

Original Contract Number:	07DSS2601OL/151JDA-HAP-02		
Amendment Number:			
Maximum Contract Value:	\$254,245,704.00	Contractor Contact Person:	John D'Amelia
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**STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES  
HUMAN SERVICE CONTRACT**

**Contract Summary**

The State of Connecticut      DEPARTMENT OF SOCIAL SERVICES

Street:      25 SIGOURNEY STREET

City:      HARTFORD      State:      CT      Zip:      06106

Tel#:      (860) 424-5699      hereinafter "the Department",

hereby enters into a contract with:

Contractor's Name:      J. D'AMELIA & ASSOCIATES LLC

Street:      2 LAKE WOOD ROAD

City:      WATERBURY      State:      CT      Zip:      06704

Tel#:      (203) 757-1138      FEIN/SS:      061468823

hereinafter "the Contractor", for the provision of services outlined herein in Part I.

<b>Term of Contract</b>	This contract is in effect from 07/16/07 through 07/15/10.
<b>Statutory Authority</b>	The Department is authorized to enter into this contract pursuant to § 4-8 and 17b-3 of the Connecticut General Statutes.
<b>Set-Aside Status</b>	Contractor <input checked="" type="checkbox"/> IS or <input type="checkbox"/> IS NOT a set aside Contractor pursuant to § 4a-60g of the Connecticut General Statutes.
<b>Effective Date</b>	This contract shall become effective only as of the date of signature by the Department's authorized official(s) and, where applicable, the date of approval by the Attorney General. Upon such execution, this contract shall be deemed effective for the entire term specified above.

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## PART 1      SCOPE OF WORK

### SECTION ONE - INTRODUCTION

#### A.      **CONTRACT PURPOSE:**

The Contractor shall assist the Department of Social Services (the Department) serve income eligible individuals and families (hereinafter clients) who require housing assistance by administering the federally funded Housing and Urban Development (HUD) Section 8 Housing Choice Voucher Program, and Section 8 Moderate Rehabilitation Program, and the state funded Rental Assistance Program and the Transitional Rental Assistance Program, hereinafter collectively known as Housing Programs. Housing Programs provide rental assistance subsidies and mechanisms for clients to obtain housing in locations of their choice.

#### B.      **DESCRIPTION OF HOUSING PROGRAMS, INCLUDING PROGRAM COMPONENTS:**

The Contractor shall administer the following Housing Programs and Housing Program Components

##### 1. **Section 8 Housing Choice Voucher (HCV) Program**

The Section 8 HCV Program provides housing subsidies to assist clients obtain housing in the private housing market through the use of vouchers. Vouchers are provided to income eligible clients who require safe, decent and sanitary housing in an environment where their children can reside without danger of abuse or neglect, and clients who reside in nursing facilities licensed in the State of Connecticut who are able to transition into private housing. Vouchers enable clients to obtain housing in a location of their choice, away from the high concentration of housing units found within public housing areas.

The Contractor shall administer the following Section 8 HCV Program components:

##### a.      **Project-based HCV Program**

The Project Based HCV Program is a supportive housing initiative to increase service-supported, affordable housing for clients affected by mental illness and/or chemical dependency who face homelessness.

##### b.      **Family Self Sufficiency (FSS) Program**

The FSS Program provides clients with appropriate supportive services including but not limited to education and training to promote self-sufficiency and reduce dependency on state assistance.

##### 2. **Section 8 Moderate Rehabilitation Program**

HUD provides rent subsidy payments to private property owners for rental units

rehabilitated under the Section 8 Moderate Rehabilitation Program

a. **Section 8 Mainstream Housing Opportunities for Persons with Disabilities Program**

Provide and improve the housing conditions of 150 people with disabilities

**3. Rental Assistance Program (RAP)**

RAP is a state administered housing program that provides rental subsidies to low income families residing in rental housing.

**4. Transitional Rental Assistance Program (T-RAP)**

The Transitional Rental assistance programs (T-RAP) serves families transitioning off Temporary Family Assistance. To be eligible a family member must be employed.

**SECTION TWO - WORK PLAN**

**A. HOUSING PROGRAM GOALS AND OBJECTIVES**

The Contractor shall provide Housing Program services consistent with the Department's housing program vision that all clients shall have an opportunity to live in decent, safe and affordable housing and be free to choose housing types, styles and locations not driven by programs, policies or practices. In furtherance of this vision the following goals and objectives shall guide the Contractor in the delivery of housing-related programs set forth in this contract.

**1. Workplan consistent with the Department's Housing Program Goals**

- a. **Through the services set forth herein the Contractor shall promote affordable and decent housing, housing choice and opportunities that lead to stable and secure housing, including home ownership, in all geographic areas of the state,**

In furtherance of this goal the Contractor shall:

- i. Reduce concentrations of housing units in areas of high poverty and crime. The Contractor shall sub-contract with agencies in suburban areas and communities to draw clients out of areas impacted with high poverty and into quality housing in non-impacted areas. The location of the housing units will always be the choice of the client.
- ii. Provide Tenant Workshops. The Contractor shall conduct not less than two Tenant Workshops for clients in each region per year. The Tenant Workshops shall be designed to help clients search for housing units, locate housing units outside cities and areas of minority and poverty concentration. The Tenant Workshops shall also provide clients with information regarding the availability

of Energy Assistance, Fair Housing, Financial Counseling (consumer education, family budgeting and responsible use of credit), housekeeping, tenant responsibilities and landlord relations.

- iii. Promote affordable housing throughout the State. The Contractor shall assist the Department with the submission of applications to HUD to request approval of exception rates for rents that are above 110% of HUD's fair market value in various communities. The exception will give clients a larger number of available housing units to choose from, and prevent economic steering of clients into low-income high poverty areas in core cities. The Contractor shall evaluate all proposed rents from prospective landlords for rent reasonableness to ensure clients are not being over charged. The rent rates shall be negotiated with the landlords down to the rent reasonableness standard or the Contractor shall require the client to find an alternate qualifying housing unit when the original selected housing unit fails to meet the rent reasonableness standard. The Contractor shall inspect all housing units selected by the clients that meet the rent reasonableness standard to ensure the housing unit meets or exceeds federal Housing Quality Standards (HQS). All housing units shall meet HQS before the lease is signed and the client becomes a resident of the unit. The Contractor shall inspect all housing units annually to ensure continued adherence to HQS. Additionally, the Contractor shall revisit 5% of all previously inspected units to ensure quality control in the HQS process.

**b. Educate and empower clients and the public to take full advantage of housing rights and opportunities and increase participation in the planning, implementation and operation of Housing Programs services.**

In furtherance of this goal the Contractor shall:

- i. Encourage the involvement of clients, and the general public in the planning, implementation, and operation of Housing Programs by participating on Resident Advisory Boards and providing comments and suggestions to the Department regarding the Department's Housing Programs Administrative Plan. The Contractor shall also encourage clients to provide suggestions and complaints to the Contractor's Executive Committee regarding the operation of the administered RAP programs. Clients will be informed of these opportunities through notices that are required by HUD, Tenant Workshops, and contact with the Contractor's Housing Program eligibility Certification Specialist responsible for performing annual and interim Housing Program re-certifications.

**c. Encourage racial and economic integration when consistent with client wishes**

In furtherance of this goal the Contractor shall:



- i. Subcontract with housing agencies located in suburban communities to draw clients out of impacted areas and into quality housing that conforms with HUD's HQS in non-impacted areas. The Contractor, through landlord workshops, will develop referral lists of available housing units in suburban and non-impacted areas to assist the efforts of clients to perform self-directed searches to locate housing units in non-impacted areas. The client will have their choice of housing unit location, except for the following reasons: the housing unit does not meet the rent reasonableness standard or the housing unit does not meet HQS.
- ii. Inform clients through tenant workshops, of the opportunity to move to non-impacted areas as well as supportive services available in the area of the state that the client chooses to live. The Contractor shall provide clients information regarding Fair Housing Laws and a listing of housing units available for rent. Clients will be encouraged to report any incidents of potential housing discrimination.

**d. Coordinate all activities and communication involving the client to achieve the Housing Program goals listed above**

In furtherance of this goal the Contractor shall:

- i. Establish an Executive Committee to oversee all Housing Program functions administered by the Contractor.
- ii. Establish and fill a Program Manager position with a qualified individual who shall be responsible for the following tasks:
  - a. Ensure that subcontractors meet or exceed Housing Program goals as identified in the Department's Housing Program Administrative Plan. Subcontracting agencies shall report to the Program Manager.
  - b. Conduct at a minimum, quarterly strategy meetings with subcontractors to develop and implement methods to reach Housing Program goals and to improve services to clients.
  - c. Maintain linkages and involve social service providers during quarterly strategy meetings.
  - d. Monitor all Housing Programs to ensure tenant file integrity.
  - e. Maintain availability of required Housing Program services for clients in each region.

**2. Work Plan Consistent with the Department's Housing Program Objectives**

- a. **The Contractor shall manage the Section 8 Housing Choice Voucher Program and Section 8 Moderate Rehabilitation Program hereinafter known as Section 8 Programs at 100% of 6476 authorized housing units or 100% of the annual HUD budget authority, in accordance with the applicable Federal regulations, HUD's annual contribution contracts and the Department's Housing Program Administrative Plan.**

In furtherance of this objective, the Contractor shall:

- i. Administer the Section 8 Programs in accordance with HUD Regulations, the Department's Housing Programs Administrative Plan, and the Department's Annual Public Housing Agency Plan .
- ii. Comply with all Federal Regulations, HUD memo's and notices.
- iii. Implement and submit to the Department, a bi-annual internal quality assurance report to ensure the Contractor's programmatic compliance including but not limited to independent audits of financial processes, independent audits of Section 8 Program functions, supervisory staff review of 5-10 % of reexaminations, 5-10% review of new applications, and 5-10 % review of HQS Inspections.
- iv. Produce monthly Section 8 Program service reports for the Department's Staff to document that the Contractor is meeting established Housing Program goals.
- v. Make Section 8 Program files available to the Department's staff to ensure the Contractor's compliance with requirements of the Department and HUD.
- vi. Track Section 8 Program payments to ensure full utilization of available funds without over subscribing the Housing Program.

- b. The Contractor shall improve the housing conditions of at least 150 people with disabilities participating in the Section 8 Mainstream Housing Opportunities for Persons with Disabilities Program component of the Section 8 Moderate Rehabilitation Program by cooperating with the Department's Bureau of Rehabilitation Services and allied state and local community contractors serving people with disabilities at 95% utilization rate or 143 participants**

In furtherance of this objective, the Contractor shall:

- i. Coordinate Section 8 Program services with service providers for the disabled.
- ii. Provide clients with access to housing units in appropriate areas,
- iii. Coordinate referrals for ADA accessibility modifications with other appropriate organizations that may provide access modifications to housing units at no cost to the landlord or tenant, provided the landlord gives permission.
- iv. Prevent discrimination of clients participating in Section 8 Programs.

- c. The Contractor shall enhance the education, employment skills and economic self-sufficiency of up to 353 clients participating in the Section 8 FSS Program by cooperating with the Department and allied state and local community contractors, at 95% utilization rate or 335 participating clients.**

In furtherance of this objective, the Contractor shall:

- i. Assist the Department with recruitment and selection of committee members for the Section 8 FSS Program Coordinating Committee (PCC) consisting of

representatives from community groups, businesses and governmental agencies.

- ii. Coordinate client training and assistance in areas of education, job training, counseling, childcare transportation, life skills, health issues, personal development and other issues recommended by the Section 8 FSS Program Coordinating Committee with service providers of housing and social service related programs at state and local levels.
- iii. Establish and administer a Section 8 FSS Program account in accordance with 24CFR 984.305.
- iv. Utilize HUD guidelines regarding FSS escrow accounts to deposit the difference between the original rent amount and the new rent amount in a Section 8 FSS Program escrow account for tenants that experience an increase in rent due to employment gained through participation in the Section 8 FSS Program. Reimburse the money in the escrow account to the tenant when the tenant fulfills the requirements of the Section 8 FSS Program.

**d. The Contractor shall Manage the Rental Assistance Program (RAP) at 100% of authorized certificate levels made by the Department up to a total of 1900 certificates and the Transitional Rental Assistance Program (T-RAP) at 100% of referrals made by the Department up to a total of 155 certificates per month in accordance with the applicable State rules and regulations,**

In furtherance of this objective, the Contractor shall:

- i. Conduct and submit to the Department, a bi-annual internal quality assurance report of RAP and T-RAP programs. The report shall address the financial processes, programmatic functions, and the results of supervisory staff reviews of 5-10% of reexaminations, 5-10% of new applications, and 5-10% of HQS Inspections.
- ii. Produce and submit monthly RAP and T-RAP reports to Department staff in a form and format determined by the Department to ensure the Contractor is reaching established Housing Program goals.
- iii. Provide Department staff with access to the Contractor's RAP and T-RAP files to ensure compliance with the Department's Housing Program requirements and regulations.

**e. The Contractor shall determine Housing Program eligibility certification and annual or interim re-certifications for 8305 cases within 30 days of the client's annual Housing Unit lease renewal date.**

In furtherance of this objective, the Contractor shall:

- i. Send out re-examination letters to clients 120 days prior to the housing unit lease renewal date. The re-examination letter shall be computer generated in English and/or Spanish and shall inform clients of the information required by the Contractor to determine Housing Program re-certification and that the information must be returned to the Contractor no later than 60 days prior to the client's lease renewal date. The letter shall also notify the client that the



HQS inspector will be contacting them to perform the required HQS inspection.

- ii. Process new Housing Program applications and determine eligibility in accordance with HUD regulations. Provide applicants with access to Certification Specialists that are fluent in both English and Spanish. The Certification Specialist will also perform annual and interim re-certifications.
- iii. Determine Housing Program eligibility calculations through a computerized system to ensure accuracy. Review annually between 5-10% of all certifications and re-certifications at the time of the client's re-examination to ensure 100% of the applicants are eligible and rent calculations are complete and correct.

**f. The Contractor shall establish and implement a Housing Program eligibility evaluation system for 8458 cases for Departmental approval to assess applications for compliance with the following eligibility standards:**

In furtherance of this objective, the Contractor's Housing Program eligibility evaluation system shall apply the following Housing Program eligibility standards to 8458 cases:

A Housing Program applicant shall be determined eligible when the applicant:

- i. Qualifies as a "Family", or
- ii. Qualifies as a single individual, and
- iii. Has income not exceeding the applicable Section 8 Program income limits as defined by HUD, and
- iv. Has not committed fraud or misrepresentation in connection with any Federally assisted housing program, and
- v. Does not owe rent or other amounts to the Department or any public housing in connection with Section 8 or public housing assistance under the U.S. Housing Act of 1937, and
- vi. Has reimbursed the Department or any public housing authority for any amounts paid to a housing unit landlord, and
- vii. Has not previously violated the Family obligations in 24 CFR 982.551, and
- viii. Has not engaged in drug related criminal activity or violent criminal activity as defined in 24 CFR 982.551L and 24 CFR 982.553.

The Contractor shall complete Interim Certifications when a client's income increases by \$100/month and every 90 days for clients with zero income (Per Housing Program Requirements).

**g. The Contractor shall establish and implement an evaluation system that can be used to determine if 100% of client occupied housing units meet HUD HQS.**

In furtherance of this objective, the Contractor shall:

- i. Perform HQS inspections of all housing units using the HQS as set forth in 24 CFR 982.401 for HUD including subparts J and K.
  - ii. Inspect the housing unit for compliance with the HQS before approving a lease and prior to re-certification. For initial lease requests, the Contractor shall conduct the inspection after submission of a request for lease approval by the property owner (hereinafter landlord). The HQS inspection will be made as quickly as possible, but no later than seven (7) days after the Contractor's receipt of an initial lease request.
  - iii. Advise housing unit landlords and clients of any defects or deficiencies that must be corrected before the Contractor can deem the housing unit to be decent, safe, and sanitary. When leasing new housing units, before a new lease contract is executed, the Contractor shall re-inspect the housing unit to ascertain that the necessary work has been performed and that the housing unit meets the HQS. The Contractor shall conduct move out inspections at the landlords request or if a damage claim is filed due to a landlord still having an old contract lease (prior to 1995) with the client. The Contractor shall require every housing unit to have an annual re-inspection to determine if the housing unit continues to meet the HQS standards. Upon re-inspection, the landlord will be given thirty (30) days to correct any HQS violations with the exception of emergencies, which must be corrected within 24 hours.
  - iv. Maintain a HQS report of every housing unit inspection and re-inspection. Each HQS report shall specify any defects or deficiencies that must be corrected for the housing unit to meet HUD HQS. The HQS report shall list any other defects or deficiencies that were caused during the period of occupancy by a participating housing program client.
  - v. Revisit and re-inspect a random sample of 5-10% of the housing units, to determine if 100% of the units meet HQS. If the housing unit fails the re-inspection the Landlord must correct the deficiencies or the Contractor shall require the client to move to another location.
  - vi. Complete and log into HUD's Public and Indian Housing Information Center all HQS Inspections schedule and results prior to the housing unit lease renewal date.
- h. The Contractor shall implement, manage and operate a financial system that will result in a minimum utilization rate of Housing Program certificates and vouchers available and assures timely payments.**

In furtherance of this objective, the Contractor shall:

- i. Centralize a Housing Program Financial Management System. The Contractor shall require subcontractors to download all required Housing Program reporting information into the system by the 15th of each month.
- ii. Prepare and distribute all checks due to each participating landlord by the first of each month.

- iii. Provide all Housing Program reports by the due date required by the Department
  - iv. Audit Housing Program financial and programmatic functions annually.
  - v. Monitor the number of Housing Program certificates and vouchers issued but not leased verses the number of housing units leased.
  - vi. Provide accurate Housing Program information to subcontractors to ensure that the correct number of clients are assigned vouchers and certificates to meet the required utilization of Housing Program funds.
- i. The Contractor shall develop, implement and maintain a quality review process for determining accurate Housing Program client eligibility and service provision and coordination.**

In furtherance of this objective, the Contractor shall:

- i. Provide an ongoing review of 5-10% of all new Housing Program applications.
- ii. Provide an ongoing review of 5-10% of all re-certifications to ensure all clients are eligible for continued Housing Program participation, cost calculations are correct, all supporting documentation is in the files, and all required information is complete and correct.

The contractor shall maintain a minimum utilization rate of 95% as required by HUD.

- j. The Contractor shall conduct Housing Program client annual or interim re-certifications within 30 days of the annual housing unit lease renewal date.**

In furtherance of this objective, the Contractor, at the time of the annual re-certification, shall conduct annual HQS inspections based on a 95% utilization rate for all Housing Programs.

## **B. HOUSING PROGRAM OUTREACH AND SUPPORT SERVICES**

1. The Contractor shall provide specific Housing Program outreach and support services that enhance and increase client and landlord participation in the Section 8 Housing, RAP and T-RAP Programs. The Contractor shall perform the following outreach services:

**a. Recruitment of tenants and landlords,**

In furtherance of this requirement, the Contractor shall:

- i. Advertise and inform landlords about Housing Programs and requirements for participation through the publication of Housing Program information in state wide newspapers of general circulation and by other acceptable public information means, including but not limited to, public service announcements, radio, cable and local television, fliers, posters, legal notices. Such notices shall invite landlords to list their properties with the Housing Programs.
- ii. Conduct two (2) landlord recruitment workshops in each of the Department's regions.

- iii. Maintain an ongoing referral list of landlords that have expressed an interest in renting to Housing Program clients.
- iv. Recruit landlords who own housing units in non-impacted areas to participate in the Housing Programs.
- v. Maintain rent reasonableness standards, as defined by HUD, based on the location of the housing unit.
- vi. Attend statewide Property Owner Association meetings to inform property owners about the Housing Program and requirements for participation. .

**b. The Contractor shall conduct educational workshops for clients and landlords prior to their receipt of a voucher or certificate and during the Housing Program application process,**

In furtherance of this requirement, the Contractor shall conduct workshops for participating clients and landlords. The Contractor shall provide the following:

- i. Client and landlord responsibilities;
- ii. Information on how to find a suitable unit;
- iii. Referrals for Mobility counseling and assistance;
- iv. Information on HQS Standards;
- v. Lead paint warning signs;
- vi. Fair housing regulations;
- vii. How to report expected discrimination;
- viii. Information on Fair market rent;
- ix. Information on Family Self Sufficiency Program;
- x. Information on additional Housing Program supportive services available through the Contractor and the Department; and
- xi. Other information as deemed necessary by the Department and Contractor.

**c. The Contractor shall direct client and landlord contact.**

In furtherance of this requirement, the Contractor shall:

- i. Respond to all tenant and landlord Housing Program related calls within 24 hours of receipt of the call.
- ii. Ensure staff availability at ADA accessible locations statewide including bilingual staff for clients who speak Spanish.
- iii. Provide the following statewide toll free telephone number for tenant use.  
1-(866) 923-6347

**d. The Contractor shall provide mobility counseling and assistance services.**

In furtherance of this requirement, the Contractor shall:



- i. Make client referrals, for those who indicate an interest, to the appropriate housing mobility counseling agency under contract with the Department.
- ii. Invite representatives from the housing mobility counseling agencies to attend client briefings.
- iii. Forward client re-examination lists to the appropriate housing mobility counseling agency.

**e. The Contractor shall provide communication with Limited English Proficient (LEP) client language assistance.**

The Contractor shall notify Housing Program applicants and consumers with Limited English Proficient (LEP) of their right to language assistance and the availability of such assistance free of charge.

In furtherance of this requirement, the Contractor shall:

- i. Require that Spanish-speaking personnel are available at all service locations to assist Spanish-Speaking clients with access to services.
- ii. Provide Spanish –speaking clients with all essential forms, program documents and informational materials in Spanish.
- iii. Provide oral and written Housing Program information in English and Spanish with information on other language options available at a client's request.
- iv. Employ full-time bilingual staff trained as interpreters, at all service locations, to ensure that LEP persons receive the language assistance and free flow of personnel-client communication necessary to receive meaningful access to Housing Program information and services.
- v. Establish a supplemental oral interpretation system as an option when translation services are needed for those individuals whose primary language is not English and not Spanish but an infrequently encountered language group to ensure that all clients have meaningful access to Housing Program information and services.
- vi. Require all subcontractors to comply with the requirements stated above.

**f. The Contractor shall implement and manage an applicant and consumer appeal processes.**

In furtherance of this requirement, the Contractor shall:

- i. Provide training to the Contractor's hearing officers to ensure quality, objectivity and consistency in process implementation and decision making.
- ii. Fully comply with the termination hearing process as outlined in the Department's Housing Program Administrative plan.

**g. The Contractor shall provide Customer Service, Training, and Education**

In furtherance of this requirement, the Contractor shall establish positive working relationships with landlords, tenants and other allied housing support agencies.

To accomplish this the Contractor shall:



- i. Create an open dialogue between all subcontracting housing agents and staff to insure a smooth Housing Program transition from the time of a client's initial intake through assignment of the client file.
- ii. Require that all subcontractors operate the State's Housing Programs within the same time frames and in accordance with the procedures as implemented by the Contractor;
- iii. Establish a Housing Program education curriculum, schedule and conduct ongoing Housing Program training sessions;
- iv. Develop and distribute Housing Program briefing materials to be provided to current and prospective landlords.

### **C. ADMINISTRATIVE TASKS**

#### **1. The Contractor shall perform specific administrative tasks to enhance participation in Housing Programs and maintain efficient and effective program administration. To fulfill this requirement the Contractor shall:**

##### **a. Maintain a waiting list of clients on pre-determined and published conditions,**

In furtherance of this requirement, the Contractor shall:

- i. Announce the opening of the waiting lists when the number of Housing Program applicants on the waiting list is insufficient to fill anticipated openings within a twelve-month period or as required by the Department.
- ii. Announce and publish the opening of the waiting lists to the public in both English and Spanish through publication in newspapers of general circulation, as well as through minority media and other suitable means, e.g. public service announcements, radio, cable, T.V., fliers, posters, legal notices and the Department of Administrative Services web site, the availability and nature of housing assistance for eligible low-income families.
- iii. Inform families where they may apply for participation in the Housing Programs administered by the Contractor.
- iv. Publish Housing Program notices in local newspapers when the number of Housing Program applicants on the waiting list is insufficient to fill anticipated openings within a twelve-month period or as required by the Department.
- v. Require all those interested in being placed on a waiting list to complete an application form, which will contain all the information necessary for the Contractor to determine whether the applicant is eligible.
- vi. Provide assistance to those needing help filling out applications and associated documents.
- vii. When placing eligible clients on a waiting list apply a system of preferences in accordance with state and federal regulations and the Department's Program Administrative Plans to determine their order of priority.

- viii. Open the waiting list and conduct a lottery for certificates and vouchers in accordance with state and federal regulations, and the Department's regulations and Administrative Plan(s) for the Section 8 Program and the State Rental Assistance Program. Applications for the Family Unification Program (FUP) will be accepted from the CT Department of Children and Families on a first come first served basis.
- ix. Accept applications for participation in the Transitional Rental Assistance Program through a monthly fair lottery system when applications exceed the number of certificates available. The applications shall be date and time-stamped.
- x. Suspend the acceptance of applications when the number of families on the waiting list is such that there is, in the Contractor's opinion, no reasonable prospect that additional applicants could receive assistance within twelve (12) months.
- xi. Maintain waiting lists in the Contractor's office in accordance with the requirements of the Department's Housing Program Administrative Plan for each Housing Program.
- xii. Computerize the waiting list to ensure prompt access of information for staff, the Department and the clients.
- xiii. Evaluate the waiting list annually to determine whether individuals named on the list can be served in the following 12 months and reopen the waiting list when individuals named on the list can be served in the following 12 months.
- xiv. Monitor the waiting list to ensure the process of managing the lists are in compliance with the Housing Program Administrative Plan.

**b. Compare rents to ensure fair market value of rents**

In furtherance of this requirement, the Contractor shall:

Prepare and update, as needed, a Rent Reasonableness survey the meets US Department of HUD requirements, to compare and evaluate rents and ensure fair market value.

- ii. Re-Inspect 5-10% in the course of mandatory reviews of all files on an on-going basis to ensure the rents are not more than the standard for the appropriate community.
- iii. Maintain "rental success" data regarding voucher and certificate holders success in finding rents in each region.
- iv. Analyze the success data to assist in the determination as to whether the payment standard should be raised for certain communities.
- v. If necessary communicate the need for exception rents with the Department.

**c. Determine tenant rental share,**

Upon determination by the Contractor that the rent for a housing unit for an eligible client meets the rent reasonableness standard the Contractor shall identify the Client's share of the rent.

In furtherance of this requirement, the Contractor shall

- i. Determine the client's rent share utilizing program regulations and the Department's Housing Program Administrative Plan.
- ii. Computerize rent share to ensure accurate calculations.
- iii. Randomly review 5-10% of all calculations conducted for accuracy on an on-going basis.

**d. Issue rent payments to landlords based on State and HUD established rules and rates,**

In furtherance of this requirement, the Contractor shall

- i. Ensure rents to be paid to participating landlords meet the rent reasonableness standards for given markets.
- ii. Differentiate between the Department's and client's shares of the rent required and determined reasonable.
- iii. Issue all Landlord and client checks before the 1st of each month according to all state and HUD rules and regulations. The Contractor shall issue additional checks by the 10<sup>th</sup> of each month to make any necessary payment adjustments.
- iv. Match the total amount of the payments made to both the landlord and clients by month with the Housing Assistance Payment (HAP) Register.
- v. Conduct an independent programmatic audit of each subcontractor and a financial and programmatic audit of the check issuance process for the Housing Program.
- vi. Maintain check issuance success data.
- vii. Initiate corrective action and rectify deficiencies when rent payments depart from State and HUD established rules and rates

**e. Inspect housing units annually,**

In furtherance of this requirement, the Contractor shall

- i. Inspect all housing units that may be rented through participation in the Housing Programs using qualified HQS inspectors and the standards set forth in 24 CFR 982.401 for Housing and Urban Development including subparts J and K and recorded on HUD Form 52580 and 52580A. All housing units must pass inspection before a lease will be approved and prior to re-certification.
- ii. Inspect housing units no later than seven (7) days after receipt of the landlord requests the inspection.

- iii. Notify landlords and clients promptly regarding housing unit deficiencies and all other outcomes resulting from the inspection.
- iv. Advise the landlord and tenant regarding defects or deficiencies that must be corrected before a lease is executed.
- v. Re-inspect housing units cited for HQS deficiencies after the landlord performs repairs.
- vi. Perform "move out inspections", at the landlord's request or when a landlord files a damage claim under a lease that was entered into prior to 1995.
- vii. Inspect all housing units annually to determine whether the housing unit continues to meet the HQS standards.
- viii. Provide landlords thirty (30) days notice to correct any HQS violations other than emergencies which shall be corrected within 24 hours.
- ix. Document all housing unit inspections and re-inspections clearly and concisely.
- x. Maintain deficiency reports that contain information concerning any defects or deficiencies that must be corrected in order for the housing unit to meet HUD HQS; and any other defects or deficiencies.
- xi. Notify all clients that require lease renewals within 120-days from the annual re-inspection date.
- xii. Notify all landlords that require lease renewals within 120-days from the annual re-inspection date..
- xiii. Complete Initial housing unit re-inspections no later than 60 days prior to re-certification to allow landlords the time to correct deficiencies.
- xiv. Revisit 5-10% of the HQS Inspections in each district to ensure that 100% of the housing units meet HQS.

**f. Execute Housing Assistance Contracts with landlords**

In furtherance of this requirement the Contractor shall:

- i. Determine client eligibility.
- ii. Determine that rent is reasonable.
- iii. Ensure that the housing unit to be rented meets Housing Quality Standards.
- IV. Ensure that landlord is not debarred by HUD for program violations.
- V. Ensure that rent amounts are set for landlords and clients in a timely manner.

**g. Comply with Fair Housing Act provisions,**

In furtherance of this requirement, the Contractor shall:

- i. Promote equal opportunity in housing regardless of race, color, religion, sex, disability, national origin, ancestry, marital status, age, mental or physical disability, lawful source of income, sexual orientation, and familial status.



- ii. Post Fair Housing posters in the Contractor's main office and throughout regional sites. Inform individuals in both, the client and landlord workshops about the Fair Housing Laws and their rights.
  - iii. Encourage clients to report any discrimination regarding their housing search to the state Commission on Human Rights and Opportunities.
  - iv. Monitor and document Fair Housing Complaints.
  - v. Comply with the State's Affirmative Fair Housing Market Plan.
- h. Implement, maintain and operate a Quality Control system that provides timely re-certification of participants and accurate determination of client and landlord payments,**

In furtherance of this requirement, the Contractor shall

- i. Computerize informational letters to clients informing them of the re-certification process 120 days prior to the lease expiration date
  - ii. Send follow-up letters to clients who fail to re-certify by the 60th day prior to the lease expiration date.
  - iii. Track outstanding re-certifications.
  - iv. Provide correspondence in English and Spanish.
- i. Implement, maintain and operate an automated database containing all tenant and landlord data necessary to support the efficient administration of the programs, including eligibility determination and re-certification, payment processing, and data reporting requirements.**

In furtherance of this requirement, the Contractor shall:

- i. Utilize a computerized accounting system to record all cash receipt registers/journals, income ledger, tenant register, certificate and voucher checks, cash disbursement register/journal, expense ledger, HAP register and inventory records computerized and integrated. The system must calculate HUD established rents subsidies in accordance with client income, applicable deductions and allowances. The system shall print out monthly rent checks to landlords and track payments made. The system shall supply all necessary Internal Revenue Service (IRS) reporting and prepare all 1099's for landlords.
- ii. Maintain a computerized database to track client, tenant, and waiting list data.
- iii. Link the Contractor's computer housing program data-base on-line with the Department. Such linkage will be conducted in cooperation with the Department's program and Information Technology personnel.
- iv. Implement, maintain and operate a housing program database that has the capability to matching data with the Department's Eligibility Management System (EMS).



**D. DEPARTMENT REQUIREMENTS:****1. Housing Program Support**

The Department shall provide the Contractor with Housing Program support to carry out Housing Program services.

In furtherance of this requirement , the Department shall:

- i. Monitor the contractor's performance and request periodic updates,
- ii. Respond to written requests from the Contractor for policy interpretations,
- iii. Provide technical assistance to the Contractor as necessary to comply with the Contractor's requirements under this Contract.
- iv. Provide a project leader,
- v. Schedule and hold regular project meetings with the contractor, and
- vi. Provide a process for and facilitate open discussions with staff and personnel to gather information regarding recommendations and suggestions for improvement.
- vii. Provide the Contractor with sufficient funds to cover the checks to landlords.

**2. Quality Control Reviews**

The Department shall perform Quality Control reviews of the Contractor's performance.

In furtherance of this requirement, the Department shall:

- i. Conduct an annual quality control review of the Contractor's performance. The annual quality control review shall be in addition to any other HUD requirement or process review that may be conducted in the course of monitoring of the program. The goal of the quality control review shall be to ensure program excellence and compliance with HUD and state program requirements. The Department's methodology for the annual quality control review shall include:
  - (i) determining the contractor's administrative performance error rate; and
  - (ii) establishing corrective action or sanctions (if any) based on the contractor's administrative performance error rate. The department shall annually re-evaluate the methodology for conducting quality control.
- ii. The Contractor's administrative performance error rate shall be determined by conducting a review of a random selection of at least 3% of the Housing Program administrative files established by the Contractor during the annual period and using the current "Document Review Record" and 3% of the Housing Quality Standards (HQS) inspections of the program units.
- iii. When the administrative performance error rate exceeds 15%, the Contractor shall be required to submit to the Department a corrective action plan for the Department's review and approval. The Department shall retain the right to require corrective

action for any problem or set of problems that produces a pattern of administrative performance error rates that fall below 15%.

- iv. The corrective action plan shall include a methodology to reduce the administrative performance error rate and a schedule within which to complete the corrective action. Following the Department's approval of the corrective action plan, the Department shall hold the contractor liable for the implementation of the corrective action plan within the agreed-upon time frame. Failure to implement the corrective action within the agreed-upon schedule and after reasonable and sufficient notice may result in a 5% reduction in the amount of the administrative fee paid by the department to the contractor. Such reduction may remain in effect until the department determines that the corrective action plan has been fully implemented. The Commissioner shall retain the right to waive such administrative fee reductions based on appeal by the contractor.

#### **E. REPORTING REQUIREMENTS:**

The Contractor shall prepare and submit to the Department on a monthly basis management and fiscal reports in a manner and format determined by the Department. Reports shall include the following:

##### **1. SECTION 8 HCV**

The contractor shall submit the following reports to the Department by the fifteenth (15th) of the reporting month. (i.e. February reports are due on March 15th).

- a. HAP Register report including Mainstream, Enhanced and Portables with the following information:
  - name and address of family
  - name and address of owner
  - housing unit size
  - beginning date of lease term
  - monthly contract rent to owner
  - monthly tenant share
  - monthly housing assistance payment to landlord
- b. Applicants Housed Report
- c. Held Checks Report with reason codes, broken out by subcontracted housing agency
- d. Re-examination, Rent change Report
- e. Report on housing program Utilization
- f. Income Status Reports: % of assisted families on welfare, % of assisted families with earned income
- g. Participation/Demographics report: Minority, handicapped/disabled and elderly status reports
- h. Town report: number of assisted families listed by the 169 towns in the state.
- i. Discontinuance/Move-out Report: number of families who have left the program and % of those terminated due to non-compliance
- j. Family Self Sufficiency Report: including escrow account balances
- k. Family Unification Report

- l. Mainstream Disability Voucher Report
- m. Principal Municipal Statistical Area (PMSA) Report/Codes Total: monthly administrative fee calculations presented by units by PMSA. Including Initial and Receiving Portable units.
- n. Balance Sheet \*
- o. Statement of Housing Program Costs \*
- p. Cash Analysis Report
- q. HAP vs. Financial Statements Reconciliation Report
- r. PMSA vs. HAP Units Reconciliation Report
- s. Utility Reimbursement report
- t. Rent Burden Report by Town

\* For the month of June, these reports shall be submitted to the Department no later than June 30<sup>th</sup>.

The following monthly reports shall be submitted by the Contractor to the Department on a compact disc (CD):

- a. Landlord Disbursement List
- b. Utility Disbursement List
- c. Portability Disbursement List
- d. Landlord Check Register
- e. Utility/Tenant Refund Register
- f. Portability check Register
- g. Landlord Adjustments

Due prior to August 30 each year: Yearly Un-audited Financial Statements for Financial Assessment sub-system (FASS) submission to Real Estate Assessment Center (REAC)

## **2. SECTION 8 MODERATE REHABILITATION**

The Contractor shall submit the following reports to the Department by the fifteenth (15th) of the reporting month. (i.e. February reports are due on March 15th). 1

- a. Housing Assistance Program (HAP) Register with the following:
  - name and address of family
  - name and address of owner
  - dwelling unit size
  - beginning date of lease term
  - monthly contract rent to owner
  - monthly tenant share
  - monthly housing assistance payment to owner
- b. Applicants Housed Report
- c. Held Checks Report with reason codes, broken out by subcontracted housing agency
- d. Re-examination, Rent change Report
- e. Report on Program Utilization d).General monthly utilization report

- f. Income Status Reports: % of assisted families on welfare, % of assisted families with earned income
- g. Participation/Demographics report: Minority, handicapped/disabled and elderly status reports
- h. Town report: number of assisted families listed by the 169 towns in the state.
- i. Discontinuance/Moveout Report: number of families who have left the program and % of those terminated due to non-compliance
- j. PMSA Report/Codes Total: monthly administrative fee calculations presented by units by PMSA.
- k. Balance Sheet
  - l. Statement of Program Costs
- m. Cash Analysis
- n. HAP vs. Financial Statements Reconciliation
- o. PMSA vs. HAP Units Reconciliation
- p. Utility Reimbursement report

The following monthly reports will be submitted on a compact disc (CD):

- a. Landlord Disbursement List
- b. Utility Disbursement List
- c. Landlord Check Register
- d. Utility/Tenant Refund Register
- e. Landlord Adjustments

### **3. SECTION 8 PROJECT-BASED HCV**

The Contractor shall submit the following reports to the Department by the fifteenth (15th) of the reporting month. (i.e. February reports are due on March 15th

- a. Housing Assistance Program (HAP) Register with the following:
  - name and address of family
  - name and address of owner
  - dwelling unit size
  - beginning date of lease term
  - monthly contract rent to owner
  - monthly tenant share
  - monthly housing assistance payment to owner
- b. Applicants Housed Report
- c. Held Checks Report with reason codes, broken out by subcontracted housing agency
- d. Re-examination, Rent change Report
- e. Report on Program Utilization
- f. Income Status Reports: % of assisted families on welfare, % of assisted families with earned income
- g. Participation/Demographics report: Minority, handicapped/disabled and elderly status reports
- h. Town report: number of assisted families listed by the 169 towns in the state.
- i. Discontinuance/Moveout Report: number of families who have left the program and % of those terminated due to non-compliance

- j. PMSA Report/Codes Total: monthly administrative fee calculations presented by units by PMSA.
- k. Balance Sheet
- l. Statement of Program Costs
- m. Cash Analysis
- n. HAP vs. Financial Statements Reconciliation
- o. PMSA vs. HAP Units Reconciliation
- p. Utility Reimbursement report

The following monthly reports will be submitted on a compact disc (CD):

- a. Landlord Disbursement List
- b. Utility Disbursement List
- d. Landlord Check Register
- e. Utility/Tenant Refund Register
- g. Landlord Adjustments

Due prior to August 30 each year: Yearly Unaudited Financial Statements for FASS submission to REAC

#### **4. TRANSITIONARY RENTAL ASSISTANCE**

The Contractor shall submit the following reports to the Department by the fifteenth (15th) of the reporting month. (i.e. February reports are due on March 15th). Exception - balance sheet and the program cost for the month of June are due June thirtieth (30th).

- a. Transitional Rental Assistance Program (T-RAP) Register - The T- RAP register records monthly rental assistance payments and includes the following:
  - name and address of family
  - name and address of owner
  - dwelling unit size
  - beginning date of lease term
  - monthly contract rent to owner
  - monthly tenant rent
  - monthly rental assistance payment to owner
- b. Applicant/Lottery Status Report - Number of applications received, number selected by lottery and number of applicants, not selected carried over to next month
- c. Applicants Housed Report
- d. Held Checks Report with reason codes, broken out by subcontracted housing agency
- e. Report on Program Utilization
- f. Income Status Reports: % of assisted families on welfare, % of assisted families with earned income
- g. Participation/Demographics report: Minority, handicapped/disabled and elderly status reports
- h. Town report: number of assisted families listed by the 169 towns in the state.



- i. Discontinuance/Moveout Report: number of families who have left the program and % of those terminated due to non-compliance
- j. Balance Sheet
- k. Statement of Program Costs
- l. Cash Analysis
- m. HAP vs. Financial Statements Reconciliation

The following monthly reports will be submitted on a compact disc (CD):

- a. Landlord Disbursement List
- b. Landlord Check Register
- c. Landlord Adjustments

## 5. RENTAL ASSISTANCE PROGRAM

The Contractor shall submit the following reports to the Department by the fifteenth (15th) of the reporting month. (i.e. February reports are due on March 15th). Exception - balance sheet and the program cost for the month of June are due June thirtieth (30th).

- a. Rental Assistance Program (RAP) Register records monthly housing assistance payments and includes the following:
  - name and address of family
  - name and address of owner
  - dwelling unit size
  - beginning date of lease term
  - monthly contract rent to owner
  - monthly tenant rent
  - monthly rental assistance payment to owner
- b. Applicants Housed Report
- c. Held Checks Report with reason codes, broken out by subcontracted housing agency
- d. Re-examination, Rent change Report
- e. Report on Program Utilization
- f. Income Status Reports: % of assisted families on welfare, % of assisted families with earned income
- g. Participation/Demographics report: Minority, handicapped/disabled and elderly status reports
- h. Town report: number of assisted families listed by the 169 towns in the state.
- i. Discontinuance/Moveout Report: number of families who have left the program and % of those terminated due to non-compliance
- j. Balance Sheet
- k. Statement of Program Costs
  - l. Cash Analysis
- m. HAP vs. Financial Statements Reconciliation

The following monthly reports will be submitted on a compact disc (CD):

- a. Landlord Disbursement List
- b. Landlord Check Register
- c. Tenant Refund Register

## d. Landlord Adjustments

**6. OTHER DATA REQUIREMENTS**

The Contractor shall evaluate its performance of the following responsibilities on a semi-annual basis and shall report its performance to the Department in a format, frequency and schedule as agreed to by the Department and the Contractor. Such reports may include but not be limited to the following:

- a). Program utilization rate; goal 95% or use of full budget authority
- b). Landlord check issuance date; goal by 1st of month
- c). HQS Inspection completion schedule; Goal within 7 days of request
- d). HQS of leased units; Goal 100% of leased units meet HQS
- e). Certification accurate completion; Goal 100% of certifications complete and accurate
- f). Monthly Quality Control checks; Goal 5% complete
- g). Enrollment level in FSS Programs; Goal at 95%
- h). Enrollment level in Family Unification; Goal at 95%
- i). Enrollment level in RAP; Goal at 95%
- j). Enrollment level in T-RAP; Goal at 95%
- k). HQS Inspections entered into the computer system before lease renewal; Goal 100% of
- l). Increase in units outside poverty and minority concentrations; Goal 10%
- m). Tenant workshops per quarter; Goal Contractor conducts two tenant workshops per quarter
- n). Regional service provider meetings; Goal Program Manager meets with service providers each quarter by region.
- o). The Department's usage meetings; Goal Program Manager/Director meets with the Department monthly to track usage/discuss problems.
- p). Landlord workshops; Goal the contractor conducts two landlord workshops per quarter.
- q). Landlord referral list increase; Goal increase by 20%.
- r). Internal meetings; Goal Program Director and Executive Committee meet quarterly.
- s). Program and financial compliance; Goal programs independently audited to insure programmatic and financial compliance
- t). Percentage of families moving to a new unit vs. renewing in the same unit.

- u). Percentage of families moving from “core” cities to suburbs or an equivalent measure of movement from areas of poverty concentration to de-concentration. The contractor shall provide the data arranged by .
- v). Time periods for issuance of the first rent check and on-going monthly checks.
- w). Time periods for initial and annual lease renewal and housing inspections.
- x). Percentage of housing units approved on initial and annual lease renewal inspection and percentage of those rejected on re-inspection.
- y). Number of educational workshops for tenants and landlords.
- z). Percentage of tenants and landlords attending at least one workshop.
- aa). Time periods for tenants to find apartments.
- bb). Number of new participating landlords.
- cc). Number of housing units at, below or above the Fair Market Rent rate.
- dd). Number of tenant-landlord complaints resolved through contractor intervention.
- ee). Number of families voluntarily relinquishing their certificate and/or terminated for just cause.

**7. In addition to the above noted reporting requirements the Contractor shall:**

- a. Prepare and submit by the 15<sup>th</sup> of each month electronic data files to the HUD as required for HUD’s Public Information Center (PIC).
- b. Provide the Department, on a frequency and format determined by the Department, data extracts from the Contractor’s database for the three programs,
- c. Provide the Department a monthly inventory of subcontractor system’s users relative to EIV and EMS
- d. Reach the projected number of families targeted to participate in the program.
- e. Conduct rent reasonableness studies as directed by the Department for a mutually agreed upon rate.

**F. CLIENT BASED OUTCOMES AND MEASURES**

The Contractor shall ensure that participating families shall have:

- 1. Access to safe, stable, decent and affordable housing in all areas of the state.
- 2. Access to services and support to improve their quality of life and achieve self-sufficiency.
- 3. Choice of secure housing in their neighborhoods and towns.

**G. PROGRAM ADMINISTRATION:**

The Contractor shall:

- a. Maintain a corporate project unit composed of key personnel dedicated to this contract as listed below.
- b. Subcontract with a sufficient number of competent organizations throughout the state, including housing agents and others, in order to provide the services addressed by this contract to clients throughout the state.
- c. Request approval from the Department for changes in key personnel prior to such changes being made.
- d. Submit to the Department for its approval, the name and credentials of any persons who are proposed to replace existing or previously proposed project management staff, or other key personnel identified by the state. These proposed changes shall not negatively impact the Department or adversely effect the ability of the Contractor to meet any requirement or deliverable set forth in the contract.

## H. PROJECT STAFF

The Contractor shall employ a Project Manager who shall implement and manage the Housing Programs, provide day-to-day oversight of the Housing Programs and attend all Housing Program meetings at the request of the Department. The Project Manager shall respond to the Department's requests for status updates, and ad hoc and interim reports. In addition to the Project Manager the Contractor shall employ additional staff as noted below.

- a. Project Manager shall:
  - i. Allocate 100% of time to the operation of the Department's Housing Programs.
  - ii. Administer the Housing Program.
  - iii. Supervise and coordinate the program with the subcontractors.
  - iv. Monitor each Authority to assure compliance with all Section 8 regulations and HUD regulations and to eliminate the potential for fraud.
  - v. Perform quality assurance checks on Section 8 inspections.
  - vi. Conduct all tenant and landlord workshops.
- b. Administrative Assistant/Receptionist
  - i. administer the waiting list.
  - ii. refer clients to appropriate Housing agents
  - iii. answer the 800 number (available to clients).
  - iv. Prepare required reports
- c. The FSS Coordinator:
  - i. Coordinate services required for the FSS Program, Supportive Housing and Family Unification Program with all housing agents and the Department.
  - ii. Ensure the required utilization rates are met and clients are successful in their programs.
  - iii. Inform the centralized HQS Manager when an inspection is needed.
- d. Project Coordinator:
 

Coordinates, reviews all work being done by certification specialists
- e. Certification Specialist:

- i. conduct intakes, initial lease up, interim re-certifications, annual re-certifications
  - ii. prepare all lease and HAP Contracts
  - iii. verify income and other miscellaneous activities.
  - iv. Conduct services at a staff client ratio of not more than 1 to 300.
- f. Part-time Trainer/Research Assistant:
- i. ensure that all staff (including subcontractors) are trained and informed of all program processes, rules and regulations.
  - ii. provide staff training at the subcontracted Housing agents.
  - iii. provide Landlord and Section 8, RAP and T-RAP participant training.
- g. Project Director shall:
- i. provide overall management of the program
  - ii. be the contact person for the Department.
- h. Hearing Officer
- The Hearing Officer shall report directly to the Project Director and is responsible for conducting client hearings and preparation of written decisions.
- i. Project Supervisor
- Responsible for the performance of the Contractor's Administrative Office. Certification specialists report directly to the Project Supervisor.

## **I. SUBCONTRACTED SERVICES:**

The Contractor's Program Manager shall serve as the primary contact for subcontractor services. The Executive Director or designated executive staff of each subcontracted housing authority or agent shall act as Project Manager for each of the respective subcontractors and report to the Contractor's Project Manager to ensure a coordinated structure.

- a. Subcontractors shall:
- i. Administer the program serving approximately 8449 clients (at 95% lease up rate).
  - ii. Allocate full-time and part-time positions and perform all intake functions in accordance with the Contractor's organizational staffing assignments
  - iii. Allocate 15% of the time for each Executive Director to administer their required program functions.
- b. The Contractor shall:
- i. Subcontract with the Waterbury Housing Authority. The Waterbury Housing Authority shall issue all landlord checks through a local bank or check service and provide all monthly reporting the Department.
  - ii. Utilize the services of Pat Kelson Associates Inc. to perform HQS inspections. All inspectors shall be fully trained to perform HQS inspections.
- Donna Kelson (HQS Manager) of Pat Kelson Associates, Inc. will act as Program Manager for HQS functions and report directly to the Contractor's Project Manager.



**c. Subcontractor Accountability**

The Contractor shall:

- i. Develop and execute a Department approved contract with all subcontractors
- ii. Bear full responsibility, without recourse, to the Department for any subcontractor's performance. The establishment of any subcontractor relationship shall not relieve the Contractor of any responsibility or liability under this contract.
- iii. Require all subcontractors hired by or under contract to the Contractor to follow the same contract guidelines and standards required of the contractor.
- iv. Require all subcontractors to use standardized forms in English and Spanish and developed in cooperation with the Department.
- v. Include an acknowledgment within the body of the subcontractor agreements to provide services following contract guidelines and standards.
- vi. Review the performance of subcontractors.
- vii. Receive monthly reports from the subcontractors Project Managers detailing the performance of all subcontractors.
- viii. Use performance indicators to evaluate each subcontractor.
- ix. Notify any subcontractor not performing in one or more areas to correct the deficiencies within 30 days.
- x. Exercise contractual options when a subcontractor fails to correct any deficiencies within the time allotted. Such contractual options may include but are not limited to a reduction in the monthly administrative fee received or termination of the subcontract.
- xi. Require monthly task updates from each subcontractor to support information requests by the Department to the Contractor. The Contractor shall make available to the Department any documentation generated by the sub-contract.
- xii. Require each subcontractor to provide appropriate work space for the Department's Housing Program monitoring staff.
- xiii. Require each subcontractor to download all necessary information from the HAP Register and PIC system by the 20th day of the month to ensure the checks are sent to landlords by the 1st of each month.
- xiv. Require each subcontractor to submit a list of units requiring inspections and re-inspection to a centralized HQS Inspection Office. The HQS Inspection Office will log requests and insure all required inspections are completed at a minimum of 60 days prior to lease renewal. The Contractor's Project Manager shall revisit between 5-10% of the inspections to insure they are 100% correct and completed in a timely manner.
- xv. Require each subcontractor to employ a Project Director to oversee the subcontractor's service territory. The subcontractors Project Director shall ensure

that all goals of the DSS Housing Program Administrative Plan are attained by the Subcontractor.

**J. ORGANIZATION STAFFING ASSIGNMENTS:**

	<b>Total</b>	<b>Section 8</b>	<b>RAP</b>	<b>TRAP</b>
<b>J. D'Amelia &amp; Associates LLC</b>				
<b>John R. D'Amelia</b>	50%	37%	12%	1%
Program Manager	100%	73%	25%	2%
FSS Coordinator	100%	100%		
Administrative Assistant	100%	73%	25%	2%
Trainer/Researcher	50%	37%	12%	1%
Section 8 Assistant	50%	37%	12%	1%
Hearing Officer	100%	73%	25%	2%
<b>J. D'Amelia: New Haven Office</b>				
Program Supervisor	100%	73%	25%	2%
Certification Specialist (4)	100%	73%	25%	2%
Section 8 Assistant	50%	37%	12%	1%
<b>Danbury Housing Authority</b>				
Executive Director	15%	11%	4%	
Program Coordinator	50%	37%	12%	1%
Certification Specialist	100%	73%	25%	2%
<b>Hamden Housing Authority</b>				
Executive Director	15%	11%	4%	
Program Coordinator	75%	55%	19%	1%
Section 8 Assistant	80%	58%	20%	2%
Certification Specialist (3)	100%	73%	25%	2%
<b>Manchester Housing Authority</b>				
Executive Director	15%	14%	1%	
Program Coordinator	25%	18%	6%	1%
Certification Specialist (2)	100%	73%	25%	2%
<b>Stratford Housing Authority</b>				
Executive Director	15%	11%	4%	
Certification Specialist (3)	100%	73%	25%	2%

**Vernon Housing Authority**

Executive Director	15%	11%	4%	
Certification Specialist	100%	73%	25%	2%
Certification Specialist	50%	37%	12%	1%
Program Coordinator	25%	18%	6%	1%

**Waterbury Housing Authority**

Executive Director	15%	11%	4%	
Program Coordinator	25%	18%	6%	1%
Certification Specialist (2)	100%	73%	25%	2%

**West Hartford Housing Authority**

Executive Director	15%	11%	4%	
Program Coordinator (2)	100%	73%	25%	2%
Program Coordinator	50%	37%	12%	1%

**TVCCA**

Program Coordinator	50%	37%	12%	1%
Certification Specialist (2)	100%	73%	25%	2%

**Kelson Associates**

President	75%	55%	19%	1%
HQS Inspector (9)	100%	73%	25%	2%

Daystar Housing Inspections, LLC

President	40%	29%	10%	1%
HQS Inspector	50%	37%	12%	1%

**K. Office Locations:**

The Contractor shall provide client access to services at the offices of its subcontractors. Subcontractor offices shall be open 8 hours per day 5 days per week. Each office shall be closed to clients one day per week, on a schedule to be determined, to enable staff to process paperwork. Subcontractor offices shall be located in Danbury, Manchester, Hamden, Norwich, Stratford, Vernon, Waterbury, West Hartford. Each office shall provide access to services for residents of the surrounding urban areas. The Contractor shall provide additional full time office hours, 5 days per week, in New Haven.

**SECTION THREE – COST AND PRICING**

**A. COST AND PRICING**

1. The Department shall pay the Contractor on a fee-for-service basis according to the following fee schedule:
  - a. Section 8: \$47.00 per unit per month not to exceed 6476 units.
  - b. RAP: \$42.00 per unit per month not to exceed 1900 units.
  - c. T-RAP: \$42.00 per unit per month not to exceed 155 units per month.
  - d. Section 8 Portable Units Fee Administration:
  
2. The Contractor shall receive 20% of the fee contracted for regular units where the Department is the initial housing authority. The Contractor shall receive 80% of the fee contracted for the regular units where the Department is the receiving housing authority.
  
3. The Department shall pass-through any funds awarded as the result of a successful application to HUD in response to a Notice of Funding Availability (NOFA) for the position of FSS Coordinator.

**B. CONTRACT TERM**

The contract shall be in effect from 7/16/2007 through 7/15/2010. The Department shall retain the right to exercise two options to extend the contract for one year for each option.

**C. Contract Cost Maximum 7/16/2007- 7/15/2010:**

	Administrative Cost	Program Cost	Total
Section 8	\$10,848,000.00	\$184,218,768	\$195,066,768.00
RAP	\$2,872,800.00	\$51,345,600.00	\$54,218,400.00
T-RAP	\$234,360.00	\$3,669,780.00	\$3,904,140.00
Section 8 Moderate Rehabilitation	\$40,608.00	\$715,788.00	\$756,396.00
Rent Reasonableness Study	\$100,000.00		
Open Waiting Lists	\$200,000.00		
Sub total	\$14,295,768.00	\$239,949,936.00	\$254,245,704.00

**Total Maximum \$ \$254,245,704.00**

**D. Payment Process:**

1. The Department shall advance Housing program funds to the Contractor's designated account in an amount to pay estimated voucher and certificate expenses for Housing Program services on a monthly basis. The Contractor shall provide the Department an estimate of Housing program expenses by the 15th of each month for the following month's expenditures.
2. The Department shall transfer the advanced Housing program funds electronically or shall process payments to the Contractor's designated account on or before the 29th of each month. The advanced Housing program funds made available on or before the 29<sup>th</sup> of each month shall be used to pay Housing program services for the following month. Prior to the expiration of this contract on 07/15/2010, the Contractor shall issue housing program landlord payments on or before 06/30/2010 for the payments that are due 07/01/2010
3. The Contractor shall establish an interest bearing account for Housing program funds. The Contractor shall keep an accurate and separate accounting of Housing program funds deposited in the account for each of the following Housing programs:
  - a. Section 8 Housing Choice Voucher Program
  - b. Section 8 Moderate Rehabilitation Program
  - c. State Rental Assistance Program
  - d. State Transitional Rental Assistance Program
4. The Contractor shall at the time of opening an account with any bank pursuant to this contract, or within two weeks after signing this contract, obtain an agreement with the bank that states the following:
  - (1) upon receipt of any direction from the Commissioner of the Department and until such direction has been revoked by the Commissioner, no further withdrawal by the Contractor shall take place;
  - (2) the bank shall agree with the Commissioner to comply with the above noted direction unless and until revoked by the Commissioner; and
  - (3) any withdrawal of housing program funds or check signed by the Commissioner will be honored by the bank.
5. The Contractor shall maintain all Housing program funds in the bank account until such time as expended in accordance with this contract.
6. The Contractor shall report interest earned on Housing program funds deposited in the bank account on its monthly cash balance report.
7. The Department shall advance Housing program payments to the Contractor on a monthly basis, upon the Department's receipt of a written Request for Payment and financial reports provided by the Contractor. In the event that the Contractor's financial statements reflect a substantial balance of cash available to cover in part or in total the Housing program funds requested for the period, the Department will adjust the payment request such that the balance of cash on hand shall not exceed 20% of the Contractor's normal monthly payment.



Each payment request must be submitted monthly on a **DSS W-1270** Form to the Department's program representative located at **Department of Social Services, Housing Services Unit, 25 Sigourney Street, Hartford, CT 06106**.

**E. CHANGE ORDER PROCESS**

1. The Department may, at any time, with written change order notice to the contractor, make changes within the general scope of the contract. Such changes may include administration of newly awarded vouchers or certificates, short-term research projects, data exchange enhancements or other activities required by new or amended Program Administration policies, Federal or State laws or regulations. The Department shall reimburse the contractor for any activities required by new or amended Program Administration policies, State or Federal laws or regulations not mentioned in the Scope of Work or for any other changes outside the Scope of Work defined in the contract which the Department deems necessary.
2. The written Change Order issued by the Department shall specify whether the change is to be made on a certain date or placed into effect only after approval of the Contractor's fee or cost proposal as described in the following paragraph. No changes in scope are to be conducted except by the express written approval of the Department's Contract Administrator.
3. As soon as possible after receipt of a written Change Order request, but in no event more than five (5) business days thereafter, the contractor shall provide the Department with a written statement that the change has a cost neutral effect on the Department, or that there is a cost impact, in which case the statement shall include a description of the cost involved in implementing the change.
4. Significant Change Order work may require authorization from the State of Connecticut Office of Policy and Management in order to formally amend the contract to allocate additional funds to this project.

**F. Fraud Recoveries:**

The Contractor shall be entitled to retain recovered funds resulting from its investigation of Housing program fraud in the Section 8 program subject to HUD regulations and will be reimbursed for expenses incurred from its investigation of fraud and subsequent recovery of Housing program funds in the Rental Assistance Program.

**G. Contract Security**

The Contractor shall:

1. Obtain a Fidelity bond in the amount of \$5,000,000 to protect the State and the Department. The bond may be obtained by the Contractor's fiduciary subcontractor instead of the Contractor, however, the holding of the fidelity bond by a subcontractor shall not relieve the Contractor of its liability to protect the Department's Housing program funds from misuse.

**H. CONTRACT SETTLEMENT:**

Upon successful completion of the contract, the Contractor shall notify the Department, on forms provided by and in a manner prescribed by the Department, of all expenditures made during the term of the contract.

The Department may disallow any expenditure listed by the Contractor provided that the Department notifies the Contractor of such disallowance within 30 days of receipt and the disallowance is because:

the expenditure was properly in a category that the Department had refused to pay, or

the expenditure was not supported by sufficient records, or

the expenditure was not made to deliver the services described in this Part I, or

the expenditure was excessive in the opinion of the Department.

In the event that the Department disallows any expenditure, the Contractor shall have the right to appeal the decision to the Commissioner, provided that it submits its appeal in writing within 60 days of notification of the disallowance. The Department shall have the burden of demonstrating the appropriateness of the disallowance. The decision of the Commissioner shall be final.

The Department shall compute the difference between the total payments it made to the Contractor and the Contractor's total expenditures.

If the Contractor's expenditures exceed the maximum allowable payments made by the Department under this contract, the Department shall have no obligation to make additional payments to the Contractor.

If the Contractor's total expenditures were less than the total payments made by the Department, the Contractor shall at the end of the contract period, or earlier if the contract is terminated, return to the Department in full, any unexpended funds within 30 days.

## PART II. MANDATORY TERMS AND CONDITIONS

The Contractor agrees to comply with the following mandatory terms and conditions.

### A. CLIENT-RELATED SAFEGUARDS

1. **Inspection of Work Performed.** The Department or its authorized representative shall at all times have the right to enter into the Contractor's premises, or such other places where duties under the contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance for Department representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this section shall be made available to the Contractor.
2. **Safeguarding Client Information.** The Department and the Contractor agree to safeguard the use, publication and disclosure of information on all applicants for and all clients who receive service under this contract with all applicable federal and state law concerning confidentiality.
3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to client abuse and neglect, including but not limited to requirements as specified in Conn. Gen. Stat. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); Conn. Gen. Stat. § 46a-11b (relative to persons with mental retardation); and Conn. Gen. Stat. § 17b-407 (relative to elderly persons).

### B. CONTRACTOR OBLIGATIONS

1. **Cost Standards.** Effective January 1, 2007, the Contractor and funding state agency shall comply with the Cost Standards issued by the State of Connecticut, Office of Policy and Management ("OPM"), as may be amended from time to time. The Cost Standards are published by OPM on the Web at [http://www.opm.state.ct.us/finance/pos\\_standards/coststandards.htm](http://www.opm.state.ct.us/finance/pos_standards/coststandards.htm). Such Cost Standards shall apply to:
  - (a) all new Contracts effective on or after January 1, 2007;
  - (b) all Contract amendments modifying funding, effective on or after January 1, 2007;
  - (c) all Contracts in effect on or after July 1, 2007.
2. **Credits and Rights in Data.**
  - (a) Unless expressly waived in writing by the Department, all documents, reports, and other publications for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the state and the Department and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify the Department, unless the Department or its agents co-authored said publication and said release is done with the prior written approval of the Commissioner of the Department. Any publication shall contain the following statement: "This publication does not express the views of the Department or the State of Connecticut. The views and opinions expressed are those of the authors." The Contractor or any of its agents shall not copyright data and information obtained under the terms and conditions of this contract, unless expressly authorized in writing by the Department. The Department shall have the right to publish, duplicate, use and disclose all such data in any manner, and may authorize others to do so. The Department may copyright any data without prior notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Department of such data.

- (b) "Data" shall mean all results, technical information and materials developed and/or obtained in the performance of the services hereunder, including but not limited to all reports, surveys, plans, charts, recordings (video and/or sound), pictures, curricula, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the services performed hereunder.
3. **Organizational Information, Conflict of Interest, IRS Form 990.** Annually during the term of the contract, the Contractor shall submit to the Department the following:
- (a) a copy of its most recent IRS Form 990 submitted to the federal Internal Revenue Service, and
- (b) its most recent Annual Report as filed with the Office of the Secretary of the State or such other information that the Department deems appropriate with respect to the organization and affiliation of the Contractor and related entities.
4. **Federal Funds.** The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Department shall specify all such requirements in Part I of this contract.
5. **Audit Requirements.** The Contractor shall provide for an annual financial audit acceptable to the Department for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The State Auditors of Public Accounts shall have access to all records and accounts for the fiscal year(s) in which the award was made. The Contractor will comply with federal and state single audit standards as applicable.
6. **Prohibited Interest.** The Contractor warrants that no state appropriated funds have been paid or will be paid by or on behalf of the Contractor to contract with or retain any company or person, other than bona fide employees working solely for the Contractor, to influence or attempt to influence an officer or employee of any state agency in connection with the awarding, extension, continuation, renewal, amendment, or modification of this agreement, or to pay or agree to pay any company or person, other than bona fide employees working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award or making of this Agreement.
7. **Offer of Gratuities.** By its agreement to the terms of this contract, the Contractor certifies that no elected or appointed official or employee of the State of Connecticut has or will benefit financially or materially from this contract. The Department may terminate this contract if it is determined that gratuities of any kind were either offered or received by any of the aforementioned officials or employees from the Contractor or its agents or employees.
8. **Related Party Transactions.** The Contractor shall report all related party transactions, as defined in this clause, to the Department on an annual basis in the appropriate fiscal report as specified in Part I of this contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor, its employees, Board members or members of the Contractor's governing body, and a related party include, but are not limited to:
- (a) real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;
- (c) mortgages, loans and working capital loans; and
- (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor.



9. **Lobbying.** The Contractor agrees to abide by state and federal lobbying laws, and further specifically agrees not to include in any claim for reimbursement any expenditures associated with activities to influence, directly or indirectly, legislation pending before Congress, or the Connecticut General Assembly or any administrative or regulatory body unless otherwise required by this contract.

10. **Suspension or Debarment.**

(a) Signature on Contract certifies the Contractor or any person (including subcontractors) involved in the administration of Federal or State funds:

(1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental department or agency (Federal, State or local);

(2) within a three year period preceding this Contract, has not been convicted or had a civil judgment rendered against him/her for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or Contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

(3) is not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the above offenses;

(4) has not within a three year period preceding this agreement had one or more public transactions terminated for cause or fault.

(b) Any change in the above status shall be immediately reported to the Department.

11. **Liaison.** Each party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Department in the performance and administration of this contract.

12. **Subcontracts.** For purposes of this clause subcontractors shall be defined as providers of direct human services. Vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program. The subcontractor's identity, services to be rendered and costs shall be detailed in Part I of this contract. Notwithstanding the execution of this contract prior to a specific subcontractor being identified or specific costs being set, no subcontractor may be used or expense under this contract incurred prior to identification of the subcontractor or inclusion of a detailed budget statement as to subcontractor expense, unless expressly provided in Part I of this contract. No subcontractor shall acquire any direct right of payment from the Department by virtue of the provisions of this clause or any other clause of this contract. The use of subcontractors, as defined in this clause, shall not relieve the Contractor of any responsibility or liability under this contract. The Contractor shall make available copies of all subcontracts to the Department upon request.

13. **Independent Capacity of Contractor.** The Contractor, its officers, employees, subcontractors, or any other agent of the Contractor in the performance of this contract will act in an independent capacity and not as officers or employees of the State of Connecticut or of the Department.

14. **Indemnification.**

(a) The Contractor shall indemnify, defend and hold harmless the State of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:

(1) claims arising directly or indirectly, in connection with the contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and



- (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its obligations under this contract. The contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the contract.
- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.
- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
- (d) The Contractor shall carry and maintain at all times during the term of the contract, and during the time that any provisions survive the term of the contract, sufficient general liability insurance to satisfy its obligations under this contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.
- (f) This section shall survive the termination, cancellation or expiration of the Contract, and shall not be limited by reason of any insurance coverage.

**15. Choice of Law and Choice of Forum, Settlement of Disputes, Office of the Claims Commission.**

- (a) The Contractor agrees to be bound by the laws of the State of Connecticut and the federal government where applicable, and agrees that this contract shall be construed and interpreted in accordance with Connecticut law and Federal law where applicable.
- (b) Any dispute concerning the interpretation or application of this contract shall be decided by the Commissioner of the Department or his/her designee whose decision shall be final subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the commissioner pursuant to this provision, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Department shall proceed diligently with the performance of the contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings except as authorized by that Chapter in any State or Federal Court in addition to or in lieu of said Chapter 53 proceedings.

- 16. Compliance with Law and Policy.** Contractor shall comply with all pertinent provisions of local, state and federal laws and regulations as well as Departmental policies and procedures applicable to Contractor's programs as specified in this contract. The Department shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Department has responsibility to promulgate or enforce.

17. **Facility Standards and Licensing Compliance.** The Contractor will comply with all applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.
18. **Reports.** The Contractor shall provide the Department with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor agrees to provide the Department with such reports as the Department requests.
19. **Delinquent Reports.** The Contractor will submit required reports by the designated due dates as identified in this agreement. After notice to the Contractor and an opportunity for a meeting with a Department representative, the Department reserves the right to withhold payments for services performed under this Contract if the Department has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this agreement or previous agreements for similar or equivalent services the Contractor has entered into with the Department.
20. **Record Keeping and Access.** The Contractor shall maintain books, records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this contract. These records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the state or, where applicable, federal agencies. The Contractor shall retain all such records concerning this contract for a period of three (3) years after the completion and submission to the state of the Contractor's annual financial audit.
21. **Workforce Analysis.** The Contractor shall provide a workforce analysis affirmative action report related to employment practices and procedures.
22. **Litigation.**
  - (a) The Contractor shall provide written notice to the Department of any litigation that relates to the services directly or indirectly financed under this contract or that has the potential to impair the ability of the Contractor to fulfill the terms and conditions of this contract, including but not limited to financial, legal or any other situation which may prevent the Contractor from meeting its obligations under the contract.
  - (b) The Contractor shall provide written notice to the Department of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other provisions of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

## C. ALTERATIONS, CANCELLATION AND TERMINATION

### 1. Contract Revisions and Amendments.

- (a) The Contractor shall submit to the Department in writing any proposed revision to the contract and the Department shall notify the Contractor of receipt of the proposed revision.
- (b) Contract amendments must be in writing and shall not be effective until executed by both parties to the contract, and, where applicable, approved by the Attorney General.

- (c) No amendments may be made to a lapsed contract.

## 2. Contract Reduction.

- (a) The Department reserves the right to reduce the Contracted amount of compensation at any time in the event that:
  - (1) the Governor or the Connecticut General Assembly rescinds, reallocates, or in any way reduces the total amount budgeted for the operation of the Department during the fiscal year for which such funds are withheld; or
  - (2) federal funding reductions result in reallocation of funds within the Department.
- (b) The Contractor and the Department agree to negotiate on the implementation of the reduction within thirty (30) days of receipt of formal notification of intent to reduce the contracted amount of compensation from the Department. If agreement on the implementation of the reduction is not reached within 30 calendar days of such formal notification and a contract amendment has not been executed, the Department may terminate the contract sixty (60) days from receipt of such formal notification. The Department will formally notify the Contractor of the termination date.

## 3. Default by the Contractor.

- (a) If the Contractor defaults as to, or otherwise fails to comply with, any of the conditions of this contract the Department may:
  - (1) withhold payments until the default is resolved to the satisfaction of the Department;
  - (2) temporarily or permanently discontinue services under the contract;
  - (3) require that unexpended funds be returned to the Department;
  - (4) assign appropriate state personnel to execute the contract until such time as the contractual defaults have been corrected to the satisfaction of the Department;
  - (5) require that contract funding be used to enter into a subcontract arrangement with a person or persons designated by the Department in order to bring the program into contractual compliance;
  - (6) terminate this contract;
  - (7) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the state or the program(s) provided under this contract or both;
  - (8) any combination of the above actions.
- (b) In addition to the rights and remedies granted to the Department by this contract, the Department shall have all other rights and remedies granted to it by law in the event of breach of or default by the Contractor under the terms of this contract.
- (c) Prior to invoking any of the remedies for default specified in this paragraph except when the Department deems the health or welfare of service recipients is endangered as specified in of this contract or has not met requirements as specified in this contract, the Department shall notify the Contractor in writing of the specific facts and circumstances constituting default or failure to comply with the conditions of this contract and proposed remedies. Within five (5) business days of receipt of this notice, the Contractor shall correct any contractual defaults specified in the notice and submit written documentation of correction to the satisfaction of the Department or request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held



within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to respond to the Department's notice of default and to present a plan of correction with applicable time frames. Within five (5) business days of such meeting, the commissioner of the Department shall notify the Contractor in writing of his/her response to the information provided including acceptance of the plan of correction and, if the commissioner finds continued contractual default for which a satisfactory plan of corrective action has not been presented, the specific remedy for default the Department intends to invoke. This action of the Commissioner shall be considered final.

- (d) If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the agreed upon plan of correction, the Department may proceed with default remedies.

4. **Non-enforcement Not to Constitute Waiver.** The failure of either party to insist upon strict performance of any terms or conditions of this agreement shall not be deemed a waiver of the term or condition or any remedy that each party has with respect to that term or condition nor shall it preclude a subsequent default by reason of the failure to perform.

5. **Cancellation and Recoupment.**

- (a) This agreement shall remain in full force and effect for the entire term of the contract period, above, unless either party provides written notice ninety (90) days or more from the date of termination, except that no cancellation by the Contractor may be effective for failure to provide services for the agreed price or rate and cancellation by the Department shall not be effective against services already rendered, so long as the services were rendered in compliance with the contract during the term of the contract.

- (b) In the event the health or welfare of the service recipients is endangered, the Department may cancel the contract and take any immediate action without notice it deems appropriate to protect the health and welfare of service recipients. The Department shall notify the Contractor of the specific reasons for taking such action in writing within five (5) business days of cancellation. Within five (5) business days of receipt of this notice, the Contractor may request in writing a meeting with the commissioner of the Department or his/her designee. Any such meeting shall be held within five (5) business days of the written request. At the meeting, the Contractor shall be given an opportunity to present information on why the Department's actions should be reversed or modified. Within five (5) business days of such meeting, the Commissioner of the Department shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Department. This action of the Commissioner shall be considered final.

- (c) The Department reserves the right to cancel the contract without prior notice when the funding for the contract is no longer available.

- (d) The Department reserves the right to recoup any deposits, prior payment, advance payment or down payment made if the contract is terminated by either party. Allowable costs incurred to date of termination for operation or transition of program(s) under this contract shall not be subject to recoupment. The Contractor agrees to return to the Department any funds not expended in accordance with the terms and conditions of the contract and, if the Contractor fails to do so upon demand, the Department may recoup said funds from any future payments owing under this contract or any other contract between the State and the Contractor.

6. **Equipment.** In the event this Contract is terminated or not renewed, the Department reserves the right to recoup any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract. For purposes of this provision, equipment means tangible personal property with a normal useful life of at least one year and a value of at least \$5,000. Equipment shall be considered purchased from Contractor funds and not from Department funds if the equipment is purchased for a program that has other sources of income equal to or greater than the equipment purchase price.

7. **Transition after Termination or Expiration of Contract.** In the event that this contract is terminated for any reason except where the health and welfare of service recipients is endangered or if the Department does not offer the Contractor a new contract for the same or similar service at the contract's expiration, the Contractor will assist in the orderly transfer of clients served under this contract as required by the Department and will assist in the orderly cessation of operations under this contract. Prior to incurring expenses related to the orderly transfer or continuation of services to service recipients beyond the terms of the contract, the Department and the Contractor agree to negotiate a termination amendment to the existing agreement to address current program components and expenses, anticipated expenses necessary for the orderly transfer of service recipients and changes to the current program to address service recipient needs. The Contractual agreement may be amended as necessary to assure transition requirements are met during the term of this contract. If the transition cannot be concluded during this term, the Department and the Contractor may negotiate an amendment to extend the term of the current contract until the transition may be concluded.
8. **Program Cancellation.** Where applicable, the cancellation or termination of any individual program or services under this Contract will not, in and of itself, in any way affect the status of any other program or service in effect under this Contract.
9. **Mergers and Acquisitions.**
- (a) Contracts in whole or in part are not transferable or assignable without the prior written agreement of the Department.
  - (b) At least ninety (90) days prior to the effective date of any fundamental changes in corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility, the Contractor shall provide the Department with written notice of such changes.
  - (c) The Contractor shall comply with requests for documentation deemed necessary by the Department to determine whether the Department will provide prior written agreement. The Department shall notify the Contractor of such determination not later than forty-five (45) business days from the date the Department receives such requested documentation.

#### D. STATUTORY AND REGULATORY COMPLIANCE

##### 1. Health Insurance Portability Act of 1996 ("HIPAA").

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance "with all applicable federal and state law regarding confidentiality, which includes but is not limited to ("HIPAA"), more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; *and*
- (c) The State of Connecticut Department named on page 1 of this Contract (hereinafter "Department") is a "covered entity" as that term is defined in 45 C.F.R. § 160.103; *and*
- (d) The Contractor, on behalf of the Department, performs functions that involve the use or disclosure of "individually identifiable health information," as that term is defined in 45 C.F.R. § 160.103; *and*
- (e) The Contractor is a "business associate" of the Department, as that term is defined in 45 C.F.R. § 160.103; *and*



- (f) The Contractor and the Department agree to the following in order to secure compliance with the HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
- (1) "Business Associate" shall mean the Contractor.
  - (2) "Covered Entity" shall mean the Department of the State of Connecticut named on page 1 of this Contract.
  - (3) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
  - (4) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
  - (5) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and parts 164, subparts A and E.
  - (6) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
  - (7) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
  - (8) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
  - (9) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
  - (10) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
  - (11) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
  - (12) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and parts 164, subpart A and C.
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
  - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
  - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
  - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.

- (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
  - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
  - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
  - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
  - (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
  - (10) Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  - (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with paragraph I of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528.
  - (12) Business Associate agrees to comply with any state law that is more stringent than the Privacy Rule.
- (i) Permitted Uses and Disclosure by Business Associate.
- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
  - (2) Specific Use and Disclosure Provisions
    - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
    - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

- (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (j) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
  - (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
  - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.
- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
  - (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
    - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
    - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
    - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
  - (3) Effect of Termination
    - (A) Except as provided in (l)(2) above, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
    - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return of

destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Provisions.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
  - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
  - (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
  - (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
  - (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
  - (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, Contractors or agents, or any third party to whom Business Associate has disclosed PHI pursuant to this Contract. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
  - (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against all claims, liabilities, judgments, fines, assessments, penalties, awards, or other expenses, of any kind or nature whatsoever, including, without limitation, attorney's fees, expert witness fees, and costs of investigation, litigation or dispute resolution, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this Section of the Contract.
2. **Americans with Disabilities Act of 1990.** This clause applies to those Contractors which are or will come to be responsible for compliance with the terms of the Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101-12189 and §§ 12201-12213) (Supp. 1993); 47 USC §§ 225, 611 (Supp. 1993). During the term of the Contract, the Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it will hold the state harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor agrees to abide by provisions of § 504 of the Federal Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
  3. **Utilization of Minority Business Enterprises.** It is the policy of the state that minority business enterprises should have the maximum opportunity to participate in the performance of government Contracts. The Contractor agrees to use best efforts consistent with 45 C.F.R. §§ 74.160 *et seq.* (1992) and paragraph 9 of



Appendix G thereto for the administration of programs or activities using HHS funds; and §§ 13a-95a, 4a-60 to 4a-62, 4b-95(b), and 4a-60q of the Connecticut General Statutes to carry out this policy in the award of any subcontracts.

4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall use its best efforts to ensure that it gives priority to hiring welfare recipients who are subject to time limited welfare and must find employment. The Contractor and the Department will work cooperatively to determine the number and types of positions to which this paragraph shall apply. The Department of Social Services regional office staff or staff of Department of Social Service Contractors will undertake to counsel and screen an adequate number of appropriate candidates for positions targeted by the Contractor as suitable for individuals in the time limited welfare program. The success of the Contractor's efforts will be considered when awarding and evaluating Contracts.
  5. **Non-discrimination Regarding Sexual Orientation.** Unless otherwise provided by Conn. Gen. Stat. § 46a-81p, the Contractor agrees to the following provisions required pursuant to § 4a-60a of the Connecticut General Statutes:
    - (a) (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
    - (2) the Contractor agrees to provide each labor union or representatives of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
    - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to § 46a-56 of the Connecticut General Statutes;
    - (4) the Contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts concerning the employment practices and procedures of the Contractor which relate to provisions of this section and § 46a-56 of the Connecticut General Statutes.
  - (b) The Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with § 46a-56 of the Connecticut General Statutes provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
6. **Nondiscrimination and Affirmative Action Provisions in Contracts of the State and Political Subdivisions Other Than Municipalities.** The Contractor agrees to comply with provisions of § 4a-60 of the Connecticut General Statutes:
    - (a) Every Contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions:



- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved;
  - (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission;
  - (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other Contract or understanding and each vendor with which such Contractor has a Contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
  - (4) the Contractor agrees to comply with each provision of this section and Conn. Gen. Stat. §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. §§ 46a-56, 46a-68e and 46a-68f;
  - (5) the Contractor agrees to provide the commission of human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and Conn. Gen. Stat. § 46a-56. If the Contract is a public works Contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (b) For the purposes of this section, "minority business enterprise" means any small Contractor or supplier of materials fifty-one per cent or more of capital stock, if any, or assets of which is owned by a person or persons:
- (1) who are active in the daily affairs of the enterprise;
  - (2) who have the power to direct the management and policies of the enterprise; and
  - (3) who are members of a minority, as such term is defined in subsection (a) of Conn. Gen. Stat. § 49-60g.
- (c) For the purposes of this section, "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements. Determinations of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative action advertising; recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the

commission, of its good faith efforts.

- (e) Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a Contract with the state and such provision shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
7. **Government Function; Freedom of Information.** If the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contract is for the performance of a governmental function, as that term is defined in Conn. Gen. Stat. § 1-200(11), the Department is entitled to receive a copy of the records and files related to the Contractor's performance of the governmental function, and may be disclosed by the Department pursuant to the Freedom of Information Act.
8. **Whistleblowing.** This Agreement is subject to the provisions of § 4-61dd of the Connecticut General Statutes. In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee's disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under the provisions of subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of this Agreement. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the provisions of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.
9. **Campaign Contribution Restrictions.** On February 8, 2007, Governor Rell signed into law Public Act 07-1, An Act Concerning the State Contractor Contribution Ban and Gifts to State and Quasi-Public Agencies.
- For all State contracts as defined in P.A. 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the authorized signatory to this Agreement expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11.
10. **Non-smoking.** If the Contractor is an employer subject to the provisions of § 31-40q of the Connecticut General Statutes, the Contractor agrees to provide upon request the Department with a copy of its written rules concerning smoking. Evidence of compliance with the provisions of § 31-40q of the Connecticut General Statutes must be received prior to Contract approval by the Department.
11. **Executive Orders.**
- (a) Executive Order No. 3: Nondiscrimination. This Contract is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this Contract may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. 3 or any state or federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that said Executive Order No. 3 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to

Contract performance in regard to nondiscrimination, until the Contract is completed or terminated prior to completion. The Contractor agrees, as part consideration hereof, that this Contract is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. 3 and that the Contractor will not discriminate in employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

- (b) Executive Order No. 16: Violence in the Workplace Prevention Policy. This Contract is subject to provisions of Executive Order No. 16 of Governor John J. Rowland promulgated August 4, 1999, and, as such, this Contract may be cancelled, terminated or suspended by the Contracting agency or the State for violation of or noncompliance with said Executive Order No. 16. The parties to this Contract, as part of the consideration hereof, agree that:
- (1) Contractor shall prohibit employees from bringing into the state work site, except as may be required as a condition of employment, any weapon/dangerous instrument defined in Section 2 to follow;
  - (2) weapon means any firearm, including a BB gun, whether loaded or unloaded, any knife (excluding a small pen or pocket knife), including a switchblade or other knife having an automatic spring release device, a stiletto, any police baton or nightstick or any martial arts weapon or electronic defense weapon. Dangerous instrument means any instrument, article or substance that, under the circumstances, is capable of causing death or serious physical injury;
  - (3) Contractor shall prohibit employees from attempting to use, or threaten to use, any such weapon or dangerous instrument in the state work site and employees shall be prohibited from causing, or threatening to cause, physical injury or death to any individual in the state work site;
  - (4) Contractor shall adopt the above prohibitions as work rules, violation of which shall subject the employee to disciplinary action up to and including discharge. The Contractor shall require that all employees are aware of such work rules;
  - (5) Contractor agrees that any subcontract it enters into in the furtherance of the work to be performed hereunder shall contain the provisions 1 through 4, above.
- (c) Executive Order No. 17: Connecticut State Employment Service Listings. This Contract is subject to provisions of Executive Order No. 17 of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this Contract may be canceled, terminated or suspended by the Contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order Number 17, notwithstanding that the Labor Commissioner may not be a party to this Contract. The parties to this Contract, as part of the consideration hereof, agree that Executive Order No. 17 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the Contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to Contract performance in regard to listing all employment openings with the Connecticut State Employment Service.
- (d) Executive Order No. 7C: Contracting Standards Board. This Contract is subject to provisions of Executive Order No. 7C of Governor M. Jodi Rell, promulgated on July 13, 2006. The Parties to this Contract, as part of the consideration hereof, agree that:
- (1) The State Contracting Standards Board ("Board") may review this Contract and recommend to the state Contracting agency termination of this Contract for cause. The State Contracting agency shall consider the recommendations and act as required or permitted in accordance with the Contract and applicable law. The Board shall provide the results of its review, together with its recommendations, to the state Contracting agency and any other affected party in accordance with the notice provisions in the Contract not later than fifteen (15) days after the Board finalizes its recommendation. For the purposes of this Section, "for cause" means: (A) a violation of the State Ethics Code (Chap. 10 of the general statutes) or section 4a-100 of the general statutes or (B) wanton or reckless disregard of any state Contracting and procurement process by any person substantially involved in such Contract



or state Contracting agency.

- (2) For purposes of this Section, "Contract" shall not include real property transactions involving less than a fee simple interest or financial assistance comprised of state or federal funds, the form of which may include but is not limited to grants, loans, loan guarantees, and participation interests in loans, equity investments and tax credit programs. Notwithstanding the foregoing, the Board shall not have any authority to recommend the termination of a Contract for the sale or purchase of a fee simple interest in real property following transfer of title.
  - (3) Notwithstanding the Contract value listed in sections 4-250 and 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1, all State Contracts between state agencies and private entities with a value of \$50,000 (fifty thousand dollars) or more in a calendar or fiscal year shall comply with the gift and campaign contribution certification requirements of section 4-252 of the Conn. Gen. Stat. and section 8 of Executive Order Number 1. For purposes of this section, the term "certification" shall include the campaign contribution and annual gift affidavits required by section 8 of Executive Order Number 1.
- (e) Executive Order No. 14: Procurement of cleaning products and services. This Agreement is subject to the provisions of Executive Order No. 14 of Governor M. Jodi Rell promulgated April 17, 2006. Pursuant to this Executive Order, the contractor shall use cleaning and/or sanitizing products having properties that minimize potential impacts on human health and the environment, consistent with maintaining clean and sanitary facilities.

### ACCEPTANCES AND APPROVALS

The Contractor herein IS NOT a Business Associate under the Health Insurance Portability and Accountability Act of 1996.

Documentation necessary to demonstrate the authorization to sign must be attached.

#### CONTRACTOR - J. D'AMELIA & ASSOCIATES LLC



JOHN R. D'AMELIA, *Managing Partner*

07/12/07  
Date

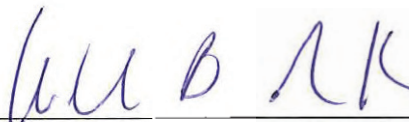
#### DEPARTMENT OF SOCIAL SERVICES



MICHAEL P. STARKOWSKI, *Commissioner*

7/13/07  
Date

#### OFFICE OF THE ATTORNEY GENERAL



ATTORNEY GENERAL (*Approved as to form & legal sufficiency*)

**ASSOC. ATTY. GENERAL**

7/31/07  
Date



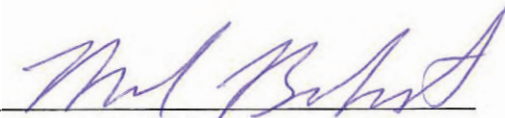
STATE OF CONNECTICUT  
DEPARTMENT OF SOCIAL SERVICES

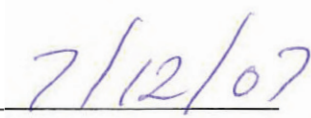
Authorization of Signature Document  
Secretarial Certificate

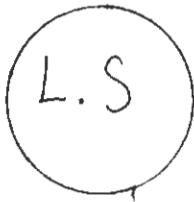
I, **Mark Bakstis**, of **J. D'Amelia & Associates, LLC** a partnership organized under the laws of the State of Connecticut hereby certify that John R. D'Amelia is authorized to make, execute and approve on behalf of this company, any and all contracts and amendments and to execute and approve on behalf of this company, other instruments a part of or incident to such contracts and amendments.

AND, I do further certify that the above has not been in anyway altered, amended or repealed, and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said company this 12th day of July, 2007.

  
**Signature, Title**  
*Mark Bakstis, Member*

  
**Date**



*(Seal or L.S.)*