

PUBLIC HEALTH EMERGENCY PREPAREDNESS FUNDING GRANT AGREEMENT

City of Long Beach **29792**

1. This Agreement is entered into between the California Department of Health Services, herein after referred to as "CDHS" and the City of Long Beach, herein after referred to as "LHD."
2. The term of this agreement is May 22, 2006 through June 30, 2006 (Project Period 05/06).
3. The maximum amount payable under this Agreement is \$65,307.
4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this Agreement.

Exhibit A — Scope of Work	03 Pages
Exhibit B — Budget Detail and Budget Provisions	02 Pages
Exhibit C — Additional Provisions	03 Pages
Exhibit D(S) – Special Terms and Conditions	18 Pages
Exhibit E – Non-Supplantation Certification Form	01 Page

RECEIVED
 CONTRACTS SECTION
 JUN 21 2006
 11:40 AM

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR	
CONTRACTOR'S NAME	
City of Long Beach	
BY (Authorized Signature)	DATE SIGNED (Do not type -signor must date)
<i>Christine J. Shippy</i> ASSISTANT	6/21/06
PRINTED NAME AND TITLE OF PERSON SIGNING	EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.
Gerald R. Miller, City Manager	
ADDRESS	
333 W. Ocean Blvd. Long Beach, CA 90802	
STATE OF CALIFORNIA	
AGENCY NAME	
California Department of Health Services	
BY (Authorized Signature)	DATE SIGNED
<i>Robert E. Shannon</i>	7-5-06
ADDRESS	
1615 Capitol Avenue, MS 7002, P.O. Box 997413, Sacramento, CA 95899-7413	

APPROVED AS TO FORM

6/21, 2006
 ROBERT E. SHANNON, City Attorney
 BY *D. Quinn*
 SENIOR DEPUTY CITY ATTORNEY

**EXHIBIT A
PUBLIC HEALTH EMERGENCY PREPAREDNESS FUNDING GRANT AGREEMENT**

Scope of Work

1. This Agreement is entered into between the California Department of Health Services, hereinafter referred to as "CDHS" and the City of Long Beach, hereinafter referred to as the "LHD". LHD agrees to provide to CDHS the services described herein.

Local Public Health pandemic influenza emergency preparedness and response planning activities that are in accordance with the Centers for Disease Control and Prevention (CDC) Public Health Emergency Preparedness Supplement AA154 (CDC Announcement of Pandemic Preparedness Funding), CDHS FY 2005-2006 Local Guidance CDC Cooperative Agreement, and the Local Work Plan.

This signed Agreement and Certificate Against Supplanting serves as your Project Period 2005-2006 Application for Funding.

2. The services shall be performed at applicable facilities in the City of Long Beach.
3. The services shall be provided during normal LHD working hours and days, as well as other hours and days the LHD deems appropriate.
4. The project representatives during the term of this agreement will be:

<p>Department of Health Services Terri Gill, EPO Project Officer Telephone: (916) 440-7154 Fax: (916) 650-6420 Email: tgill@dhs.ca.gov</p>	<p>City of Long Beach Hanan Obeidi, Bioterrorism Coordinator Telephone: (562) 570-4382 Fax: (562) 570-4049 Email: hanan_obeidi@longbeach.gov</p>
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Direct all inquiries to:

<p>Department of Health Services Emergency Preparedness Office Attention: LHD BT Grant Award Program MS 7002 P.O. Box 997413 Sacramento, CA 95899-7413</p> <p>Telephone: (916) 650-6416 Fax: (916) 650-6420</p>	<p>City of Long Beach Dept. of Health & Human Services Attention: Hanan Obeidi 2525 Grand Avenue Long Beach, CA 90815</p> <p>Telephone: (562) 570-4382 Fax: (562) 570-4049</p>
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Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

**EXHIBIT A
PUBLIC HEALTH EMERGENCY PREPAREDNESS FUNDING GRANT AGREEMENT**

Scope of Work

5. Services to be Performed

LHD shall perform services as outlined in accordance with the CDC Public Health Emergency Preparedness Supplement AA154 (CDC Announcement of Pandemic Preparedness Funding), CDHS FY 2005-2006 Local Guidance CDC Cooperative Agreement, and the Local Work Plan, which are not attached, but are incorporated herein and made a part hereof by this reference.

6. Reporting Requirements

Written progress reports and expenditure reports must be submitted according to the schedule set by CDHS. The purpose of the progress reports and expenditure reports are to document activities and expenditure of funds.

7. Progress and Expenditure Reports

Progress and Expenditure Report schedule and templates will be sent out at a later date.

8. Expenditure and Program Requirements

- A. In accordance with the LHD signed Certification Against Supplanting, funds shall not be used to supplant funding for existing levels of services and will only be used for the purposes designated herein.
- B. In executing this Agreement, the LHD assures that it will comply with the CDC Supplement and CDHS Local Guidance, and its approved LHD Cooperative Agreement Work Plan – Project Period 05/06.
- C. Funds made available are limited to activities approved in the LHD Work Plan.

9. Allowable Informal Scope of Work Changes

- A. The LHD or the CDHS may propose informal changes or revisions to the activities, tasks, deliverables and/or performance time frames specified in the Scope of Work (SOW), provided such changes do not alter the overall goals and basic purpose of the agreement.
- B. Informal SOW changes may include the substitution of specified activities or tasks; the alteration or substitution of agreement deliverables and modifications to anticipated completion/target dates.

**EXHIBIT A
PUBLIC HEALTH EMERGENCY PREPAREDNESS FUNDING GRANT AGREEMENT**

Scope of Work

- C. Informal SOW changes processed hereunder, shall not require a formal agreement amendment, provided the LHD's annual budget does not increase or decrease as a result of the informal SOW change.
 - D. Unless otherwise stipulated in this agreement, all informal SOW changes and revisions are subject to prior written approval by the CDHS.
 - E. In implementing this provision, the CDHS may provide a format for the LHD's use to request informal SOW changes. If no format is provided by the CDHS, the LHD may devise its own format for this purpose.
10. The LHD Cooperative Agreement Work Plan – Project Period 05/06 is not attached, but is incorporated herein and made a part hereof by this reference.

The completed LHD Cooperative Agreement Work Plan is due to CDHS no later than June 26, 2006 and shall be submitted via Email to: lhbtprog@dhs.ca.gov.

The subject of the Email shall be: City of Long Beach Cooperative Agreement Work Plan and Budgets.

11. The LHD Budget templates are not attached, but are incorporated herein and made a part hereof by this reference.

LHD shall complete the budget summary sheet. Each budget worksheet shall be completed using the prescribed format. Separate budget justifications shall be submitted for each position budgeted under Personnel. Justifications shall be in the form of a LHD/city approved duty statement documenting that the work performed is for local public health preparedness and response to bioterrorism activities.

Completed LHD Budgets are due to CDHS no later than June 26, 2006. Exhibit B shall be submitted via Email to: lhbtprog@dhs.ca.gov.

The subject of the Email shall be: City of Long Beach Cooperative Agreement Work Plan and Budget.

Exhibit B
Budget Detail and Payment Provisions

1. Term of Agreement

The term of this agreement shall be from May 22, 2006 to June 30, 2006.

2. Accountability Requirements

- A. CDHS may recoup funds that are not spent for allowable purposes as specified in State statute and determined by CDHS.
- B. CDHS may withhold payments if the LHD is not in compliance with the terms and conditions of this Agreement, the approved Plan and Budget or the formal Agreement. CDHS may withhold payments if the LHD cannot demonstrate progress toward protecting the jurisdiction from the threat of an infectious disease outbreak or other public health threat or emergency as described in its progress and expenditure reports. CDHS will meet with local health officials prior to withholding or reducing such payments.

3. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act and/or other state statute of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CDHS shall have no liability to pay any funds whatsoever to LHD or to furnish any other considerations under this Agreement and LHD shall not be obligated to perform any provisions of this Agreement except as to periods for which funding has been provided.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CDHS shall have the option to either cancel this Agreement with no liability occurring to CDHS, or offer an agreement amendment to LHD to reflect the reduced amount.

5. Amounts Payable

The amount payable under this Agreement shall not exceed \$65,307 for the project period May 22, 2006 through June 30, 2006.

6. Redirection of Funds

Any redirection of funds requires prior approval by CDHS.

Exhibit B
Budget Detail and Payment Provisions

7. LHD Payment Provisions

- A. CDHS will release funds to the LHD upon submission of an invoice indicating completion of each activity shown on the Work Plan, according to the percentage for that activity. An invoice template will be provided at a later date.
- B. Final payment is contingent upon receiving an acceptable progress and expenditure report submitted in accordance with timelines, formats and specifications to be provided by CDHS.
- C. Reconciliation with the payments shall be through an expenditure report and an annual reconciliation report. These reports shall be submitted in accordance with timelines, formats and specifications to be provided by CDHS. The expenditure reports and annual reconciliation should be directed to:

California Department of Health Services
Emergency Preparedness Office
Attn: Local CDC Application
MS 7002
P.O. Box 997413
Sacramento, CA 95899-7413

**Exhibit C
Additional Provisions**

1. Additional Incorporated Exhibits

- A. The attached Exhibit D(S) entitled "Special Terms and Conditions" consisting of 18 pages, is incorporated and made a part of this agreement by this reference except for provisions 2, 3, 5, 9, 10, 15, 16, and 20. The term Contractor shall mean Local Health Department (LHD).
- B. The attached Exhibit E entitled "Certification Form" consisting of one page is incorporated and made part of this agreement by this reference.
- C. The following documents and any subsequent updates are not attached, but are incorporated herein and made a part hereof by this reference. These documents may be updated periodically by CDHS, as required by program directives. CDHS shall provide the LHD with copies of said documents and any periodic updates thereto, under separate cover. CDHS will maintain on file, all documents referenced herein and any subsequent updates.
 - 1) Local Health Department Application Guidance, FY 2005-2006 California Pandemic Influenza Preparedness Funds
 - 2) Enclosure I – Local health Department Pandemic Influenza Preparedness Allocations
 - 3) Enclosure II – Public Health Emergency Preparedness Funding Grant Agreement
 - 4) Enclosure III – Work Plan Template
 - 5) Enclosure IV – CDC Pandemic Influenza Planning Self-Assessment – Local Public Health Checklist
 - 6) Enclosure V – Directions for Completing the California Pandemic Influenza Preparedness Budget Template (May 22, 2006 through June 30, 2006)
 - 7) Enclosure VI – California Pandemic Influenza Preparedness Budget Template
 - 8) Enclosure VII – EPO Project Office Contact Information
 - 9) Enclosure VIII – Application Checklist

**Exhibit C
Additional Provisions**

- 10) Enclosure IX – Department of Health and Human Services' Centers for Disease Control and Prevention Public Health Emergency Preparedness Supplement AA154 (CDC Announcement of Pandemic Preparedness Funding)
- 11) Enclosure X – Technical Assistance Seminars

2. Contract Amendments

Should either party, during the term of this agreement, desire a change or amendment to the terms of this Agreement, such changes or amendments shall be proposed in writing to the other party, who will respond in writing as to whether the proposed changes/amendments are accepted or rejected. If accepted and after negotiations are concluded, the agreed upon changes shall be made through the State's official agreement amendment process. No amendment will be considered binding on either party until it is formally approved by the State.

3. Cancellation / Termination

- A. This agreement may be cancelled or terminated without cause by either party by giving thirty (30) calendar days advance written notice to the other party. Such notification shall state the effective date of termination or cancellation and include any final performance and/or payment/invoicing instructions/requirements.
- B. Upon receipt of a notice of termination or cancellation from CDHS, LHD shall take immediate steps to stop performance and to cancel or reduce subsequent contract costs.
- C. LHD shall be entitled to payment for all allowable costs authorized under this agreement, including authorized non-cancelable obligations incurred up to the date of termination or cancellation, provided such expenses do not exceed the stated maximum amounts payable.
- D. Agreement termination or cancellation shall be effective as of the date indicated in CDHS' notification to LHD. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. In the event of early termination or cancellation, LHD shall be entitled to compensation for services performed satisfactorily under this Agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this Agreement.

**Exhibit C
Additional Provisions**

4. Procurement Rules

A. Equipment Definitions

Wherever the term equipment and/or miscellaneous property is used, the following definitions shall apply:

1. **Major equipment:** A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or more and is either furnished by CDHS or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
2. **Minor equipment:** A tangible item having a base unit cost of less than \$5,000 with a life expectancy of one (1) year or more that is listed on the CDHS Asset Management Unit's Minor Equipment List and is either furnished by CDHS or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the CDHS program contract manager.
3. **Miscellaneous property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by CDHS or the cost is reimbursed through this agreement. Examples include, but are not limited to: furniture (excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.

- B. Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this agreement.

5. Dispute Resolution

In addition to the dispute resolution process set forth in Exhibit D(S), CDHS may recoup from a LHD any moneys allocated pursuant to this article that are unspent or that are not expended for purposes specified in subdivision (d). CDHS may also recoup funds expended by the LHD in violation of subdivision (d) of Section 101315 of the California Health and Safety Code. CDHS may withhold payment of moneys to a LHD if the LHD is not in compliance with this article or the terms of that LHDs plan as approved by CDHS. Before any funds are recouped or withheld from a LHD, CDHS shall meet with local health officials to discuss the status of the unspent moneys or the disputed use of the funds, or both.

Special Terms and Conditions

(For State funded subvention, local assistance and direct service contracts and grant agreements)

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or govern the meaning of any specific term or condition. The terms "contract", "Contractor" and "Subcontractor" shall also mean, "grant", "Grantee" and "Subgrantee" respectively.

This exhibit contains provisions that require strict adherence to various contracting laws and policies. Some provisions herein are conditional and only apply if specified conditions exist (i.e., agreement total exceeds a certain amount, agreement is federally funded, etc.). The provisions herein apply to this agreement unless the provisions are removed by reference on the face of the agreement, the provisions are superseded by an alternate provision appearing elsewhere in the agreement, or the applicable conditions do not exist.

Index of Special Terms and Conditions

1. Travel and Per Diem Reimbursement
2. Procurement Rules
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1. Travel and Per Diem Reimbursement

(Applicable if travel and/or per diem expenses are reimbursed with contract funds.)

Reimbursement for travel and per diem expenses from DHS under this agreement shall, unless otherwise specified in this agreement, be at the rates currently in effect, as established by the California Department of Personnel Administration (DPA), for nonrepresented state employees as stipulated in DHS' Travel Reimbursement Information Exhibit. If the DPA rates change during the term of the agreement, the new rates shall apply upon their effective date and no amendment to this agreement shall be necessary. Exceptions to DPA rates may be approved by DHS upon the submission of a statement by the Contractor indicating that such rates are not available to the Contractor. No travel outside the State of California shall be reimbursed without prior authorization from DHS. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

2. Procurement Rules

(Applicable to all agreements in which equipment, miscellaneous property, commodities and/or supplies are furnished by DHS or expenses for said items are reimbursed with state funds.)

a. Equipment definitions

Wherever the term equipment and/or miscellaneous property is used, the following definitions shall apply:

- (1) **Major equipment:** A tangible or intangible item having a base unit cost of **\$5,000 or more** with a life expectancy of one (1) year or more and is either furnished by DHS or the cost is reimbursed through this agreement. Software and videos are examples of intangible items that meet this definition.
- (2) **Minor equipment:** A tangible item having a base unit cost of **less than \$5,000** with a life expectancy of one (1) year or more that is listed on the DHS Asset Management Unit's Minor Equipment List and is either furnished by DHS or the cost is reimbursed through this agreement. Contractors may obtain a copy of the Minor Equipment List by making a request through the DHS program contract manager.
- (3) **Miscellaneous property:** A specific tangible item with a life expectancy of one (1) year or more that is either furnished by DHS or the cost is reimbursed through this agreement. Examples include, but are not limited to: furniture (excluding modular furniture), cabinets, typewriters, desktop calculators, portable dictators, non-digital cameras, etc.

b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor and/or subcontractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this agreement. Said procurements are subject to Paragraphs d through h of Provision 2. Paragraph c of Provision 2 shall also apply, if equipment purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.

c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment and services related to such purchases for performance under this agreement.

- (1) Equipment purchases shall not exceed \$50,000 annually.

To secure equipment above the annual maximum limit of \$50,000, the Contractor shall make arrangements through the appropriate DHS program contract manager, to have all remaining equipment purchased through DHS' Purchasing Unit. The cost of equipment purchased by or through DHS shall be deducted from the funds available in this agreement. Contractor shall submit to the DHS program contract manager a list of equipment specifications for those items that the State must procure. The State may pay the vendor directly for such arranged

equipment purchases and title to the equipment will remain with DHS. The equipment will be delivered to the Contractor's address, as stated on the face of the agreement, unless the Contractor notifies the DHS program contract manager, in writing, of an alternate delivery address.

- (2) All equipment purchases are subject to Paragraphs d through h of Provision 2. Paragraph b of Provision 2 shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.
- (3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:
 - (a) Maintain a code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement contract in which, to his or her knowledge, he or she has a financial interest.
 - (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
 - (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.
- d. Unless waived or otherwise stipulated in writing by DHS, prior written authorization from the appropriate DHS program contract manager will be required before the Contractor will be reimbursed for any purchase of \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by DHS, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by DHS (e.g., when DHS has a need to monitor certain purchases, etc.), DHS may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. DHS reserves the right to either deny claims for reimbursement or to request repayment for any Contractor and/or subcontractor purchase that DHS determines to be unnecessary in carrying out performance under this agreement.
- f. The Contractor and/or subcontractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor and/or subcontractor at any time.
- g. For all purchases, the Contractor and/or subcontractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor and/or subcontractor for inspection or audit.
- h. DHS may, with cause (e.g., with reasonable suspicion of unnecessary purchases or use of inappropriate purchase practices, etc.), withhold, cancel, modify, or retract the delegated purchase authority granted under Paragraphs b and/or c of Provision 2 by giving the Contractor no less than 30 calendar days written notice.

3. Equipment Ownership / Inventory / Disposition

(Applicable to agreements in which equipment and/or miscellaneous property is furnished by DHS and/or when said items are purchased or reimbursed with state funds.)

- a. Wherever the term equipment and/or miscellaneous property is used in Provision 3, the definitions in Provision 2, Paragraph a shall apply.

Unless otherwise stipulated in this agreement, all equipment and/or miscellaneous property that are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement shall be considered state equipment and the property of DHS.

- (1) DHS requires the reporting, tagging and annual inventorying of all equipment and/or miscellaneous property that is furnished by DHS or purchased/reimbursed with funds provided through this agreement.

Upon receipt of equipment and/or miscellaneous property, the Contractor shall report the receipt to the DHS program contract manager. To report the receipt of said items and to receive property tags, the Contractor shall use a form or format designated by DHS' Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with DHS Funds) does not accompany this agreement, Contractor shall request a copy from the DHS program contract manager.

- (2) If the Contractor enters into an agreement with a term of more than twelve months, the Contractor shall submit an annual inventory of state equipment and/or miscellaneous property to the DHS program contract manager using a form or format designated by DHS' Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of DHS-Funded Equipment) does not accompany this agreement, Contractor shall request a copy from the DHS program contract manager. Contractor shall:

- (a) Include in the inventory report, equipment and/or miscellaneous property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
- (b) Submit the inventory report to DHS according to the instructions appearing on the form or issued by the DHS program contract manager.
- (c) Contact the DHS program contract manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or miscellaneous property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by DHS' Asset Management Unit.

- b. Title to state equipment and/or miscellaneous property shall not be affected by its incorporation or attachment to any property not owned by the State.

- c. Unless otherwise stipulated, DHS shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or miscellaneous property.

- d. The Contractor and/or Subcontractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or miscellaneous property.

- (1) In administering this provision, DHS may require the Contractor and/or Subcontractor to repair or replace, to DHS' satisfaction, any damaged, lost or stolen state equipment and/or miscellaneous property. In the event of state equipment and/or miscellaneous property theft, Contractor and/or Subcontractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the DHS program contract manager.

- e. Unless otherwise stipulated by the program funding this agreement, equipment and/or miscellaneous property purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, shall only be used for performance of this agreement or another DHS agreement.
- f. Within sixty (60) calendar days prior to the termination or end of this agreement, the Contractor shall provide a final inventory report of equipment and/or miscellaneous property to the DHS program contract manager and shall, at that time, query DHS as to the requirements, including the manner and method, of returning state equipment and/or miscellaneous property to DHS. Final disposition of equipment and/or miscellaneous property shall be at DHS expense and according to DHS instructions. Equipment and/or miscellaneous property disposition instructions shall be issued by DHS immediately after receipt of the final inventory report. At the termination or conclusion of this agreement, DHS may at its discretion, authorize the continued use of state equipment and/or miscellaneous property for performance of work under a different DHS agreement.

g. Motor Vehicles

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under this agreement.)

- (1) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, within thirty (30) calendar days prior to the termination or end of this agreement, the Contractor and/or Subcontractor shall return such vehicles to DHS and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to DHS.
- (2) If motor vehicles are purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, the State of California shall be the legal owner of said motor vehicles and the Contractor shall be the registered owner. The Contractor and/or a subcontractor may only use said vehicles for performance and under the terms of this agreement.
- (3) The Contractor and/or Subcontractor agree that all operators of motor vehicles, purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, shall hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator shall also hold a State of California Class B driver's license.
- (4) If any motor vehicle is purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, the Contractor and/or Subcontractor, as applicable, shall provide, maintain, and certify that, at a minimum, the following type and amount of automobile liability insurance is in effect during the term of this agreement or any period of contract extension during which any vehicle remains in the Contractor's and/or Subcontractor's possession:

Automobile Liability Insurance

- (a) The Contractor, by signing this agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by DHS under the terms of this agreement, to the Contractor and/or Subcontractor.
- (b) The Contractor and/or Subcontractor shall, as soon as practical, furnish a copy of the certificate of insurance to the DHS program contract manager.

- (c) The Contractor and/or Subcontractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this agreement or until such time as the motor vehicle is returned to DHS.
- (d) The Contractor and/or Subcontractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor and/or Subcontractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State (California Department of Health Services).
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this agreement and any extension or continuation of this agreement.
 - [3] The insurance carrier shall notify the State of California Department of Health Services, in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to the agreement number for which the insurance was obtained.
- (f) The Contractor and/or Subcontractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by DHS, in writing, if this provision is applicable to this agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor and/or Subcontractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, DHS may, in addition to any other remedies it may have, terminate this agreement upon the occurrence of such event.

4. Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services costing \$5,000 or more. Except as indicated in Paragraph a(3) herein, when securing subcontracts for services exceeding \$5,000, the Contractor shall obtain at least three bids or justify a sole source award.
 - (1) The Contractor must provide in its request for authorization, all information necessary for evaluating the necessity or desirability of incurring such cost.
 - (2) The State may identify the information needed to fulfill this requirement.
 - (3) Subcontracts performed by the following entities or for the service types listed below are exempt from the bidding and sole source justification requirements:
 - (a) A local governmental entity or the federal government,
 - (b) A State college or university from any State,
 - (c) A Joint Powers Authority,

- (d) An auxiliary organization of a California State University or a California community college,
 - (e) A foundation organized to support the Board of Governors of the California Community Colleges,
 - (f) An auxiliary organization of the Student Aid Commission established under Education Code § 69522,
 - (g) Entities of any type that will provide subvention aid or direct services to the public,
 - (h) Entities and/or service types identified as exempt from advertising in State Administrative Manual Section 1233 subsection 3. View this publication at the following Internet address: <http://sam.dgs.ca.gov>.
- b. DHS reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this agreement.
- (1) Upon receipt of a written notice from DHS requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by DHS.
- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) of \$5,000 or more are subject to the prior review and written approval of DHS. DHS may, at its discretion, elect to waive this right. All such waivers shall be confirmed in writing by DHS.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this agreement and shall, upon request by DHS, make copies available for approval, inspection, or audit.
- e. DHS assumes no responsibility for the payment of subcontractors used in the performance of the agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this agreement.
- f. The Contractor is responsible for all performance requirements under this agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this agreement.
- h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:
- "(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from DHS to the Contractor, to permit DHS or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."
- i. Unless otherwise stipulated in writing by DHS, the Contractor shall be the subcontractor's sole point of contact for all matters related to performance and payment under this agreement.
- j. Contractor shall, as applicable, advise all subcontractors of their obligations pursuant to the following numbered provisions of this Exhibit: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 17.

5. Income Restrictions

Unless otherwise stipulated in this agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this agreement shall be paid by the Contractor to DHS, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by DHS under this agreement.

6. Audit and Record Retention

(Applicable to agreements over \$10,000.)

- a. The Contractor and/or Subcontractor shall maintain books, records, documents, and other evidence, accounting procedures, and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purposes of this provision.
- b. The Contractor's and/or Subcontractor's facility or office or such part thereof as may be engaged in the performance of this agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that DHS, the Department of General Services, the Bureau of State Audits, or their designated representatives shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor and/or Subcontractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this agreement, or by subparagraphs (1) or (2) below.
 - (1) If this agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor and/or Subcontractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code § 10115.10, if applicable.
- f. The Contractor and/or Subcontractor may, at its discretion, following receipt of final payment under this agreement, reduce its accounts, books and records related to this agreement to microfilm, computer disk, CD ROM, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.

7. Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

8. Intellectual Property Rights

a. Ownership

- (1) Except where DHS has agreed in a signed writing to accept a license, DHS shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) For the purposes of this agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author's rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, "works" means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this agreement. In addition, under this agreement, Contractor may access and utilize certain of DHS' Intellectual Property in existence prior to the effective date of this agreement. Except as otherwise set forth herein, Contractor shall not use any of DHS' Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of DHS. **Except as otherwise set forth herein, neither the Contractor nor DHS shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this agreement, Contractor accesses any third-party Intellectual Property that is licensed to DHS, Contractor agrees to abide by all license and confidentiality restrictions applicable to DHS in the third-party's license agreement.
- (4) Contractor agrees to cooperate with DHS in establishing or maintaining DHS' exclusive rights in the Intellectual Property, and in assuring DHS' sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or subcontracts with other parties in order to perform this agreement, Contractor shall require the terms of the agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to DHS all rights, title and interest in Intellectual Property made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or DHS and which result directly or indirectly from this agreement or any subcontract.
- (5) Contractor further agrees to assist and cooperate with DHS in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce DHS' Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Except for Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this agreement. Contractor hereby grants to DHS, without additional compensation, a permanent, non-exclusive, royalty free, paid-up, worldwide, irrevocable, perpetual, non-terminable license to use, reproduce, manufacture, sell, offer to sell, import, export, modify, publicly and privately display/perform, distribute, and dispose Contractor's Intellectual Property with the right to sublicense through multiple layers, for any purpose whatsoever, to the extent it is incorporated in the Intellectual Property resulting from this agreement, unless Contractor assigns all rights, title and interest in the Intellectual Property as set forth herein.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of DHS or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Section a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to DHS to any work product made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement, shall include DHS' notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2004, etc.], State of California, Department of Health Services. This material may not be reproduced or disseminated without prior written permission from the Department of Health Services." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Patent Rights

With respect to inventions made by Contractor in the performance of this agreement, which did not result from research and development specifically included in the agreement's scope of work, Contractor hereby grants to DHS a license as described under Section b of this provision for devices or material incorporating, or made through the use of such inventions. If such inventions result from research and development work specifically included within the agreement's scope of work, then Contractor agrees to assign to DHS, without additional compensation, all its right, title and interest in and to such inventions and to assist DHS in securing United States and foreign patents with respect thereto.

e. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i) obtaining DHS' prior written approval; and (ii) granting to or obtaining for DHS, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this agreement. If such a license upon the these terms is unattainable, and DHS determines that the Intellectual Property should be included in or is required for Contractor's performance of this agreement, Contractor shall obtain a license under terms acceptable to DHS.

f. Warranties

(1) Contractor represents and warrants that:

- (a) It is free to enter into and fully perform this agreement.
- (b) It has secured and will secure all rights and licenses necessary for its performance of this agreement.
- (c) Neither Contractor's performance of this agreement, nor the exercise by either Party of the rights granted in this agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
- (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to DHS in this agreement.
- (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this agreement.

(2) DHS MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

g. Intellectual Property Indemnity

- (1) Contractor shall indemnify, defend and hold harmless DHS and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of DHS' use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or DHS and which result directly or indirectly from this agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this agreement. DHS reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against DHS.
- (2) Should any Intellectual Property licensed by the Contractor to DHS under this agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve DHS' right to use the licensed Intellectual Property in accordance with this agreement at no expense to DHS. DHS shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for DHS to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, DHS shall be entitled to a refund of all monies paid under this agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
- (3) Contractor agrees that damages alone would be inadequate to compensate DHS for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges DHS would suffer irreparable harm in the event of such breach and agrees DHS shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

h. Federal Funding

In any agreement funded in whole or in part by the federal government, DHS may acquire and maintain the Intellectual Property rights, title, and ownership, which results directly or indirectly from the agreement; except as provided in 37 Code of Federal Regulations part 401.14; however, the federal government shall have a non-exclusive, nontransferable, irrevocable, paid-up license throughout the world to use, duplicate, or dispose of such Intellectual Property throughout the world in any manner for governmental purposes and to have and permit others to do so.

i. Survival

The provisions set forth herein shall survive any termination or expiration of this agreement or any project schedule.

9. Prior Approval of Training Seminars, Workshops or Conferences

Contractor shall obtain prior DHS approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference conducted pursuant to this agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor shall acknowledge the support of the State whenever publicizing the work under this agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Contractor or Subcontractor to conduct routine business matters.

10. Confidentiality of Information

- a. The Contractor and its employees, agents, or subcontractors shall protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this agreement or persons whose names or identifying information become available or are disclosed to the Contractor, his/her employees, agents, or subcontractors as a result of services performed under this agreement, except for statistical information not identifying any such person.
- b. The Contractor and its employees, agents, or subcontractors shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this agreement.
- c. The Contractor and its employees, agents, or subcontractors shall promptly transmit to the DHS program contract manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. The Contractor shall not disclose, except as otherwise specifically permitted by this agreement or authorized by the client, any such identifying information to anyone other than DHS without prior written authorization from the DHS program contract manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.

11. Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contract communications) prepared as a requirement of this agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

12. Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from DHS' action in the administration of an agreement. If there is a dispute or grievance between the Contractor and DHS, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the DHS program contract manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the

Contractor disagree with the Branch Chief's decision, the Contractor may appeal to the second level.

- (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.
- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Subchapter 2.5, commencing with Section 251, California Code of Regulations.)
- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by DHS, all dispute, grievance and/or appeal correspondence shall be directed to the DHS program contract manager.
- e. There are organizational differences within DHS' funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the DHS program contract manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

13. Financial and Compliance Audit Requirements

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code section 38020). Direct service contracts shall not include contracts, grants, or subventions to other governmental agencies or units of government nor contracts with regional centers or area agencies on aging (See H&S Code section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
 - (1) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives \$25,000 or more from any State agency under a direct service contract; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (2) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract, the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this

15. Payment Withholds

(Applicable only if a final report is required by this agreement. Not applicable to government entities.)

Unless waived or otherwise stipulated in this agreement, DHS may, at its discretion, withhold 10 percent (10%) of the face amount of the contract, 50 percent (50%) of the final invoice, or \$3,000 whichever is greater, until DHS receives a final report that meets the terms, conditions and/or scope of work requirements of this agreement.

16. Performance Evaluation

(Not applicable to grant agreements.)

DHS may, at its discretion, evaluate the performance of the Contractor at the conclusion of this agreement. If performance is evaluated, the evaluation shall not be a public record and shall remain on file with DHS. Negative performance evaluations may be considered by DHS prior to making future contract awards.

17. Officials Not to Benefit

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this agreement if made with a corporation for its general benefits.

18. Four-Digit Date Compliance

(Applicable to agreements in which Information Technology (IT) services are provided to DHS or if IT equipment is procured.)

Contractor warrants that it will provide only Four-Digit Date Compliant. Deliverables and/or services to the State. "Four Digit Date compliant" Deliverables and services can accurately process, calculate, compare, and sequence date data, including without limitation date data arising out of or relating to leap years and changes in centuries. This warranty and representation is subject to the warranty terms and conditions of this Contract and does not limit the generality of warranty obligations set forth elsewhere herein.

19. Union Organizing

(Applicable only to grant agreements.)

Grantee, by signing this agreement, hereby acknowledges the applicability of Government Code 16645 through 16649 to this agreement. Furthermore, Grantee, by signing this agreement, hereby certifies that:

- a. No state funds disbursed by this grant will be used to assist, promote or deter union organizing.
- b. Grantee shall account for state funds disbursed for a specific expenditure by this grant, to show those funds were allocated to that expenditure.
- c. Grantee shall, where state funds are not designated as described in b herein, allocate, on a pro-rata basis, all disbursements that support the grant program.
- d. If Grantee makes expenditures to assist, promote or deter union organizing, Grantee will maintain records sufficient to show that no state funds were used for those expenditures, and that Grantee shall provide those records to the Attorney General upon request.

20. Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, DHS sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.
 - (6) Hardship pay.
 - (7) Cost-of-living differentials
- c. Specific allowable fringe benefits include:
 - (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- d. To be an allowable fringe benefit, the cost must meet the following criteria:
 - (1) Be necessary and reasonable for the performance of the agreement.
 - (2) Be determined in accordance with generally accepted accounting principles.
 - (3) Be consistent with policies that apply uniformly to all activities of the Contractor.
- e. Contractor agrees that all fringe benefits shall be at actual cost.
- f. Earned/Accrued Compensation
 - (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See Provision f (3)(a) for an example.
 - (2) For multiple year contracts, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the agreement. Holidays cannot be carried over from one contract year to the next. See f Provision (3)(b) for an example.
 - (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) Example No. 1:

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a contract

period of one year. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of the agreement, the Contractor during a one-year agreement term may only claim up to three weeks of vacation and twelve days of sick leave actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the agreement are not an allowable cost.

(b) Example No. 2:

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

(c) Example No. 3:

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to DHS, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

NON-SUPPLANTATION CERTIFICATION FORM

**Public Health Emergency Preparedness
Local Health Department Funding
Fiscal Year 2005-06**

(County/City and Name of Local Health Department)

I hereby certify that the above-named local health department (LHD) shall not use funds allocated by the California Department of Health Services (CDHS) to supplant funding for existing levels of service and that funds shall only be used for the purposes specified in the Fiscal Year (FY) 2005-06 Public Health Emergency Preparedness Funding Grant Agreement as approved by the CDHS.

I further certify that funds received shall be expended only for the purposes stated in the LHDs Emergency Preparedness Plan and Budget, as approved by the CDHS.

Chairperson, Board of Supervisors or the Mayor of a City:

Signature:
Printed Name:
Title:
Phone:
Date:

Please return the original signed certification with your FY 2005-06 Public Health Emergency Preparedness Funding Grant Agreement to:

California Department Health Services
Emergency Preparedness Office
Attn: EPO Project Officer
MS 7002
P.O. Box 997413
Sacramento, CA 95899-7413

NOTE: Only the signature of the Chairperson, Board of Supervisors, or the Mayor of a City will be accepted.

Enclosure I

**LOCAL HEALTH DEPARTMENT
PANDEMIC INFLUENZA PREPAREDNESS ALLOCATIONS
General Fund Allocation (\$16 million annually)**

LHD	Population (Estimate 1/1/05 Per DOF)	General Fund \$16 million (\$100K base)			General Fund Proportionate Share
		\$100K Base	Above the Base (Per Capita Formula)	Total Allocation with \$100 K Base	May/June 2006 (\$4.5 M / \$16 M)
ALAMEDA	1,402,966	\$100,000	\$377,322	\$477,322	\$134,247
ALPINE	1,262	\$100,000	\$339	\$100,339	\$28,220
AMADOR	37,574	\$100,000	\$10,105	\$110,105	\$30,967
BERKELEY	104,534	\$100,000	\$28,114	\$128,114	\$36,032
BUTTE	214,119	\$100,000	\$57,586	\$157,586	\$44,321
CALAVERAS	44,796	\$100,000	\$12,048	\$112,048	\$31,513
COLUSA	20,880	\$100,000	\$5,616	\$105,616	\$29,704
CONTRA COSTA	1,020,898	\$100,000	\$274,566	\$374,566	\$105,347
DEL NORTE	28,895	\$100,000	\$7,771	\$107,771	\$30,311
EL DORADO	173,407	\$100,000	\$46,637	\$146,637	\$41,242
FRESNO	883,537	\$100,000	\$237,624	\$337,624	\$94,957
GLENN	28,197	\$100,000	\$7,583	\$107,583	\$30,258
HUMBOLDT	131,334	\$100,000	\$35,322	\$135,322	\$38,059
IMPERIAL	161,800	\$100,000	\$43,515	\$143,515	\$40,364
INYO	18,592	\$100,000	\$5,000	\$105,000	\$29,531
KERN	753,070	\$100,000	\$202,535	\$302,535	\$85,088
KINGS	144,732	\$100,000	\$38,925	\$138,925	\$39,073
LAKE	63,250	\$100,000	\$17,011	\$117,011	\$32,909
LASSEN	35,455	\$100,000	\$9,535	\$109,535	\$30,807
LONG BEACH	491,564	\$100,000	\$132,204	\$232,204	\$65,307
LOS ANGELES	9,588,776	\$100,000	\$2,578,863	\$2,678,863	\$753,430
MADERA	141,007	\$100,000	\$37,923	\$137,923	\$38,791
MARIN	252,485	\$100,000	\$67,905	\$167,905	\$47,223
MARIPOSA	17,991	\$100,000	\$4,839	\$104,839	\$29,486
MENDOCINO	89,974	\$100,000	\$24,198	\$124,198	\$34,931
MERCED	240,162	\$100,000	\$64,591	\$164,591	\$46,291
MODOC	9,700	\$100,000	\$2,609	\$102,609	\$28,859
MONO	13,563	\$100,000	\$3,648	\$103,648	\$29,151
MONTEREY	425,102	\$100,000	\$114,329	\$214,329	\$60,280
NAPA	133,294	\$100,000	\$35,849	\$135,849	\$38,208
NEVADA	98,955	\$100,000	\$26,614	\$126,614	\$35,610
ORANGE	3,056,865	\$100,000	\$822,132	\$922,132	\$259,350
PASADENA	146,166	\$100,000	\$39,311	\$139,311	\$39,181

LHD	Population (Estimate 1/1/05 Per DOF)	General Fund \$16 million (\$100K base)			General Fund Proportionate Share
		\$100K Base	Above the Base (Per Capita Formula)	Total Allocation with \$100 K Base	May/June 2006 (\$4.5 M / \$16 M)
PLACER	305,675	\$100,000	\$82,210	\$182,210	\$51,247
PLUMAS	21,231	\$100,000	\$5,710	\$105,710	\$29,731
RIVERSIDE	1,877,000	\$100,000	\$504,812	\$604,812	\$170,103
SACRAMENTO	1,369,855	\$100,000	\$368,417	\$468,417	\$131,742
SAN BENITO	57,602	\$100,000	\$15,492	\$115,492	\$32,482
SAN BERNARDINO	1,946,202	\$100,000	\$523,423	\$623,423	\$175,338
SAN DIEGO	3,051,280	\$100,000	\$820,630	\$920,630	\$258,927
SAN FRANCISCO	799,263	\$100,000	\$214,959	\$314,959	\$88,582
SAN JOAQUIN	653,333	\$100,000	\$175,711	\$275,711	\$77,544
SAN LUIS OBISPO	260,727	\$100,000	\$70,121	\$170,121	\$47,847
SAN MATEO	723,453	\$100,000	\$194,570	\$294,570	\$82,848
SANTA BARBARA	419,260	\$100,000	\$112,758	\$212,758	\$59,838
SANTA CLARA	1,759,585	\$100,000	\$473,233	\$573,233	\$161,222
SANTA CRUZ	260,240	\$100,000	\$69,991	\$169,991	\$47,810
SHASTA	178,197	\$100,000	\$47,925	\$147,925	\$41,604
SIERRA	3,538	\$100,000	\$952	\$100,952	\$28,393
SISKIYOU	45,819	\$100,000	\$12,323	\$112,323	\$31,591
SOLANO	421,657	\$100,000	\$113,403	\$213,403	\$60,020
SONOMA	478,440	\$100,000	\$128,675	\$228,675	\$64,315
STANISLAUS	504,482	\$100,000	\$135,678	\$235,678	\$66,285
SUTTER	88,945	\$100,000	\$23,921	\$123,921	\$34,853
TEHAMA	60,019	\$100,000	\$16,142	\$116,142	\$32,665
TRINITY	13,749	\$100,000	\$3,698	\$103,698	\$29,165
TULARE	409,871	\$100,000	\$110,233	\$210,233	\$59,128
TUOLUMNE	58,504	\$100,000	\$15,734	\$115,734	\$32,550
VENTURA	813,052	\$100,000	\$218,667	\$318,667	\$89,625
YOLO	187,743	\$100,000	\$50,493	\$150,493	\$42,326
YUBA	66,734	\$100,000	\$17,948	\$117,948	\$33,173
TOTALS	36,810,358	\$6,100,000	\$9,900,000	\$16,000,000	\$4,500,000

**Amended
Exhibit B**
Budget Detail and Payment Provisions

1. Term of Agreement

The term of this agreement shall be from August 31, 2005 to August 30, 2006.

2. Accountability Requirements

- A. CDHS may recoup funds that are not spent for allowable purposes as specified in State statute and determined by CDHS.
- B. CDHS may withhold payments if the LHD is not in compliance with the terms and conditions of this Agreement, the approved Plan and Budget or the formal Agreement. CDHS may withhold payments if the LHD cannot demonstrate progress toward protecting the jurisdiction from the threat of a bioterrorist attack, infectious disease outbreak or other public health threat or emergency as described in its progress and expenditure reports. CDHS may withhold or reduce payments if the LHD's expenditure reports indicate that quarterly payments remain unspent. CDHS will meet with local health officials prior to withholding or reducing such payments.
- C. The LHD shall return unexpended **federal** funds from Project Period 05/06 unless carry over of such funds is approved by CDHS and CDC.

3. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act and/or other state statute of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, CDHS shall have no liability to pay any funds whatsoever to LHD or to furnish any other considerations under this Agreement and LHD shall not be obligated to perform any provisions of this Agreement except as to periods for which funding has been provided.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, CDHS shall have the option to either cancel this Agreement with no liability occurring to CDHS, or offer an agreement amendment to LHD to reflect the reduced amount.

4. Federal Cooperative Agreement Funds

- A. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.

**Amended
Exhibit B**

Budget Detail and Payment Provisions

- B. The Agreement is valid and enforceable only if sufficient funds are made available to CDHS by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress, which may affect the provisions, terms or funding of this Agreement in any manner.
- C. It is mutually agreed that if Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

5. Amounts Payable

The amount payable under this Agreement shall not exceed:

- 1) **\$«Amount» CDC base allocation for the period August 31, 2005 through August 30, 2006.**
- 2) **\$«Amount» California Pandemic Influenza Preparedness Planning Funds for the period May 22, 2006 through June 30, 2006.**

6. Redirection of Funds

Any redirection of funds requires prior approval by CDHS.

7. Unobligated Balances

At any time during the term of this Agreement, CDHS may request LHDs to identify unobligated funds. The presentation of this information shall be in a manner prescribed by CDHS to include identification of unobligated funds by budgeted expenditures and line item.

8. LHD Payment Provisions

A. Payments

- 1) **The California Pandemic Influenza Preparedness Planning funds for the period of May 22, 2006 through June 30, 2006 will be released to the LHD upon submission of an invoice indicating completion of each activity shown on the Amended Work Plan, according to the percentage for that activity. An invoice template will be provided at a later date.**
- 2) CDHS will make quarterly payments **of the CDC base allocation funding for the period of August 30, 2005 through August 31, 2006** to the LHD as authorized in State statute and in accordance with the annual expenditure authority granted to CDHS in the California Budget Act. Payment beyond the

**Amended
Exhibit B**

Budget Detail and Payment Provisions

first quarter shall be contingent upon the approval of the LHD's Cooperative Agreement Work Plan – Budget Period 2005-2006, approval of the LHDs budgeted expenditures and budget justifications, and satisfactory progress in implementing the provisions of the plan, as determined by CDHS. Final payment is contingent upon receiving an acceptable progress and expenditure report submitted in accordance with timelines, formats and specifications to be provided by CDHS.

- B. Reconciliation with the quarterly payments shall be through a quarterly expenditure report and an annual reconciliation report. These reports shall be submitted in accordance with timelines, formats and specifications to be provided by CDHS. The expenditure reports and a cost for reconciliation should be directed to:

California Department of Health Services
Emergency Preparedness Office
Attn: Local CDC Application
MS 7002
P.O. Box 997413
Sacramento, CA 95899-7413

- C. The LHD shall deposit funds received from CDHS into a Local Public Health Preparedness Trust Fund (hereafter called the Fund), established solely for the purposes of implementing the activities described in the LHD's approved Plan and Budget and Agreement before transferring or expending the funds for any of the uses allowed.
- D. The LHD agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the LHD under this agreement shall be deposited into the Fund established solely for the purposes of implementing the activities described in the LHD's approved Plan and Budget and Agreement before transferring or expending the funds for any of the uses allowed.
- E. The interest earned on moneys in the Fund shall accrue to the benefit of the Fund and shall be expended for the same purposes as other moneys in the Fund.
- F. Any refunds, rebates, credits, or other amounts in the Fund shall accrue to the benefit of the Fund and shall be expended for the same purposes as other moneys in the Fund.
- G. Trust Fund reports will require the LHD/City Auditor Controller's or other authorized signature, certifying each report's accuracy and availability of supporting documentation for the State's or the federal government's review.

**XXXX Local Health Department
 FY 2005-2006 Public Health Emergency Preparedness Cooperative Agreement
 Centers for Disease Control and Prevention Public Health Emergency Preparedness Funding Grant
 Amended Work Plan for Local Pandemic Influenza Preparedness Planning Activities**

LHD Activity Guidance	<ul style="list-style-type: none"> • A list of funded work products is provided in each box. • LHDs can suggest other pandemic influenza preparedness work products to meet the needs of their jurisdiction. CDHS must approve substituted work products.
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Preparedness Requirements	LHD Activity Due Date Percent of Awarded Funds	CDHS/EPO Comments
1. Identify a Pandemic Influenza Planning Coordinator.	Required Products: Name of Pandemic Influenza Planning Coordinator emailed to designated Project Officer. Due June 30, 2006	
2. Complete the CDC Pandemic Influenza Planning Self-Assessment—Local Public Health checklist (Enclosure IV in the application package).	Required Product: A completed self-assessment, electronically submitted to lhbtprog@dhs.ca.gov . Due June 30, 2006 5% of Award	
3. Attend one of the pandemic influenza planning Technical Assistance Seminars scheduled in June 2006.	Required Product: Proof of attendance at a technical assistance meeting. To be completed by June 30, 2006 5% of Award	
4. Convene a local Pandemic Influenza Coordinating Committee that includes local government, local emergency managers, police, fire, businesses, schools, social services, volunteer organizations and others, as appropriate.	Required Products: <ul style="list-style-type: none"> • Scheduled meeting dates and agendas. • List of committee members and their affiliations. To be completed by October 16, 2006 15% of Award	

Preparedness Requirements	LHD Activity Due Date Percent of Awarded Funds	CDHS/EPO Comments
5. Continue development of a local Pandemic Influenza Emergency Response Plan and procedures using the pandemic influenza template to be provided by CDHS.	Required Products: <ul style="list-style-type: none"> • Status report or draft Pandemic Influenza Emergency Response Plan and Procedures in accordance with CDHS guidance and template. To be completed by September 29, 2006 30% of Award	
6. Participate in or conduct a table top and plan a large-scale functional Pandemic Influenza Exercise to include emergency response partners, police, fire, emergency medical services, and hospitals. If an exercise has been conducted within the last 4 months, another exercise should not be conducted until the LHD pandemic influenza plan is upgraded.	Required Products: <ul style="list-style-type: none"> • Date and location of the table top Pandemic Influenza Exercise • A list of participants in the table top exercise involving businesses, schools, volunteer organizations, or other partners. • A completed after-action report for the table top including a corrective action plan. • A date and location for a functional Pandemic Influenza Exercise • A scenario for a large-scale Pandemic Influenza Exercise. • A list of participants for the large-scale exercise. To be completed by January 31, 2007 20% of Award	

Preparedness Requirements	LHD Activity Due Date Percent of Awarded Funds	CDHS/EPO Comments
7. Assess healthcare surge capacity in your jurisdiction, provide a list of alternate care sites for surge patients, and describe how expansion to alternate care sites will be prioritized.	<p>Required Products:</p> <ul style="list-style-type: none"> • Minutes from local healthcare surge planning meetings to determine current surge capability. • A list of alternate care sites under consideration. • A description of how expansion to alternate care sites will be prioritized. • A list of administrative tasks to secure and operate sites. <p>To be completed by September 29, 2006 15% of Award</p>	
8. Identify employers, community groups, and other stakeholders to be engaged in emergency preparedness planning.	<p>Required Products:</p> <ul style="list-style-type: none"> • A list of the larger employers in the county to include in emergency preparedness planning. • A list of local business associations to include in emergency preparedness planning. • A list of large employers and/or employers that provide critical local commodities or services, such as transportation. • A list of employers that require assistance in constructing a Continuity of Business Plan that will allow them to continue providing commodities or services during a pandemic. • Training rosters showing the employer/employees that attended pandemic influenza preparedness training. <p>To be completed by September 29, 2006 10% of Award</p>	

Enclosure IV

**Centers for Disease Control and Prevention
Pandemic Influenza Planning
Self-Assessment – Local Public Health
Public Health Roles and Responsibilities**

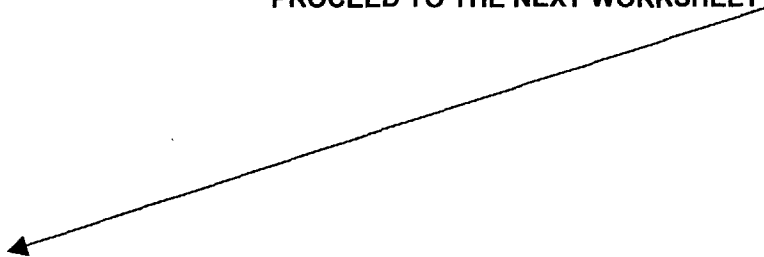
PANDEMIC INFLUENZA PLANNING SELF-ASSESSMENT INSTRUCTIONS

INSTRUCTIONS FOR STATE, LOCAL & TRIBAL ASSESSMENTS:

When entering data into the following self assessment tool, please note the following:

- 1) Each spreadsheet contains multiple worksheets (i.e. instructions, start, and a stop worksheet) see tabs below
- 2) Make selections from pull down menus in each section (i.e. under Community Preparedness Leadership and Networking options are as follows: **Completed, In progress, Not stated, N/A local PH responsibility**) Note: The options listed are not viewable in the Word version of the supplemental guidance.
- 3) Save the State self-assessment tool using the following naming convention "**Your State Name Local Pan Flu Assessment**" _date.xls.
- 4) Send the saved file ("**Your State Name**" Locals Supplemental Pan Flu Assessment _date.xls) and send it to your COTPER/DSLRL Project Officer at a later date. TBD

PROCEED TO THE NEXT WORKSHEET



Directions for Completing the California Pandemic Influenza Preparedness Planning Budget Templates for May 22, 2006 through June 30, 2006

The budget template (Attachment VI) has been crafted to resemble the Template used to apply for the 2005/2006 CDC preparedness funds.

SUMMARY

- Enter LHD name and date submitted in the Header.
- This sheet will be self-calculated by information that is entered into the Personnel, Travel, Equipment, Supplies, Contract, Other and Indirect spreadsheets.

PERSONNEL

- Enter LHD Name and the Date budget submitted into the Header.
- **Position/Title** – Fill in the position name or title.
- **Name** – Fill in the name of the employee in the proposed position
- **Annual Salary** – List the salary only, not including benefits
- **% FTE** – List the percentage of time that the employee will be working in the listed position (i.e. – If the employee is only working half-time in the listed position, please enter 50%)
- **Months** – List the number of months the employee will be in the position

Fringe Benefits:
Only fill in one of these categories.

- **Fringe %** - Please list the percentage rate for fringe benefits (If you calculate fringe benefits by a percentage). This number will automatically go into the **Total Fringe Column**. If you enter information into this category, do not enter information into **\$ Fringe**.
- **\$ Fringe** – If you prefer to enter in a dollar amount, you may do so. This number will automatically go into the **Total Fringe Column**. If you enter information into this category, do not enter information into **Fringe %**.
- **Total Fringe and \$ Request** – These columns have formulas in them and will automatically total.
- **Budget Justification** – Either type in the responsibilities or attach a duty statement for each position. Duty statement if used must clearly articulate the BT preparedness and response activities carried out by each position.

Enclosure V

TRAVEL

- Enter LHD Name in the Header and the Date budget submitted
- **Location** – Enter the location of the trip
- **Travel** – Enter either “Out of State” or “In State”
- **Trips** – Enter the number of trips
- **People** – Enter the number of people for a particular trip
- **Days** – Enter the number of days of the trip
- **Nights** – Enter the number of nights for the trip
- **Miles** – Enter the number of miles of the trip
- **\$Airfare** – Enter the cost for airfare
- **\$ Lodging** – Enter the cost for lodging
- **\$ Per Day** – Enter the Per Diem per day
- **\$ Other** – Enter any other costs associated with the trip
- **Budget Justification** – Enter the location of the trip and the purpose for the trip. If necessary you may attach additional sheets or items for justification purposes.

EQUIPMENT AND SUPPLIES

Note: Please use your LHD guidelines for categorizing items in either **Equipment** or **Supplies**. Typically items that are over \$5,000 or such items as computers or lab equipment would be considered **Equipment**.

- Enter LHD Name and the Date budget submitted into the Header.
- **Item Description** – Enter the description details of the item(s) that will be purchased. Each item should be entered on a separate line (ie computer, printer, fax machine should all be listed on individual lines).
- **Quantity** – Enter the quantity that will be purchased.
- **Unit Cost** – Enter the unit (per item) cost.

Enclosure V

- **\$ Request** – Enter the total amount requested for the item.
- **Budget Justification** – Enter the purpose of the equipment and/or supplies. If necessary you may attach additional sheets or items for justification purposes.

CONTRACTUAL

- Enter LHD Name and the Date budget submitted in the Header.
- **Contractor** – Enter the name of the contractor
- **Selection** – Enter either “Bid” or “Sole Source”
- **Type** – Enter either “Local Health” or “Commercial” or “Other Entity”
- **Starts on** – Enter the date the contract is to start
- **Ends on** – Enter the date the contract is to end
- **Accountability** – Enter either “Quarterly Report” or “Semi Annual Report” or “Annual Report” or “Site Visit”
- **\$ Request** – Enter the total amount requested for the contract
- **Budget Justification** – Enter the purpose of the contract and an itemization of the money requested. If necessary you may attach additional sheets or items for justification purposes. Please attach a copy of the Scope of Work.

IT Systems Contracts: *Please be aware that all contracts must be Public Health Information Network (PHIN) compliant. Please see below.*

The Public Health Information Network (PHIN) is CDC's vision for advancing fully capable and interoperable information systems in the many organizations that participate in public health. PHIN is a national initiative to implement a multi-organizational business and technical architecture for public health information systems.

PHIN Preparedness is the initial focus for PHIN activities. CDC has been working with its public health partners to gather, review and refine information system requirements in general and specifically for the PHIN Preparedness functional areas of Early Event Detection, Outbreak Management, Connecting Laboratory Services, Partner Communications and Alerting, and Countermeasure/Response Administration.

Enclosure V

Grant funded information systems must address one of the PHIN Preparedness functional areas and also meet the PHIN specified technical architecture requirements. For information about PHIN go to [HTTP://www.cdc.gov/PHIN/](http://www.cdc.gov/PHIN/)

OTHER

Note: Please use your LHD guidelines for categorizing items in the ***Other*** category.

- Enter LHD Name and the Date budget submitted into the Header.
- **Item Description** – Enter the description details of the item(s) that will be purchased. Each item should be entered on a separate line.
- **\$ Request** – Enter the total amount requested for the item.
- **Budget Justification** – Enter the purpose of the “Other” item and an itemization of the money requested. If necessary you may attach additional sheets or items for justification purposes.

INDIRECT

Note: Please use your LHD guidelines for categorizing items in the ***Indirect*** category. An example of an item that would be considered an “indirect” cost is facilities operations charges.

- Enter LHD Name and the Date budget submitted into the Header.
- **Item Description** – Enter the description details of the item(s) that will be purchased. Each item should be entered on a separate line.
- **\$ Request** – Enter the total amount requested for the item.
- **Budget Justification** – Enter the purpose of the “Other” item and an itemization of the money requested. If necessary you may attach additional sheets or items for justification purposes.

COUNTY NAME:

Date Submitted: _____

Enclosure VI
BUDGET

California Pandemic Influenza Preparedness Funds
(May 22, 2006 through June 30, 2006)
(Summary)

	Budget Category	Base Funding Source	Total
<u>Budget Estimates</u>			
	Personnel	\$0.00	\$0.00
	Fringe	\$0.00	\$0.00
	Travel	\$0.00	\$0.00
	Equipment	\$0.00	\$0.00
	Supplies	\$0.00	\$0.00
	Contractual	\$0.00	\$0.00
	Other	\$0.00	\$0.00
	<i>Total Direct</i>	<i>\$0.00</i>	<i>\$0.00</i>
	Indirect	\$0.00	\$0.00
Grand Total		\$0.00	\$0.00

Enclosure VII



Enclosure VIII

**Application Checklist
CDHS Pandemic Influenza Preparedness Funds**

The following items must be submitted to EPO no later than **June 26, 2006** in order for a LHD to successfully apply for California Department of Health Services and Centers for Disease Control and Prevention Pandemic Influenza Preparedness funding:

- Agreement Amendment to the Public Health
Emergency Preparedness Funding Agreement Enclosure II
- Amended Work Plan Enclosure III
- Completed Pandemic Influenza
Budget Templates Enclosure VI

The following item must be submitted to EPO no later than **June 30, 2006** in order for a LHD to successfully apply for California Department of Health Services and Centers for Disease Control and Prevention Pandemic Influenza Preparedness funding:

- Pandemic Influenza Planning
Self-Assessment Enclosure IV
- Name of Pandemic Influenza Planning
Coordinator emailed to designated Project
Officer

Enclosure IX

**Department of Health and Human Services'
Centers for Disease Control and Prevention
Public Health Emergency Preparedness Supplement AA154
(CDC Announcement of Pandemic Preparedness Funding)**

Billing Code: 4163-18-P
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Disease Control and Prevention
Public Health Emergency Preparedness

Announcement Type: Supplement
Funding Opportunity Number: AA154
Catalog of Federal Domestic Assistance Number: 93.283
Application Deadline: April 8th, 2006

I. Award Description

Authority: This program is authorized under Authority: 42 U.S.C. 247d-3.

Type of Award: Cooperative Agreement

Budget Period Length: Date of Award through August 30, 2006

Throughout the project period, CDC's commitment to continuation of awards will be based on the availability of funds, evidence of satisfactory progress by the recipient (as documented in required reports), and the determination that continued funding is in the best interest of the federal government.

II. Funding Information

Availability of Funds: Approximately \$100,000,000 is available to fund 62 States, Cities and Territories for program operations to prepare for and respond to an influenza pandemic. "States, Cities and Territories" are defined as the 50 states, Puerto Rico, the Virgin Islands, the Pacific Island Jurisdictions (American Samoa, Commonwealth of the Northern Mariana Islands, Guam, Republic of the Marshall Islands, Republic of Palau, and the Federated States of Micronesia), and the cities of Chicago, Los Angeles County, New York, and Washington, D.C.

Supplemental funds identified in this guidance may not be used to purchase antivirals.

Additionally, recipients are reminded that any continuation of funding under this cooperative agreement is contingent upon responsiveness to the program guidance, measured progress in meeting the performance measures, and proper stewardship of these congressionally-appropriated funds.

Purpose

This document provides supplemental guidance for recipients of federal funding through the *Public Health Preparedness and Response Cooperative Agreement* for the purpose of further supporting pandemic influenza preparedness and response. This supplemental guidance supports (a) increasing the capacity and capability of state and local public health and medical entities (e.g., primary care, Health Centers, rural health programs, hospitals) to respond to an influenza pandemic and (b) initiating and catalyzing community-wide preparedness efforts through effective development, coordination and testing of State, Territorial, regional, local and tribal public health pandemic plans. The plans should include an outline describing the acquisition, storage, and pre-positioning of antiviral drugs. Congress has appropriated \$350,000,000 in one-time emergency supplemental funding for pandemic influenza activities specifically intended to foster the development and exercising of pandemic influenza plans. The funding will be awarded in phases. This guidance applies to the first phase of \$100,000,000. Funds may be used to either retain staff or expand staff resources with the understanding that these are one time emergency supplemental funds. New equipment such as personal protective equipment, ventilators, etc. is allowable purchases. Costs associated with Pandemic Influenza Summits conducted prior to the award are allowable expenses.

The remaining \$250 million will be allocated to eligible recipients on the basis of performance, (e.g., review of activities and progress by the end of the budget period).

Goals for Pandemic Influenza Preparedness

The Goals are derived from the CDC Preparedness Goals (<http://www.cdc.gov/about/goals/goals.htm>), and are intended to frame urgent public health system response concepts at all levels for pandemic influenza, and complement the roles of public health agencies in initiating and catalyzing community-wide efforts toward pandemic influenza preparedness. For the purposes of this announcement, “response” is intended to indicate non-routine public health system reaction to limit possible mortality, morbidity, loss of quality of life, or economic damage. The CDC Goals for pandemic influenza are:

PREVENT:

- (1) Increase the use and development of interventions known to prevent influenza.

DETECT/REPORT:

- (2) Decrease the time needed to classify an influenza outbreak as terrorism or naturally occurring in partnership with other agencies.
- (3) Decrease the time needed to detect and report an influenza outbreak with pandemic potential.

- (4) Improve the timeliness and accuracy of communications regarding the threat posed by an influenza outbreak with pandemic potential.

INVESTIGATE:

- (5) Decrease the time to classify causes, risk factors, and appropriate interventions for those affected by the threat of pandemic influenza.

CONTROL:

- (6) Decrease the time needed to provide countermeasures and health guidance to those affected by the threat of pandemic influenza.

RECOVER:

- (7) Decrease the time needed to restore health services and environmental safety when an influenza pandemic occurs.
- (8) Improve the long-term follow-up provided to those affected by influenza pandemic.

IMPROVE:

- (9) Decrease the time needed to implement recommendations from after-action reports following a potential or real influenza pandemic.

Federal pandemic influenza guidance may be found at <http://www.pandemicflu.gov>, including *The HHS Pandemic Influenza Plan, Part 2: Public Health Guidance for State and Local Partners* at <http://www.hhs.gov/pandemicflu/plan/#part2> and the *State and Local Planning Checklist* at <http://www.pandemicflu.gov/plan/statelocalchecklist.html>. *The State and Local Planning Checklist* is aligned with the CDC Pandemic Influenza Goals and is the basis for the Local/State Pandemic Influenza Self-Assessment Tools contained in Attachment 4 (State/Local Self Assessments).

Performance Measures:

At a minimum, CDC will require reporting on the following measures:

All recipients:

- **Number of days following the exercise of the State/Territory-level pandemic influenza preparedness plan required to complete an AAR highlighting needs for corrective action (Target: 60 days). Los Angeles County, New York City, Chicago, and the District of Columbia should exercise and develop an AAR regarding the respective municipal plans.**

State and Territories Only:

- **Number and percentage of municipalities or other communities within the recipient jurisdiction that have developed a written community-wide plan for pandemic influenza preparedness (Target: 80%)**
- **Number and percentage of municipalities or other communities within the recipient jurisdiction that have exercised their pandemic influenza plans and prepared after action reports AARs (Target: 80%)**

II. Recipient Requirements:

In addition to the critical tasks set out below, recipients are expected to comply with the following requirements.

A. Establishment of a Pandemic Influenza Coordinating Committee:

Work to establish a committee or consortium at the state and local levels with whom the grantee is engaged that represents all relevant stakeholders in the jurisdiction (including governmental, public health, healthcare, emergency response, agriculture, animal health education, business, communication, community based, and faith-based sectors, as well as private citizens). This committee will assist the State in articulating strategic priorities and overseeing the development and execution of the jurisdiction's operational pandemic plan to assure that planning is: (1) progressing, (2) integrated and coordinated, and (3) involves all areas/sectors/departments (e.g. transportation, commerce/business, public safety, health, community-based organizations) across the state. If a state or locality already has an existing committee for pandemic influenza planning and preparedness which engages all relevant stakeholders, that committee may be used to meet this requirement.

B. Integration with Other Entities:

Recipients must implement a cohesive planning framework for pandemic influenza preparedness and response activities. This supplemental pandemic influenza funding provides resources to support public health and medical efforts within this overall strategy. Recipients of this supplemental funding should assure collaboration among public health and medical preparedness, influenza, infectious disease, immunization programs and state and local emergency management to maximize the impact of funds and efforts, reduce duplication, and coordinate activities including drills and exercises. Applicants should coordinate activities within their jurisdictions (i.e., at the State level) between State and local jurisdictions, tribes, and military installations; among local agencies; and with hospitals and major health care entities, including tribal and Public Health Service medical and other healthcare facilities; among jurisdictional Metropolitan Medical Response System (MMRS), and adjacent States. If applicable, recipients should coordinate with neighboring provinces, tribal/First Nations indigenous jurisdictions and States across international borders. Recipients should also ensure that all plans for pandemic influenza response are an integral element of the overall state and local

emergency response plans and that they will coordinate effectively with Emergency Support Function 8, Health and Medical Services, of the National Response Plan and the National Incident Management System.

C. Tribes:

The cooperative agreement requires documentation that describes the process used by the State health department to engage American Indian tribal governments, tribal organizations representing those governments, tribal epidemiologic centers, or Alaska Native Villages and Corporations located within their boundaries in preparedness activities. Recipients of this supplemental funding are required to document the process for providing funding to tribes and engage these entities in pandemic influenza preparedness activities as part of their overall preparedness strategy.

D. Funds to Local Public Health:

1. Due to the pervasive nature of an influenza pandemic, local communities/jurisdictions will not be able to rely on substantial outside mutual aid, mutual support, or federal assistance. The local level is where the effects of the pandemic will be felt and where the response needs to occur. Therefore it is expected that the vast majority of these funds be utilized by the local level. In cases where the state health department serves as the provider of local public health services in areas of the state not covered by a local health department, funds should be dispersed commensurate with that effort.
2. CDC requires documentation with the supplemental application that describes the process used by the State health department is to engage local health departments to reach consensus, approval, or concurrence for the proposed use of supplemental funds. The description should bear evidence that local health department officials have been engaged in the supplemental application process and at least a majority, if not the total, approve or concur with the application itself. The pandemic influenza budget tool (see Attachment 5: Supplemental PanFlu Budget) includes a section in which recipients can describe how consensus was achieved with local health departments as well as list the concurring local health departments.

In addition, State applicants will be required to provide signed letters of concurrence upon request.

This evidence may be demonstrated by:

- a) the consensus of a majority of local health officials whose collective jurisdictions encompass a majority of the State's population;
- b) the recommendation of the President of the State Association of County and City Health Officials (SACCHO) if a majority of local health officials whose collective jurisdictions encompass a majority of the State's population agree with the SACCHO's decision; OR

- c) any other alternative method agreed to by the State Health Official and a majority of local health officials whose collective jurisdictions encompass a majority of the State's population;
- d) State applicants will be required to submit a list of concurring local health departments and a brief description of the process used to engage local health departments to reach consensus, approval, or concurrence for the proposed use of funds. A significant portion of these funds—as determined through a recipient's concurrence process—should be utilities to support activities at the local level.

E. Collaboration across State, Tribal, Military, and International Borders:

Recipients may use supplemental funds to conduct necessary activities in support of cross-jurisdictional planning, coordination, communications, program development, and exercises to enhance pandemic influenza preparedness and response capacity in the United States. In a jurisdiction that shares state, tribal, military installation or international borders, the public health agency may use supplemental funds to jointly participate in pandemic influenza meetings (e.g., city-state-tribal collaboration or city-state-province/state collaboration, etc.); exchange health alert messages; exchange epidemiological data; provide mutual aid; conduct collaborative drills, exercises, and evaluate pandemic influenza scenarios. Recipients may propose relevant activities related to meeting the critical tasks and measures in section III. Proposed activities must be consistent with national laws and regulations of the United States and in harmony with any pre-existing agreements and guidelines.

F. Accountability for Funding:

The recipient must establish a process to track obligations and expenditures of Pandemic Supplemental funds separately from general funds awarded through the *Public Health Preparedness Cooperative Agreement*.

G. Critical Tasks to be Performed During the Budget Year:

1. Conduct a Pandemic Influenza Preparedness Summit to facilitate community-wide planning efforts throughout the recipient jurisdiction. Note that the Summits currently being convened by the respective Governors and the Secretary of the United States Department of Health and Human Services (HHS) satisfy this requirement. If a recipient has already held a summit with HHS, an additional summit is not required. The costs of the summits held prior to the official notice of award for funds can be charged to the supplemental allocation.
2. Exercise the state/territory-level pandemic influenza preparedness plan and prepare an After-Action Report (AAR) highlighting necessary corrective actions. (Los Angeles County, New York City, Chicago and the District of Columbia should

exercise and prepare an AAR regarding their respective municipal-level plans). Note that this information will be pertinent to the performance-based allocation later this year of the \$250 million remaining in the emergency supplemental appropriation for state and local pandemic influenza preparedness.

3. Update, as necessary, the assessment submitted with the application. In addition, States and Territories must compile and analyze local-level assessment resulting from the use of the Local Pandemic Influenza Assessment Tool in Attachment 4. Note that this information will be pertinent in receipt of performance-based allocations later this year of the \$250 million remaining in the emergency supplemental appropriation for State and Local pandemic influenza preparedness.
4. Initiate and catalyze the development and exercising of pandemic influenza preparedness plans for local communities within the recipient jurisdiction. Public health authorities should enlist representatives of all major sectors of the respective communities to this end. (A single community-wide plan will suffice for Los Angeles County, New York City, Chicago, and the District of Columbia).
5. Determine whether to purchase antiviral drugs in concert with HHS and, if so, report to the CDC Project Officer by July 1, 2006, the number of treatment courses that the recipient wishes to acquire in this manner. Note that most or all of the recipient's purchase will be eligible for a 25% subsidy by HHS.
6. Identify loci throughout the jurisdiction in which the recipient plans to pre-position antiviral drugs if an influenza pandemic were judged imminent – e.g., hospitals, skilled nursing facilities, community health centers, and pharmacies. Note that antiviral drugs will be most effective if used promptly to treat victims of an influenza pandemic and thus need to be pre-positioned at or near healthcare sites at some appropriate time before the onset of the pandemic.
7. Develop a plan for allocating among those pre-positioning loci the recipient's share of the cache of antiviral drugs maintained in the Strategic National Stockpile (SNS). Note that each recipient will be allocated a share of the total of 20 million treatment courses that HHS intends to acquire for the recipients at no cost to them. Also, any particular recipient can acquire additional antiviral drugs from the pertinent vendor(s) in concert with HHS.

Notes for Antiviral Purchases: HHS will provide further details on a federally negotiated contracting mechanism available for the purchase of antiviral drugs, including a description of the contractual arrangements under which recipients can purchase antiviral drugs which would be eligible for cost sharing with the Federal Government. During the budget year, recipients should address mechanisms for local storage and pre-positioning of antiviral drugs regardless of purchasing mechanism (e.g., federally negotiated contract or direct relationship with vendors).

Federal Responsibilities for the Public Health Emergency Preparedness Supplement

While the supplemental funds are being awarded through the CDC Public Health Emergency Preparedness Cooperative Agreement, it is expected that HRSA will have substantial involvement in the technical assistance and support functions to be provided by the federal government. CDC and HRSA, together, will assist with coordination and collaboration at the local and state levels. HRSA will support CDC in the responsibilities below (see Section I: CDC Responsibilities) and ensure that any efforts carried out under this Supplement are not in conflict with other emergency preparedness efforts.

Antiviral Drug Purchases

HHS is enhancing State and local pandemic influenza preparedness by stockpiling antiviral drug treatment courses for subsequent allocation to States and other eligible entities that receive CDC cooperative agreements for public health emergency preparedness. HHS is in the process of acquiring 20 million treatment courses for this purpose. Most of this cache will be the neuraminidase inhibitor Tamiflu (oseltamivir), which is manufactured by Roche; additionally, a small fraction will be the neuraminidase inhibitor Relenza (zanamivir), which is manufactured by Glaxo Smith Kline (GSK). HHS intends to hold these antiviral drugs in the Strategic National Stockpile (SNS) for release to the States and other entities when an influenza pandemic is judged imminent. HHS will allocate the 20 million treatment courses among the States and other entities in accord with population as shown in the attached table see Attachment 6 (Antivirals).

Another way that HHS is also enhancing State and local pandemic influenza preparedness is by enabling the States and other entities to purchase Tamiflu and Relenza at a 25% subsidy. To this end, HHS intends to negotiate basic agreements with Roche and GSK, respectively, that the States and other entities may use in effecting their purchases. In addition, the current budget allows HHS to subsidize the purchase of 31 million treatment courses in this manner. HHS will allocate this opportunity for subsidized purchases in accord with population as shown in the table below. If any of the States and other entities elects not to use their full share of the subsidized purchase opportunity and others desire to purchase more than their originally allocated share, HHS will redistribute the subsidy funds accordingly.

In subsequent guidance, HHS will provide more details regarding the foreseen basic agreements with the two antiviral drug manufacturers, options for storage of recipient-purchased caches, and options for distributing drugs to and within recipients' jurisdictions in accord with plans the recipients develop as part of this cooperative agreement guidance.

III. CDC Responsibilities: In a cooperative agreement, CDC staff is substantially involved in the program activities above and beyond routine grant monitoring. CDC Activities for this program are as follows:

A. Ensure that pandemic influenza activities that relate to local, state and tribal preparedness are (1) coordinated across (and not discordant with) CDC areas (e.g. infectious diseases, immunization, emergency preparedness), (2) coordinated (and not discordant) with guidance provided by HRSA and other federal agencies.

B. Provide technical assistance for preparedness and pandemic influenza.

- Integration/coordination of federal funding for preparedness
- Subject matter expertise on preparedness activities (e.g., laboratory testing, epidemiology and surveillance, SNS preparedness, information systems and informatics)
- Identification and evaluation of promising practices
- Development of performance goals and standards and self-assessment tools
- Guidance on, and in some cases, the conduct of drills and exercises

C. Facilitate inclusion of tribal, military, international, and federal (e.g. Department of Homeland Security (DHS)) activities into national public health preparedness efforts and coordinate the public health preparedness responsibilities as outlined in the National Response Plan (NRP) where CDC is the designated lead agency.

Review updated state pandemic influenza plans, especially as it relates to specific items such as antiviral drug distribution plans.

IV. Eligibility Information: Eligibility is limited to those recipients currently funded through cooperative agreement AA154 and authorized under 42 U.S.C. 247d-3. This includes the 50 states, Puerto Rico, the Virgin Islands, the Pacific Island Territories (American Samoa, Commonwealth of the Northern Mariana Islands and Guam), and the Freely Associated States (Republic of the Marshall Islands, Republic of Palau, and the Federated States of Micronesia), and the cities of Chicago, New York, Los Angeles County, and Washington, D.C.

Cost Sharing or Matching: Matching funds are not required for this program

Unallowable Costs

- No purchase of antiviral drugs is allowed from this supplemental allocation.
- Funds may not be used for research.
- Cooperative agreement funds under this program can not be used to purchase vehicles of any kind.

Supplantation: Cooperative agreement funds can not supplant any current State or local expenditures. The Public Health Service Act, Title I, Section 319C (e) (42 USC 247d-3(e)) specifically states: "SUPPLEMENT NOT SUPPLANT. -- Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local public funds provided for activities under this section." Therefore, the law strictly and expressly prohibits supplantation.

Financial Management Systems Requirements

A state must expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. 45 CFR Part 92.20.

Grants Subcontracting that Spans Budget Periods: The Procurement and Grants Office (PGO) has provided guidance for contracts let by grantees that span budget periods under grants or cooperative agreements. This guidance may be found at http://pgo.cdc.gov/pgo/webcache/Regulations/GIL_06004_Grant_Contracting_that_Spans_Budget_Periods2.pdf

V. Application Content

Recipients must assure they meet the requirements in Section II, Recipient Requirements. Applications should adhere to the overarching guidance in the 2005/2006 Preparedness Cooperative Agreement and contain the following information:

1. An executive summary (approximately 5 pages) of the recipients' current pandemic influenza preparedness plan.
2. An assessment of state/territory-level pandemic influenza preparedness as determined through the use of the State/Local Influenza Assessment Tools (see Attachment 4). Territories should use the State Assessment Tool. Los Angeles County, New York City, Chicago, and the District of Columbia should use the Local Assessment Tool.
3. The results of a gap analysis indicating the major areas for which additional influenza preparedness efforts within the recipient jurisdiction are necessary.
4. The recipient's proposed approach and associated budget for addressing the most serious gaps in pandemic influenza preparedness along with the critical tasks listed Section III.
5. Data points informing the performance measures (see Section I) if the state/territorial pandemic plan was exercised, and the number and percent of local municipalities with plans, and those who have exercised plans and produced an AAR during this budget year (which started August 31, 2005).

VI. Submission Information

A. Electronic applications using the CDC-provided template are due on April 8th, 2006 11:59 pm EST.

B. Required Forms (The following forms should be submitted to PGO by email with a copy to the appropriate DSLR Project Officer.

- Form PHS 5161-1 is available from the CDC Procurement and Grants office at the following Internet address: <http://www.cdc.gov/od/pgo/forminfo.htm>
- Application budget preparation guidance is also available at: <http://www.cdc.gov/od/pgo/funding/budgetguide2004.htm>
- Forms SF-424 (Cover page) and SF-424B (Assurances) are available from the Office of Management and Budget: http://www.whitehouse.gov/omb/grants/grants_forms.html
- Form SF-424A can also be obtained at the following Internet address: http://www.whitehouse.gov/omb/grants/grants_forms.html

- Cover letter signed by Principal Investigator/Project Director of Public Health Preparedness Cooperative Agreement and representative of the business office.
- Detailed Budget and Justification, using the attached Excel budget document Attachment 5 (PanFlu Supplemental Budget).
- Copy of completed State Pandemic Influenza Assessment Tool
- Copies of completed Local and Tribal Pandemic Influenza Assessment Tools and Local Assessment Totals to be provided in time to inform performance-based allocations later this year of the \$250 million remaining in the emergency supplemental appropriation for State and Local pandemic influenza preparedness

C. Technical Review: Applications will be reviewed for technical acceptability by the Division of State and Local Readiness and HRSA BHPP Project Officers and other CDC subject matter experts to determine:

- the applicant's current capability to perform the critical tasks
- that the operational plan clearly and adequately addresses the goals, tasks, and measures
- the extent to which the applicant clearly defines an evaluation plan that leads to continuous quality improvement of pandemic influenza response
- the extent to which the applicant presents a detailed budget with a line item justification and any other information to demonstrate that the request for assistance is consistent with the purpose and objectives of the cooperative agreement.

D. Intergovernmental Review of Applications: Applications are subject to Intergovernmental Review of Federal Programs, as governed by Executive Order (EO) 12372. This order sets up a system for State and local governmental review of proposed federal assistance applications. Contact your State single point of contact (SPOC) as early as possible to alert the SPOC to prospective applications, and to receive instructions on your State's process. Click on the following link to get the current SPOC list: <http://www.whitehouse.gov/omb/grants/spoc.html>

E. Technical Reporting Requirements For Supplemental Funding

Quarterly Progress Reports for the Budget Period must be submitted through the DSLR MIS. CDC will provide templates for these reports to assess program outcomes related to activities undertaken in the Budget Period. In addition, recipients may be required to submit information upon request based on changing threat status or national security priorities. Progress reports for activities undertaken, as well as special topics related to the goals and objectives are due on:

- **July 15, 2006**
- **November 30, 2006**

Financial Status Reports (FSR): Due to separate accounting requirements please submit both a summary and an individual FSR addressing supplemental pandemic influenza activities. An original and two copies must be submitted in hard copy to CDC's PGO and are due on:

- **May 30, 2006** A mid-year estimated FSR.
- **November 30, 2006** A final FSR is due 90 days after the end of the budget period.

Please submit the hard copies of financial status reports (FSRs) to:

VII. Agency Contacts

DSLRL Project Officers: see Appendix 3

For general questions, contact:

Sharon Robertson
Grants Management Specialist—Regions 1, 2, 3, 4, 10
Acquisition and Assistance Branch VI
Procurement and Grants Office
Centers for Disease Control and Prevention (CDC)
2920 Brandywine Road
Atlanta, Georgia 30341-4146
Telephone: (770) 488-2748
E-mail address: sqr2@cdc.gov

Angela Webb
Grants Management Specialist—Regions 5, 6, 7, 8, 9
Acquisition and Assistance Branch VI
Procurement and Grants Office
Centers for Disease Control and Prevention (CDC)
2920 Brandywine Road
Atlanta, Georgia 30341-4146
Telephone: (770) 488-2784
E-mail address: aqw6@cdc.gov

VIII. Attachments

- Appendix 1. Funding Information
- Appendix 2. Direct Assistance
- Appendix 3. DSLR Team Leads and Project Officers
- Attachment: 4a.* State Self Assessment Tool
- Attachment: 4b.* Local Self Assessment Tool
- Attachment: 4c.* Local Totals Self Assessment Tool
- Attachment: 5 * Budget
- Attachment: 6 * Antiviral Purchase List

Dated:

William P. Nichols, MPA
Director
Procurement and Grants Office
Centers for Disease Control and Prevention

*Sent as an email attachment

Appendix 1: Funding Information

**FY 2006 Pandemic Influenza State and Local Funding - Phase 1
Distribution Chart**

State/Jurisdiction	Phase 1 Allocation
Alabama	\$1,595,205
Alaska	\$657,647
Arizona	\$1,856,742
Arkansas	\$1,163,333
California	\$6,723,207
<i>LA County</i>	\$2,900,529
Colorado	\$1,605,882
Connecticut	\$1,347,950
Delaware	\$698,960
District of Columbia	\$635,601
Florida	\$4,633,819
Georgia	\$2,609,920
Hawaii	\$803,669
Idaho	\$832,432
Illinois	\$2,878,268
<i>Chicago</i>	\$1,197,706
Indiana	\$2,007,596
Iowa	\$1,215,422
Kansas	\$1,162,607
Kentucky	\$1,501,451
Louisiana	\$1,592,758
Maine	\$818,369
Maryland	\$1,840,470
Massachusetts	\$2,061,287
Michigan	\$2,951,805
Minnesota	\$1,731,493
Mississippi	\$1,200,982
Missouri	\$1,890,782
Montana	\$723,275
Nebraska	\$922,515
Nevada	\$1,045,254
New Hampshire	\$813,384
New Jersey	\$2,601,641

New Mexico	\$956,824
New York	\$3,205,759
<i>New York City</i>	\$2,466,271
North Carolina	\$2,547,844
North Dakota	\$654,029
Ohio	\$3,281,387
Oklahoma	\$1,352,695
Oregon	\$1,366,765
Pennsylvania	\$3,508,291
Rhode Island	\$761,679
South Carolina	\$1,508,881
South Dakota	\$686,008
Tennessee	\$1,921,423
Texas	\$5,875,044
Utah	\$1,071,983
Vermont	\$650,611
Virginia	\$2,291,072
Washington	\$1,990,994
West Virginia	\$940,502
Wisconsin	\$1,831,224
Wyoming	\$622,102
Total	\$97,713,349
Commonwealth	
Puerto Rico	\$1,443,014
Territory	
American Samoa	\$114,066
Guam	\$139,782
Northern Marianas Islands	\$118,513
Virgin Islands (US)	\$126,461
Fed States of Micronesia	\$126,298
Marshall Islands	\$113,722
Palau	\$104,795
Commonwealth and Territory Totals	\$2,286,651
Grand Total	\$100,000,000

Appendix 2: Direct Assistance

I. Direct Assistance

Recipients of the pandemic influenza supplemental funds may apply for direct assistance in the form of Information Technology goods or services.

Direct Assistance

Direct Assistance is a financial assistance mechanism, authorized by statute, where by goods or services are provided to recipients in lieu of cash. Direct assistance generally involves the assignment of Federal personnel, the provision of equipment, or the use of federally negotiated contracts. **Applicants must discuss all requests for direct assistance with the Division of State and Local Readiness project officer prior to submitting an application.**

Funding awarded through direct assistance is part of the total award, not an addition to the award. Direct assistance funds **MUST** be used in the federal Fiscal Year (FY) in which they are appropriated.

Requests for equipment to be purchased through direct assistance:

Direct Assistance (Contracts and Task Orders):

- a. To obligate Direct Assistance funds in an amount of less than \$100,000, each applicant must submit a Performance-based Statement of Work for each contract or task order supported by Direct Assistance Funding.
- b. To obligate Direct Assistance funds in an amount greater than \$100,000, but less than \$500,000, each applicant must submit the following items for each contract or task order supported by Direct Assistance funding:

Performance-based Statement of Work: The Division of State and Local Readiness maintains a variety of Statement of work templates available to any applicant upon request. Although performance-based Statements of work are tailored to the specifics of each project, it should contain these common elements:

- Background - general, non-technical terms and explains why the acquisition is required; its relationship to past, current, or future projects; summary of statutory and applicable program authorities and regulations;
- Project Objective – a succinct Statement of the purpose of the acquisition; outlining expected results; and anticipated benefits.
- Scope of Work – an overall, non-technical description of the work to be performed; expands upon project objectives, while avoiding going into all of the details required. Identifies and summarizes various phases of the projects; define

limits in terms of specific objectives, time, special provisions, or limitations. The Scope of Work must be consistent with the detailed requirements.

- Detailed Technical Requirements – Clearly and precisely describe the work in terms of **what** is to be the required output rather than either **how** the work will be accomplished or the number of hours to be provided. Provide requirements that do not limit a contractor to providing a specific product or service, rather the contractor is provided with the objectives to be accomplished, the end goal, or the desired achievement, including all pertinent information needed for a contractor or vendor to submit a proposal. As the contractor is, being hired based upon their expertise and ability to perform, the performance-oriented requirements Statement of work places maximum responsibility for performance on the contractor. Identify any budgetary, environmental, or other constraints. Clearly and firmly define and the criteria for acceptance for all end supplies or deliverables associated with the contract.
- Reporting Schedule – Specify how the contractor shows that it has fulfilled its obligations. Clearly identify the performance-based criteria to be used by the Government for acceptance. Define the mechanism by which the contractor can demonstrate progress and compliance with the requirements, and present any problems it may have encountered. The preparation and submission of technical and financial progress reports on a timely basis reflect on a contractor's efforts to certify satisfactory progress. Specific requirements to submit periodic financial and technical progress reports, to include format and templates will be provided by the Division of State and Local Readiness.
- Special Consideration – Include all and any information that does not fit into one of the other sections of the Statement of work.
- References – Provide a detailed list and description of any studies, reports, and other data referred to elsewhere in the Statement of work.
- **Independent Government Cost Estimate:** The independent government cost estimate is the government's estimate of the costs associated with a particular contract project. The cost estimate determines the amount of money that should be set aside for funding the project and the cost estimate serves as a standard to which the offeror's costs or price proposals will be compared when the offeror's proposal is evaluated. The cost estimate includes direct costs (i.e., labor, material, travel, per diem, printing, consultants, etc.) and indirect costs (i.e., fringe benefits, overhead, and general and administrative expense rates). For this is the government's assessment of the probable cost of the supplies or services to be acquired and serves as a basis for determining the reasonableness of an offeror's proposed costs and understanding of the Statement of work. The cooperative agreement applicant may request assistance in developing a cost estimate from their project officer in the Division of State and Local Readiness.

- **Quality Assurance Surveillance Plans:** These plans must recognize the responsibility of the contractor to carry out its quality control obligations and must contain measurable inspections and acceptance criteria corresponding to the performance standards contained in the original performance-based Statement of work. This plan must focus on the level of performance required by the performance-based Statement of work, rather than the methodology used by the contractor to achieve that level of performance. The plan may also include:
 - technical progress and financial status reports (already a requirement for all direct assistance projects);
 - site visits to evaluate contract performance against scheduled or reported performance;
 - review of invoices and vouchers to assess reasonableness of costs claimed and relate the total expenditures to the physical progress of the contract, based on monitoring activities (i.e., site visits, progress reports, etc.)
1. Please submit the following documents, electronically, to Gregory Lanman in the Division of State and Local Readiness at GHL2@cdc.gov:
 - a. **Contract/Task Order less than \$100,000:** Submit a performance-based Statement of work as described and outlined in this document.
 - b. **Contract/Task Order greater than \$100,000, but less than \$500,000:** Submit a performance-based Statement of work; independent cost estimate; and quality assurance surveillance plan as described and outlined in this document.
 - c. If you are considering a contract or task order in an amount larger than \$500,000; please contact Gregory Lanman in the Division of State and Local Readiness at (404) 639-7127 as soon as possible.
 2. Upon receipt of each contract/task order package, the Division of State and Local Readiness will obtain proposals and quotes for the requested services, supplies, or equipment through federal contract vehicles. The grantee will receive the proposals for review and selection according to their technical evaluation factors. Contract/task order awards will be based upon your evaluation criteria and selection decision.
 3. The Division of State and Local Readiness will obligate all Direct Assistance funding and will assume an active partnership as part of your Quality Assurance Surveillance Plan. This partnership will include oversight of the contract/task order, monitoring contract/task order expenditures and funding balances, and by coordinated site visits by the Project Officers of the Division of State and Local Readiness.
 4. For additional information or if you have any questions, please contact Gregory Lanman in the Division of State and Local Readiness at (404) 639-7127 or by email at GHL2@cdc.gov

Appendix 3: DSLR Team Leads and Project Officers

Division of State and Local Readiness (DSLRL), COTPER, CDC

Team Lead - East (Regions I - V)	Stefan Weir	(404) 639-7426	sbw6@cdc.gov
Team Lead - West (Regions VI-X)	Jerilyn Gilbert	(404) 639-7453	jt6@cdc.gov

DSLRL Project Officers Assignments

Region	Projects	Project Officer	Telephone	E-mail
I	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Zach Harris*	(404) 639-7265	zah5@cdc.gov
II	New York City, New York, New Jersey, Puerto Rico, Virgin Islands	Dorothea Love Hall	(404) 639-7649	dit1@cdc.gov
III	Delaware, Maryland, Pennsylvania, Virginia, West Virginia, District of Columbia	Keesler King	(404) 639-7423	knk8@cdc.gov
IV-A	Alabama	Keesler King*	(404) 639-7423	knk8@cdc.gov
	Florida	Zach Harris*	(404) 639-7265	zah5@cdc.gov
	Georgia	John Scott*	(404) 639-7435	jps5@cdc.gov
	Mississippi	Zach Harris*	(404) 639-7265	zah5@cdc.gov
IV-B	Kentucky, North Carolina, South Carolina, Tennessee	Peg Haering	(404) 639-7401	avd6@cdc.gov
V	Chicago, Illinois, Indiana, Ohio, Michigan, Minnesota, Wisconsin	John Scott	(404) 639-7435	jps5@cdc.gov
VI	Arkansas	Vanda Kelley*	(404) 639-7876	vmm1@cdc.gov
	Louisiana	Trevia Brooks*	(404) 639-7613	tnb9@cdc.gov
	New Mexico	Monica Farmer*	(404) 639-0533	mwf7@cdc.gov
	Oklahoma	Stephanie Dopson*	(404) 639-7441	sld9@cdc.gov
	Texas	James Baker*	(404) 639-7408	awq2@cdc.gov
VII	Iowa, Kansas, Missouri, Nebraska	Trevia Brooks	(404) 639-7613	tnb9@cdc.gov
VIII	Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming	Monica Farmer	(404) 639-0533	mwf7@cdc.gov
IX-A	Arizona, California, Los Angeles, Nevada	Vanda Kelley	(404) 639-7876	vmm1@cdc.gov

IX-B	American Samoa, Commonwealth of Northern Mariana Islands (CNMI), Hawaii, Guam, Marshall Islands, Palau, Federated States of Micronesia	James Baker	(404) 639-7408	awq2@cdc.gov
X	Alaska, Idaho, Oregon, Washington	Stephanie Dopson	(404) 639-7441	sld9@cdc.gov

*Temporary Assignments through February 2006.

Enclosure X

**Technical Assistance Seminars
CDHS Pandemic Influenza Preparedness Funds**

The following regional Technical Assistance seminars will be conducted to provide assistance and guidance for developing Pandemic Influenza Preparedness applications. CDC and HRSA grant applications will also be discussed. The seminars will begin at 10:00 am and are scheduled to continue to 1 pm. Please direct any questions to the designated Project Officer.

Region I To Be Determined

Region II To Be Determined

Region III Tuesday, June 13 Red Lion Hotel 1830 Hilltop Drive
Redding, CA 96002

Region IV Thursday, June 15 Red Lion Hotel 1401 Arden Way
Sacramento, CA 95815

Region V To Be Determined

Region VI To be determined

Participants may attend any of the scheduled sessions. Please be sure to sign the registration form at the session you attend as this will be satisfy Preparedness Requirement 3, "Proof of attendance at a technical assistance meeting" (Enclosure III).