

**EXHIBIT A**  
**FAMILY LEAGUE OF BALTIMORE CITY, INC.**  
**STANDARD TERMS AND CONDITIONS**

1. RESPONSIBILITIES OF VENDOR

1.1 ACCOUNTING SYSTEM

1.1.1 Vendor shall establish and maintain an accounting system to identify and support all expenditures billed to the Family League under the Contract. This shall include a system to identify, review, and approve the accuracy of third-party services as may be required in **Budget and Payment Terms** (see CONTRACT TERMS), and billed directly to Vendor by the third party. The accounting system shall be in accordance with generally accepted accounting practices.

1.1.2 The accounting system shall record all income and expenses for Vendor's total program. All expenditures and income must be supported by vouchers and receipts that detail the reason for the transaction. The accounting system, at a minimum, shall consist of a chart of accounts, cash receipts journal, cash disbursement journal, and general ledger.

1.1.3 Accounting records shall be maintained for a period of five (5) years after receipt of the final payment under the Contract or longer as may be required by applicable law. In the event Vendor ceases to operate prior to the expiration of the five-year period or any other required period, Vendor shall surrender all records pertaining to the Contract to the Family League.

1.2 AUDIT REQUIREMENTS

1.2.1 Vendor shall have a financial audit completed by an independent Certified Public Accountant, as selected by Vendor. The audit shall be completed within 180 days of the expiration of the service date of the Contract. The audit shall be performed at the expense of Vendor.

1.2.2 Vendor must provide a copy of the audit in accordance with generally accepted auditing standards (GAAS). An independent auditor licensed and registered in the State of Maryland must perform the audit. Where applicable the audit shall be in compliance with the U.S. Office of Management and Budget Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations," and such audits shall be accepted even when not required.

1.2.3 If monies received by Vendor from the Family League for all contracts awarded by the Family League during the same fiscal year exceed \$300,000 in Children's Cabinet Funds, the audit submitted shall contain a separate statement of income and expense for the Contract.

1.2.4 If Vendor provides services to any other Local Management Board (LMB), the audit submitted shall

contain a separate statement of income and expenses for the Contract.

1.2.5 The audit submitted shall report on compliance and internal control over financial reporting based on an audit of financial statements performed in accordance with GAAS.

1.2.6 The audit submitted shall include a schedule of findings and questioned costs to include:

1.2.6.1 Summary of Auditor's Results on Financial Statements;

1.2.6.2 Findings related to the financial statements of the agency or of the program which are required to be reported in accordance with GAAS;

1.2.6.3 Doubt, if any, on the part of the auditors as to the auditee's ability to continue as a going concern; and

1.2.6.4 Whether a Management Letter or other document conveying audit comments was issued as a result of the audit.

1.2.7 A copy of any Management Letter or other document issued in conjunction with the audit shall be provided to the Family League. If no Management Letter was issued, the schedule of findings and questioned costs shall state that no Management Letter was issued; and

1.2.8 A report on the status of action(s) taken on prior audit findings.

1.2.9 The Family League shall adjust future payments or final payment if the findings of an audit indicate over or under payment to Vendor in the period prior to the audit. If no payments are owed to Vendor, Vendor shall immediately refund any and all over-payments.

1.3. FISCAL RECORD RETENTION

1.3.1 Vendor shall retain all books, records or other documents relevant to the Contract for five years or longer as may be required by applicable law after final payment for the service period, at its cost, and Federal auditors and any persons duly authorized by the Family League shall have full access to, and the right to examine and audit any of said material during said period.

1.3.2 If an audit is initiated prior to the expiration of the five-year period or such later period as may be required by applicable law, and extends past that period, all documents shall be maintained until the audit is completed.

1.3.3 If Vendor determines that it will no longer operate as a business in the State of Maryland, it shall notify the Family League of such decision at least 90 days prior to discontinuing its operation in the State of Maryland. At the Family League's request, Vendor shall provide any and all books, records or other documents relevant to the Contract to the Family League. Otherwise, records shall be maintained by Vendor, its successors and assigns.

#### 1.4 INSURANCE AND INDEMNIFICATION

1.4.1 The parties to the Contract agree that each party hereto is and shall be solely responsible for its own negligence, acts or omissions. Vendor shall indemnify and hold harmless the Family League, its employees, officers, agents, servants, contractors, and volunteers against any claims, liabilities, or expenses (including attorneys' fees) arising out of any act or omission of Vendor, its employees, officers, agents, servants, contractors, or volunteers while providing services or goods under the Contract or in any way related to the Contract. Notwithstanding the foregoing, if Vendor is a state or a local government entity, Vendor shall indemnify, defend, and hold harmless the Family League, its employees, agents and volunteers from any and all claims, demands, suits, and actions, including attorney's fees and court costs, connected therewith, brought against the Family League, its employees, agents and volunteers, arising out of any act or omission of Vendor, its officials, employees, agents, servants, contractors, or volunteers while providing goods or services under the Contract or in any way related to the Contract, to the extent allowable under the Maryland Tort Claims Act, Annotated Code of Maryland, State Government § 12-101 *et seq.*, or under the Local Government Tort Claims Act, Annotated Code of Maryland, Courts and Judicial Proceedings § 5-301 *et. seq.*, as applicable.

1.4.2 Unless otherwise self-insured as a government entity, Vendor, at its expense, shall maintain such general liability and professional liability insurance as shall be necessary to insure Vendor and its employees, officers, agents, servants, contractors, and volunteers against any claim or claims arising out of the performance of the Contract, including but not limited to any claim for damages arising by reason of injury to persons or property or death as a result of the performance of services provided under the Contract.

1.4.3 Unless otherwise self-insured as a government entity, Vendor agrees to maintain annual limits of general liability and professional liability of at least one million dollars (\$1,000,000) per person, per occurrence, with a total ceiling of three million dollars (\$3,000,000) in the aggregate. Vendor shall provide the Family League with a copy of a certificate or other documentation, verifying that the above-mentioned insurance coverage has been secured.

1.4.4 The Family League shall likewise maintain professional liability insurance to insure it, its employees,

officers, agents, servants, contractors, and volunteers against any claims arising out of the performance of the Contract, and shall indemnify and hold harmless Vendor, its officials, employees, agents, servants, and contractors, against any claims, liabilities, or expenses (including attorneys' fees) arising out of any act or omission of the Family League, its employees, officers, agents, servants, or contractors while providing services under the Contract.

#### 1.5 CONTINGENT FEE PROHIBITION

Vendor warrants that it has not employed or retained for a fee or other consideration any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for Vendor, to solicit or secure the Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any other consideration contingent on the making of the Contract.

#### 1.6 ASSIGNMENT AND SUBCONTRACTING

Vendor shall not assign the Contract without the prior written permission of the Family League. The Family League reserves the right to withhold its consent regarding any assignment of the Contract. Following a permitted assignment of the Contract by Vendor, vendor shall not be relieved of their obligations under the Contract. The Contract shall be incorporated by reference into any assignment and any assignee shall comply with all of the provisions of the Contract. Unless expressly provided for therein, such approval shall in no manner or event be deemed to impose any obligation of the Family League in addition to the total agreed price of the services of Vendor.

Vendor shall not enter into any subcontract for any of the work indicated under the Contract, except by notifying of their intention to do so and requesting approval from the Family League, in writing. Such approval shall not relieve Vendor of their obligations under the Contract. Vendor shall insure that subcontractor complies with all provisions of the Contract.

#### 1.7 CONFIDENTIALITY OF INFORMATION

Vendor hereby acknowledges that it may be asked to collect information from clients (if the Contract is for services) that is considered confidential under federal, state, or local laws. Vendor hereby agrees to comply with all federal, state, and/or local laws regarding safeguarding the confidentiality of such information, and to provide an appropriate Notice of Information Practices to all clients, or, if the client is a minor, to the client's parent or legal guardian, informing them of the collection of certain demographic and other data, as identified in **Data Collection & Evaluation** (*see* CONTRACT TERMS). Furthermore, the data will be kept in either an electronic database or in hard copy program files, and that the data

collected may be used to monitor the contractual obligations of Vendor and to evaluate any system of care as described in the **Background**, (*see* CONTRACT TERMS).

Any information collected from the clients, or records regarding services performed under the Contract, shall be confidential and shall not be disclosed to any third party without prior written consent of the program participants, or if a minor, the youth's primary caregiver, or pursuant to a valid court order. Vendor shall assist in the collection of any written Consent that the Family League may request with regards to the release of information, except that no client may be compelled to consent to the release of confidential information, nor have services contracted for under the Contract denied due to their unwillingness to consent to their release.

Vendor acknowledges its duty to review and comply, to the extent applicable, with all requirements of the federal Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C. § 1320d *et seq.* and all implementing regulations including 42 CFR Part 2, 45 CFR Parts 142, 160 and 164. Vendor also agrees to comply, where applicable, with the Maryland Confidentiality of Medical Records Act (MCMRA), Md. Health-General § 4-301 *et seq.* This obligation includes, but it is not limited to, adhering to the privacy and security requirements entailed for Protected Health Information under federal HIPAA and State MCMRA, making the transmission of all electronic information compatible with the federal HIPAA requirements, and otherwise providing good information management practices regarding all health information and medical records.

"Protected Health Information" is as defined in the HIPAA regulations at 45 CFR 160.103 and 164.501. Protected Health Information includes information that is individually identifiable; that is created or received by a healthcare provider, health plan, public health authority, employer, life insurer, school or university, or healthcare clearinghouse; and that is related to the past, present, or future physical or mental health or condition of an individual, or to the provision of healthcare to an individual. The definition excludes certain education records as well as employment records held by a covered entity in its role as employer.

#### 1.8 RETENTION OF SERVICE RECORDS

1.8.1 All individual client records shall be maintained by Vendor as described in the **Service Record Requirements** (*see* CONTRACT TERMS).

1.8.2 If the Contract is for Services, and Vendor is no longer a provider of services for the Family League, at Family League's request, all individual client records shall be returned to the Family League. Otherwise, records shall be maintained by Vendor as provided in the **Service Record Requirements** (*see* CONTRACT TERMS).

1.8.3 If Vendor determines that it will no longer operate as a business in the State of Maryland, it shall notify the Family League of such decision at least 90 days prior to discontinuing its operation in the State of Maryland. At the Family League's request, Vendor shall provide any and all original records of any work generated under the terms of the Contract to the Family League.

#### 1.9 OWNERSHIP OF WORK PRODUCT

Any reports, data, studies or other materials in any form, generated or arising from the use of State of Maryland (the "State") funds provided under a Community Partnership Agreement covered by the State of Maryland Policies and Procedures Manual for Local Management Board ("LMB") incorporated by reference herein shall be the sole and exclusive property of the State. The LMB is granted a non-exclusive license, without cost or fee, to use such materials. The LMB shall not assign or transfer its license. In any event, federal, state or local laws or regulations regarding confidentiality, use or release of intellectual property shall take precedence.

#### 1.10 DISPUTES

Vendor shall provide Notice to the Family League of any intent to pursue a claim against the Family League for breach of any of the terms of the Contract. Vendor may not commence a lawsuit for breach of the Contract prior to the expiration of 45 days from the date of such Notice. Within this 45-day period, Vendor, at the request of the Family League, shall meet with the Family League's designated representative for the purpose of attempting resolution of the dispute. Both parties agree to make good faith efforts to mend any alleged breach of the Contract.

#### 1.11 FEES AND OTHER SOURCES OF FUNDING

Vendor shall neither seek nor obtain funding through fees or charges to anyone receiving services for which the Family League provides payment to Vendor under the Contract. Vendor guarantees that any expenditures for which it seeks reimbursement or payment under the Contract shall not be funded by any source other than the Family League under the terms of the Contract. If funding is received through any other source, Vendor shall provide Notice to the Family League of such duplicate funding and shall delete the identified amounts from future Vendor billings and shall immediately refund to the Family League the total amount of such duplicate funding.

## 1.12 COMPLIANCE WITH LAWS

Vendor hereby represents and warrants that:

1.12.1 It is duly authorized to conduct business in the State of Maryland, and it will take such action as may be necessary to remain so qualified;

1.12.2 It is not in arrears with respect to the payment of any monies due and owing to any local government, the State of Maryland, the United States of America, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and it will not become so in arrears during the term of the Contract;

1.12.3 It will comply with all Federal, State, and local laws, regulations, and ordinances applicable to its activities and obligations under the Contract; and

1.12.4 It will procure, at its expense and prior to the commencement of the Contract, all licenses, permits, insurance, and governmental approval, if any, necessary to the performance of its obligations under the Contract.

## 1.13 PROVISIONS FOR STAFFING AND HIRING PRACTICES

1.13.1 Vendor represents that it has or will secure at its own expense, all personnel required to perform the services described in the Contract. Such personnel shall not be employees of or have any contractual relationship with the Family League.

1.13.2 Vendor agrees that it and all other persons employed or engaged by Vendor in connection with any and all goods or services purchased under the terms of the Contract will comply with the terms and conditions of the Contract.

1.13.3 Vendor shall complete federal and state criminal background investigations on all employees who have direct, prolonged contact with children, as required by Section 5-561 of the Family Law Article of the Maryland Annotated Code. Officially-approved copies of such background investigations shall be maintained in each such employee's file. In any case where a criminal record is reported, Vendor shall take immediate and appropriate action to protect the safety and welfare of any and all children having contact with that employee. Vendor shall assure that all agencies with which it contracts to provide services to youth under the Contract abide by the same policies concerning criminal background investigations of employees. To the extent allowed by law, Vendor shall indemnify and hold harmless the Family League for any breach of this section.

1.13.4 Vendor affirms that it shall not discriminate in any manner against any person on the basis of race, color, religion, national origin, ancestry, sex, physical or mental

disability, age, sexual orientation, or in any area affecting employment or the delivery of services under the Contract. At all times, Vendor shall comply with all applicable laws and regulations with regard to employing the most-qualified person(s) for positions identified and/or created under the Contract.

## 1.14 DRUG-FREE WORK ENVIRONMENT

Vendor shall maintain a drug-free work environment.

## 1.15 EQUIPMENT/ASSETS

Vendor shall maintain a list of all equipment purchased with funding stemming from the Contract. Such equipment will be the exclusive property of Vendor while the Contract is in force. Upon termination of the Contract, for any reason, Vendor shall provide this list to the Family League and any ownership or title in such equipment shall immediately revert to the Family League or the Family League's agents or assigns upon request by the Family League. Equipment that can be directly linked to state funding shall revert to the State of Maryland. Vendor shall notify the Family League of any decisions regarding the disposition of equipment covered in this section within 30 days of the termination of the Contract.

## 2. ADDITIONAL CONDITIONS

### 2.1 MODIFICATIONS AND AMENDMENTS

Any and all requests by Vendor for modifications of any term of the Contract, including but not limited to modification of the services and/or goods identified under the Contract, shall be submitted in writing by Vendor to the Family League and shall be subject to approval by the Family League. Modifications shall be signed by designated representatives of each party before becoming effective amendments to the Contract.

### 2.2 MATERIAL BREACH

In providing any and all goods or services pursuant to the Contract, Vendor shall abide by all policies, statutes, ordinances, rules and regulations pertaining to or regulating the provision of such goods or services, including those now in effect and hereafter adopted. Any violation of said statutes, ordinances, rules or regulations shall constitute a material breach of the Contract and shall entitle the Family League to terminate the Contract immediately or to place any reasonable conditions on the continuation of the Contract.

### 2.3 DELAYS AND EXTENSIONS OF TIME

Vendor shall perform the Contract continuously and with due diligence. Vendor shall make no charges or claims for damages for any delays or hindrances, regardless of cause, in the performance of services under the Contract. Time extensions

may be granted only for excusable delays that arise from unforeseeable circumstances beyond the control and without the fault or negligence of Vendor. Request for time extensions shall be in writing detailing the reason(s) for the extensions. The granting of time extensions shall be made solely at the discretion of the Family League.

## 2.4 TERMINATION

2.4.1 If the Family League shall learn that funding cannot or may not be obtained or continued at a level sufficient to allow for the continued purchasing of Vendor's goods or services specified herein, the Contract may be terminated at the option of the Family League upon 30 days written Notice of Termination delivered in the manner prescribed for notice herein. The Family League shall not be obligated to pay for services provided after the termination date.

2.4.2 If Vendor fails to fulfill its obligations under the Contract properly and on time, or otherwise materially violates any material provision of the Contract, the Family League may terminate the Contract, provided Vendor has failed to cure such material violation within 45 days after receiving written notification from the Family League.

2.4.3 The Contract may be terminated by Vendor upon 90 days written notification to the Family League. Vendor shall cooperate in an orderly transfer of clients and case files to another service provider selected by the Family League.

2.4.4 The Contract may be terminated by the Family League in whole or in part upon written notice to Vendor by the Family League, whenever the Family League shall determine that such termination is in the best interest of the State of Maryland or the Family League. The Family League shall pay all reasonable costs associated with the Contract that Vendor has incurred up to the date of termination; provided, however, that Vendor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination.

## 2.5 MARYLAND LAW PREVAILS

The Contract shall be construed by and governed under the laws of the State of Maryland.

## 2.6 PERSONS BOUND

The Contract shall be binding upon the parties hereto, their successor, employees, and assignees.

## 2.7 NOTICE

Any notice required or permitted under the Contract shall be in writing and hand delivered or mailed to the other party by certified mail, return receipt requested, to the person identified as the signatory to the Contract. Any changes or substitutions to the person designated to receive Notice are the responsibility of the party making the changes, which shall promptly notify the other party of any such changes. Each party shall indemnify the other and hold them free from any liability for failure to provide timely and proper Notice of any such changes.

## 2.8 ADMINISTRATION

All Vendor questions relating to the administration and performance of the Contract shall be referred to the Executive Director of the Family League, or the Executive Director's designee, for determination. The Family League's Executive Director is the sole determiner of what services must be performed to meet the terms of the Contract. The Local Management Board Policy and Procedures Manual issued by the Governor's Office for Children and Family League's Community Partnership Agreement with the State of Maryland shall be incorporated into the Contract by reference and is binding on all parties hereto. A copy of the Manual may be obtained on the Internet at [www.ocyf.state.md.us](http://www.ocyf.state.md.us).

## 2.9 INTEGRATED CONTRACT

The Contract constitutes the entire and full understanding between the parties hereto, and neither party shall be bound by any representations, statements, promises, or agreements not expressly set forth herein.

The parties hereto have caused the Contract to be signed in their respective names by their respective duly authorized officers.

## 2.10 COUNTERPARTS

To facilitate execution, the Contract may be executed in as many counterparts as may be required, and each such counterpart shall be deemed to be an original. It shall not be necessary that the signature of each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of each party, or that the signatures of the persons required to bind any party, appear on one or more such counterparts. All counterparts shall collectively constitute a single agreement.