

## Exhibit B Sample Service Contract

No. S-[\_\_\_\_\_]

**SERVICE CONTRACT  
BETWEEN  
WASHINGTON STATE  
OFFICE OF THE SECRETARY OF STATE,  
WASHINGTON STATE LIBRARY DIVISION,  
AND**

[\_\_\_\_\_ (NAME OF CONTRACTOR)]

This Service Contract (this "Contract") is made and entered into by and between the Washington, Office of the Secretary of State, Washington State Library Division, P.O. Box 42460, Olympia, Washington 98504-2460 ("OSOS") and [\_\_\_\_\_ (Name and address of Contractor)], ("Contractor") for the express purposes set forth in the following provisions of this Contract.

### **1. PURPOSE**

The purpose of this Contract is to establish, fund and maintain a shared installation of the Koha integrated library system (ILS) for the Koha Consortium ("Consortium") composed of seven (7) public libraries in Adams/Lincoln counties. The Length of OSOS participation in the project will not exceed three (3) years. Following the termination of this Contract the Consortium will function as individual units without central authority. Contract will bill the individual libraries for continuation of services.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, or attached and incorporated and made a part hereof, OSOS and Contractor mutually agree as follows:

### **2. STATEMENT OF WORK; GENERAL TERMS AND CONDITIONS**

The Contractor shall furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the performance of work set forth in the Statement of Work (attached hereto and incorporated herein as Exhibit B).

The General Terms and Conditions (attached hereto and incorporated herein as Exhibit A) govern the work to be performed under this Contract, the nature of the relationship between OSOS and Contractor, and specific obligations of both parties.

### **3. PERIOD OF PERFORMANCE**

The period of performance (the "Contract Term") under this Contract will be from February 1, 2018 or date of execution, whichever is later (the "Effective Date"), through January 31, 2021.

### **4. COMPENSATION AND PAYMENT**

Funding for this Contract is provided from the Library Services and Technology Act ("LSTA") originating from the Institute of Museum and Library Services.

OSOS funding for this Contract for three (3) years is provided from the Library Services and Technology Act (LSTA) originating from the Institute of Museum and Library Services (IMLS).

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### OSOS Responsibilities:

- OSOS shall provide copies of the Participant Agreement to participating libraries, which will include an agreement to comply with the applicable terms of the Contractor's License Agreement. Each library must return a signed Participant Agreement to OSOS prior to obtaining access to the Koha services.
- OSOS shall provide the Contractor with the name, address and other contact information for each participating library, together with the amount each library should be billed.

**A. Amount of Compensation.** OSOS shall pay an amount not to exceed \_\_\_\_\_ (\$\_\_\_\_\_) for the performance of all things necessary for or incidental to the performance of work as set forth in the Statement of Work.

**B. Billing Procedures.** Contractor shall submit invoices to the OSOS Project Manager (as identified in Section 6 below).

Payment for approved and completed work will be made by warrant or account transfer by OSOS within thirty (30) calendar days of a satisfactorily completed invoice. Satisfactorily completed is defined as having all the information required for processing by OSOS Financial Services. In addition to a Federal Tax ID number, the Contractor must provide OSOS a Statewide Vendor Number (SWV#), and a Unique Entity Identifier Number. Payment cannot be made without all three (3) numbers on file.

**The Contract Number \_\_\_\_\_ and Statewide Vendor number must be referenced on each reimbursement claim in order for the claim to be processed.**

Payment shall be sent to the address designated by Contractor.

OSOS may, in its sole discretion, terminate this Contract or withhold payments claimed by Contractor for services rendered if Contractor fails to satisfactorily comply with any terms or conditions of this Contract.

### **5. CERTIFICATE OF DEBARMENT AND SUSPENSION**

If the value of this Contract exceeds \$25,000, or if at any time during the Contract Term, the value of this Contract exceeds \$25,000, Contractor shall complete, sign and submit the Certificate of Debarment and Suspension (attached and incorporated hereto as Exhibit C) to OSOS prior to the Effective Date or within 5 business days of the date the value of this Contract exceeds \$25,000.

### **6. CONTRACT MANAGEMENT**

The Project Manager for each of the parties identified below shall be the contact person for communications regarding the performance of this Contract. Invoices shall be sent to the OSOS Project Manager. Should questions arise during processing of invoices send inquiries to [payables@sos.wa.gov](mailto:payables@sos.wa.gov).

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<u>Project Manager for Contractor is:</u>	<u>Project Manager for OSOS is:</u>
<p><b><u>Name</u></b> Address City, State, Zip Code Phone: ( )      Fax: ( ) E-mail address:</p>	<p><b><u>Gary Bortel</u></b> Washington State Library PO Box 42460 Olympia WA 98504-2460  Phone: 360-570-5588 Fax: E-mail address: <a href="mailto:gary.bortel@sos.wa.gov">gary.bortel@sos.wa.gov</a></p>

### 7. INSURANCE

Contractor shall provide a program of self insurance or the following insurance coverage as set out in this Section 7. The intent of the required insurance is to protect the state of Washington ("State"), its elected and appointed officials, agents and employees should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of Contractor or subcontractor, or agents of either, while performing under the terms of this Contract. By requiring insurance herein, State does not represent that coverage and limits will be adequate to protect Contractor, and such coverage and limits shall not limit Contractor's liability under the indemnities and reimbursements granted to the State in this Contract.

Contractor shall, at all times during the term of the Contract at its own cost and expense buy and maintain insurance of the types and amounts listed below. OSOS shall be provided written notice before cancellation or non-renewal of any insurance referred to therein. Failure to buy and maintain the required insurance may result in the termination of the Contract at OSOS option.

#### **BUSINESS AUTO POLICY (BAP)**

In the event that services delivered pursuant to this Contract involve the use of vehicles, either owned or unowned by Contractor, automobile liability insurance shall be required. The minimum limit for automobile liability is:

Contractor shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident using a Combined Single Limit for bodily injury and property damage. Such insurance shall cover liability arising out of "Any Auto." Contractor waives all rights of subrogation against State for recovery of damages to the extent they are covered.

Business auto coverage shall be written on ISO form CA 00 01, or substitute liability form providing equivalent coverage. If necessary the policy shall be endorsed to provide contractual liability coverage and cover a "covered pollution cost or expense" as provided in the 1990 or later editions of CA 00 01.

Contractor waives all rights against State for the recovery of damages to the extent they are covered by business auto liability or commercial umbrella liability insurance

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The insurance required shall be issued by an insurance company/ies authorized to do business within the state of Washington, and shall name the Office of the Secretary of State, State of Washington, its agents and employees as additional insureds on all general liability, umbrella, excess, and property insurance policies. All policies shall be primary to any other valid and collectable insurance. The Contractor shall instruct its insurers to give the Purchaser 30 days advance notice of any insurance cancellation.

The Contractor shall submit to OSOS, within 7 days of the Contract's Effective Date, a certificate of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements specified in the Contract, or a complete description of the self insurance program and a financial statement showing the status of the self insurance fund.

### **8. ASSURANCES**

The parties agree that all activity pursuant to this Agreement shall be in accordance with all applicable federal, state and local laws, rules, and regulations as they currently exist or as amended.

OSOS and PC agree that this Agreement shall be subject to and governed by the LSTA and its accompanying regulations, all applicable federal, state, and local laws, rules, and regulations, and that OSOS and PC shall comply with all such laws, rules, and regulations, including but not limited to the following:

- a. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; and
- b. Trafficking Victims Protection Act of 2000, as amended (22 USC 7104 (g), 2 CFR Part 175

### **9. TRAFFICKING IN PERSONS**

To implement the requirement in paragraph (g) of section 106 of the Trafficking Victims Protection Act of 2000, as amended (22 USC 7104 (g)), (Refer to 2 CFR Part 175), under which funding is provided to a private entity through subsequent contract tiers, requires Agency to terminate this Agreement without penalty if the lower tier Contractor (a) Engages in severe forms of trafficking in persons during the period of time the award is in effect; (b) Procures a commercial sex act during the period of time that the award is in effect; or (c) Uses forced labor in the performance of the award. Refer to Exhibit D incorporated by reference and included herein. Any and all contracting tiers created out of this Agreement shall contain Exhibit D.

### **10. ORDER OF PRECEDENCE**

Each of the exhibits listed below is by this reference hereby incorporated into this Contract. In the event of an inconsistency in this Contract, the inconsistency shall be resolved by giving precedence in the following order:

- i. Applicable Federal and Washington State statutes, rules, and regulations  
Special Terms and Conditions as contained in this Contract
- ii. Exhibit A – General Terms and Conditions
- iii. Exhibit B – Statement of Work
- iv. Exhibit C – Certificate of Debarment and Suspension
- v. Exhibit D - Trafficking in Persons
- vi. Exhibit E – Contractor's response to the solicitation
- vii. Exhibit F – RFQQ No. 18-05



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### GENERAL TERMS AND CONDITIONS

These General Terms and Conditions marked as Exhibit A (this "Exhibit A") are attached and incorporated into that certain Service Contract (the "Contract") by and between the Office of the Secretary of State ("OSOS") and [\_\_\_\_\_] dated [\_\_\_\_\_] [\_\_\_\_], 20[\_\_\_\_]. Capitalized terms used and not defined herein shall have the meanings given to them in the Contract.

1. **DEFINITIONS** - As used throughout this Exhibit A, the following terms shall have the meaning set forth below:
  - a. "Agent" shall mean Secretary of State, and/or the delegate authorized in writing to act on the Secretary of State's behalf.
  - b. "Contractor" shall mean that firm, provider, organization, individual or other entity performing service(s) under the contract, and shall include all employees of Contractor.
  - c. "Individually Identifiable Health Information" shall mean a subset of health information, including demographic information collected from an individual and relates to the past, present, or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, as set forth in 45 CFR § 164.501 as currently adopted and subsequently amended or revised.
  - d. "Materials" shall mean all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions.
  - e. "Protected Health Information" shall mean Individually Identifiable Health Information that is transmitted by electronic media, or transmitted or maintained in any other form or medium, as set forth in 45 CFR § 164.501, as currently adopted and subsequently amended or revised.
  - f. "Subcontractor" shall mean one not in the employment of Contractor, who is performing all or part of those services under the Contract under a separate contract with Contractor. The terms "Subcontractor" and "Subcontractors," means Subcontractor(s) in any tier.
  
2. **ACCESS TO DATA** - In compliance with RCW 39.29.080, Contractor shall provide access to data generated under the Contract to OSOS, the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of Contractor's reports, including computer models and methodology for those models.

Contractor agrees to make personal information covered under the Contract available to OSOS for inspection or to amend the personal information. Contractor shall, as directed by OSOS, incorporate any amendments to the personal information into all copies of such personal information maintained by Contractor or its Subcontractors.
  
3. **AMERICANS WITH DISABILITIES ACT (ADA)**- Contractor must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

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4. **NO ASSIGNMENT** – Neither the Contract, nor any claim arising under the Contract, shall be transferred or assigned by Contractor without prior written consent of OSOS. For the purposes of the Contract, assignment shall include assignment by merger.
5. **ATTORNEY'S FEES** – In the event of litigation or other action brought to enforce the terms of the Contract, each party agrees to bear its own attorney's fees and costs.
6. **CONFIDENTIALITY / SAFEGUARDING OF INFORMATION** - Contractor shall not use or disclose any information concerning OSOS, or information which may be classified as confidential, for any purpose not directly connected with the administration of the Contract without prior written consent of OSOS, or as may be required by law.
7. **CONFLICT OF INTEREST** - Notwithstanding any determination by the Executive Ethics Board or other tribunal, OSOS may, in its sole discretion, by written notice to Contractor terminate the Contract if it is found after due notice and examination by the Agent that there is a violation of the Ethics in Public Service Act, Chapter 42.52 RCW; or any similar statute involving Contractor in the procurement of, or performance under the Contract.  
In the event the Contract is terminated as provided above, OSOS shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of a breach of the contract by Contractor. The rights and remedies of OSOS provided for in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law. The existence of facts upon which the Agent makes any determination under this Section 7 shall be an issue and may be reviewed as provided in Section 10 below.
8. **COPYRIGHT PROVISIONS** – Unless otherwise provided, all Materials produced under the Contract shall be considered “works for hire” as defined by the U.S. Copyright Act and shall be owned by OSOS. OSOS shall be considered the author of such Materials. In the event the Materials are not considered “works for hire” under the U.S. Copyright laws, Contractor hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to OSOS effective from the moment of creation of such Materials. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the contract, but that incorporate pre-existing materials not produced under the contract, Contractor hereby grants to OSOS a nonexclusive, royalty-free, irrevocable license (with rights to sublicense others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. Contractor warrants and represents that Contractor has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to OSOS.

Contractor shall exert all reasonable effort to advise OSOS, at the time of delivery of Materials furnished under the Contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of the Contract. OSOS shall receive prompt written notice of each notice or claim of infringement received by Contractor with respect to any data delivered under the Contract. OSOS shall have the right to modify or remove any restrictive markings placed upon the data by Contractor.

The federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes:

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- The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and
- Any rights of copyright to which a grantee, sub-grantee or a Contractor purchases ownership with grant support.

**9. COVENANT AGAINST CONTINGENT FEES** - Contractor warrants and represents that no person or selling agent has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by Contractor for the purpose of securing business. OSOS shall have the right, in the event of breach of this Section 9 by Contractor, to annul the Contract without liability or, in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

**10. DISPUTES** - Except as otherwise provided in the Contract, when a bona fide dispute arises between OSOS and Contractor and it cannot be resolved by direct negotiation, either party may request a dispute hearing with the Agent. The request for a dispute hearing must:

- a. be in writing;
- b. state the disputed issue(s);
- c. state the relative positions of the parties;
- d. state Contractor's name, address, and contract number; and
- e. be mailed to the Agent and the other party's (respondent's) Contract Manager within 3 working days after the parties agree that they cannot resolve the dispute.
- f. The respondent shall send a written answer to the requester's statement to both the agent and the requester within 15 working days.
- g. The Agent shall review the written statements and reply in writing to both parties within 10 working days. The Agent may extend this period if necessary by notifying the parties.
- h. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.

Nothing in the Contract shall be construed to limit the parties' choice of a mutually acceptable Alternate Dispute Resolution method in addition to the dispute resolution procedure outlined above.

**11. GOVERNING LAW** - The Contract shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

**12. INDEMNIFICATION** - To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless Washington State, agencies of Washington State and all officials, agents and employees of Washington State, from and against all claims for injuries or death arising out of or resulting from the performance of the Contract. Contractor's obligation to indemnify, defend, and hold harmless includes any claim by Contractors' agents, employees, representatives, or any Subcontractor or its employees.

Contractor expressly agrees to indemnify, defend, and hold harmless Washington State for any claim arising out of or incident to Contractor's or any Subcontractor's performance or failure to perform the Contract. Contractor's obligation to indemnify, defend, and hold harmless Washington State shall not be eliminated or reduced by any actual or alleged concurrent negligence of Washington State or its agents, agencies, employees and officials.



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Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless Washington State and its agencies, officials, agents or employees.

**13. INDEPENDENT CAPACITY OF THE CONTRACTOR** - The parties intend that an independent contractor relationship will be created by the Contract. Contractor and his or her employees or agents performing under the Contract are not employees or agents of OSOS. Contractor will not hold himself/herself out as or claim to be an officer or employee of OSOS or of the state of Washington by reason hereof, nor will Contractor make any claim of right, privilege or benefit which would accrue to such employee under law. Conduct and control of the work will be solely with Contractor.

**14. INDUSTRIAL INSURANCE COVERAGE** - Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, OSOS may collect from Contractor the full amount payable to the Industrial Insurance accident fund. OSOS may deduct the amount owed by Contractor to the accident fund from the amount payable to Contractor by OSOS under the Contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from Contractor.

**15. LICENSING, ACCREDITATION AND REGISTRATION** – Contractor shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of the Contract.

**16. LIMITATION OF AUTHORITY** - Only the Agent or Agent's delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of the Contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of the Contract is not effective or binding unless made in writing and signed by the Agent.

**17. NONDISCRIMINATION** - During the performance of the Contract, Contractor shall comply with all federal and state nondiscrimination laws, regulations and policies.

**18. NONCOMPLIANCE WITH NONDISCRIMINATION LAWS** - In the event of Contractor's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy the Contract may be rescinded, canceled, or terminated in whole or in part, and Contractor may be declared ineligible for further contracts with OSOS. Contractor shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth in Section 10 above.

**19. PRIVACY** - Personal information including, but not limited to Protected Health Information collected, used, or acquired in connection with the Contract shall be protected against unauthorized use, disclosure, modification or loss. Contractor shall ensure its directors, officers, employees, Subcontractors or agents use personal information solely for the purposes of accomplishing the services set forth in the Contract. Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of OSOS or as otherwise required by law.

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Any breach of this provision may result in termination of the contract and the demand for return of all personal information. Contractor agrees to indemnify and hold harmless Washington State for any damages related to Contractor's unauthorized use of personal information.

**20. PUBLICITY** - Contractor agrees to submit to OSOS all advertising and publicity matters relating to the Contract wherein OSOS's name is mentioned or language used from which the connection of OSOS's name may, in OSOS's judgment, be inferred or implied. Contractor shall not publish or use such advertising and publicity matters without the prior written consent of OSOS.

**21. RECORDS MAINTENANCE** - Contractor shall maintain books, records, documents, data and other evidence relating to the Contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of the Contract. Contractor shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the Contract, shall be subject at all reasonable times to inspection, review or audit by OSOS, personnel duly authorized by OSOS, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

**22. REGISTRATION WITH DEPARTMENT OF REVENUE** – Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under the Contract.

**23. RIGHT OF INSPECTION** - Contractor shall provide right of access to its facilities to OSOS, or any of its officers, or to any other authorized agent or official of the Washington State or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under the Contract.

**24. SAVINGS** - In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of the Contract and prior to normal completion, OSOS may terminate the contract under the "Termination for Convenience" clause, without the ten day notice requirement, subject to renegotiation under those new funding limitations and conditions.

**25. SITE SECURITY** – While on OSOS premises, Contractor, its agents, employees, or Subcontractors shall conform in all respects with physical, fire or other security policies or regulations.

**26. SUBCONTRACTING** - Neither Contractor nor any Subcontractor shall enter into subcontracts for any of the work contemplated under the Contract without obtaining prior written approval of OSOS. In no event shall the existence of the subcontract operate to release or reduce the liability of Contractor to the Department for any breach in the performance of Contractor's duties. This clause does not include contracts of employment between Contractor and personnel assigned to work under the Contract.

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Additionally, Contractor is responsible for ensuring that all terms, conditions, assurances and certifications set forth in the Contract are carried forward to any subcontracts. Contractor and its Subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of OSOS or as provided by law.

**27. TAXES** – All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for Contractor or its staff shall be the sole responsibility of Contractor.

**28. TERMINATION FOR CAUSE** – In the event OSOS determines Contractor has failed to comply with the conditions of the Contract in a timely manner, OSOS has the right to suspend or terminate the Contract. Before suspending or terminating the Contract, OSOS shall notify Contractor in writing of the need to take corrective action. If corrective action is not taken within thirty (30) days, the Contract may be terminated or suspended. In the event of termination or suspension, Contractor shall be liable for damages as authorized by law including, but not limited to, any cost difference between the original Contract and the replacement or cover Contract and all administrative costs directly related to the replacement Contract, e.g., cost of the competitive bidding, mailing, advertising and staff time. OSOS reserves the right to suspend all or part of the Contract, withhold further payments, or prohibit Contractor from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by Contractor or a decision by OSOS to terminate the Contract.

A termination shall be deemed to be a “Termination for Convenience” if it is determined that Contractor: (1) was not in default; or (2) failure to perform was outside of his or her control, fault or negligence. The rights and remedies of OSOS provided in the Contract are not exclusive and are in addition to any other rights and remedies provided by law.

**29. TERMINATION FOR CONVENIENCE** - Except as otherwise provided in the Contract, OSOS may, by 10 days written notice, beginning on the second day after the mailing, terminate the Contract, in whole or in part. If the Contract is so terminated, OSOS shall be liable only for payment required under the terms of the Contract for services rendered or goods delivered prior to the effective date of termination.

**30. TERMINATION PROCEDURES** - Upon termination of the Contract OSOS, in addition to any other rights provided in the Contract, may require Contractor to deliver to OSOS any property specifically produced or acquired for the performance of such part of the Contract as has been terminated. The provisions of the “Treatment of Assets” in Section 31 below shall apply in such property transfer.

OSOS shall pay to Contractor the agreed upon price, if separately stated, for completed work and services accepted by OSOS, and the amount agreed upon by Contractor and OSOS for (i) completed work and services for which no separate price is stated, (ii) partially completed work and services, (iii) other property or services which are accepted by OSOS, and (iv) the protection and preservation of property, unless the termination is for default, in which case the Agent shall determine the extent of the liability of OSOS. Failure to agree with such determination shall be a dispute within the meaning of the “Disputes” clause in Section 10 above. OSOS may withhold from any amounts due Contractor such sum as the Agent determines to be necessary to protect OSOS against potential loss or liability.

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The rights and remedies of OSOS provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

After receipt of a notice of termination, and except as otherwise directed by the Agent, Contractor shall:

- a. Stop work under the contract on the date, and to the extent specified, in the notice;
- b. Place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated;
- c. Assign to OSOS, in the manner, at the times, and to the extent directed by the Agent, all of the rights, title, and interest of Contractor under the orders and subcontracts so terminated, in which case OSOS has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- d. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Agent to the extent Agent may require, which approval or ratification shall be final for all the purposes of this clause;
- e. Transfer title to OSOS and deliver in the manner, at the times, and to the extent directed by the Agent any property which, if the contract had been completed, would have been required to be furnished to OSOS;
- f. Complete performance of such part of the work as shall not have been terminated by the Agent; and
- g. Take such action as may be necessary, or as the Agent may direct, for the protection and preservation of the property related to the Contract which is in the possession of Contractor and in which OSOS has or may acquire an interest.

### **31. TREATMENT OF ASSETS**

A. Title to all property furnished by OSOS shall remain in OSOS. Title to all property furnished by Contractor, for the cost of which Contractor is entitled to be reimbursed as a direct item of cost under the Contract, shall pass to and vest in OSOS upon delivery of such property by Contractor. Title to other property, the cost of which is reimbursable to Contractor under the Contract, shall pass to and vest in OSOS upon (i) issuance for use of such property in the performance of the Contract, or (ii) commencement of use of such property in the performance of the Contract, or (iii) reimbursement of the cost thereof by OSOS in whole or in part, whichever first occurs.

B. Any property of OSOS furnished to Contractor shall, unless otherwise provided herein or approved by OSOS, be used only for the performance of the Contract.

C. Contractor shall be responsible for any loss or damage to property of OSOS which results from the negligence of Contractor or which results from the failure on the part of Contractor to maintain and administer that property in accordance with sound management practices.

D. If any of OSOS property is lost, destroyed or damaged, Contractor shall immediately notify OSOS and shall take all reasonable steps to protect the property from further damage.

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E. Contractor shall surrender to OSOS all property of OSOS prior to settlement upon completion, termination or cancellation of the Contract.

F. All reference to Contractor under this Section 31 shall also include Contractor's employees, agents or Subcontractors.

**32. WAIVER**- Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of the Contract unless stated to be such in writing and signed by authorized representative of OSOS.

SAMPLE

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## STATEMENT OF WORK

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The (State Agency Abbreviation) shall provide (description of services). This work shall include:

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### DELIVERABLES/COSTS

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### REPORTS REQUIRED

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### SCHEDULE

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SAMPLE

**CERTIFICATION REGARDING  
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION  
LOWER TIER COVERED TRANSACTIONS**

**INSTRUCTIONS FOR CERTIFICATION**

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to the department, institution, or office to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 41 CFR 105, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment Suspension, Ineligibility, and Voluntary Exclusion -- Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 41 CFR 105, debarred, suspended, declared ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of parties excluded from the federal procurement and non-procurement programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 41 CFR 105, debarred, suspended, declared ineligible, or voluntary

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excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

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

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Name and Title of Authorized Representative

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Signature

Date

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Name of Project

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Location

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Number assigned to Contract



**TRAFFICKING IN PERSONS**

**a. Provisions applicable to a recipient that is a private entity.**

1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- ii. Procure a commercial sex act during the period of time that the award is in effect; or
- iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —

- i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
  - A. Associated with performance under this award; or
  - B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR part 376.

**b. Provision applicable to a recipient other than a private entity.**

We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

- 1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
- 2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—
  - i. Associated with performance under this award; or
  - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2CFR part 376.

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### **c. Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
  - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
  - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

### **d. Definitions.** For purposes of this award term:

1. "Employee" means either:
  - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
  - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
2. "Forced labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
3. "Private entity":
  - A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).
  - B. A for-profit organization.
4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).