, personnel changes, and/or other procedural/policy changes.

This section of the grant terms and conditions is contingent upon and shall take effect only upon the elimination of the Department of Alcohol and Drug Programs by the Budget Act of 2013 and associated trailer bills. If the Department of Alcohol and Drug Programs is not eliminated by the Budget Act of 2013 and associated trailer bills, this section shall be null and void.

Except as specified herein, all remaining terms and conditions shall remain unchanged.