THE CITY OF PHILADELPHIA

PROFESSIONAL SERVICES CONTRACT

GENERAL PROVISIONS

FOR

DEPARTMENT OF PUBLIC HEALTH SERVICES
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GENRAL PROVISIONS

ARTICLE I: DEFINITIONS

1.1 ADA. “ADA” shall have the meaning set forth in Section 14.5 (Americans with Disabilities Act) below.

1.2 Additional Services and Materials. “Additional Services and Materials” shall have the meaning set forth in Section 3.3 (Additional Services and Materials; Change in Scope of Services) below.

1.3 Additional Term, Additional Terms. “Additional Term” and “Additional Terms” shall have the meanings set forth in Section 2.2 (Additional Terms) below.

1.4 Appropriated Fiscal Year. “ Appropriated Fiscal Year” shall have the meaning set forth in Section 5.3 (Crossing Fiscal Years) below.

1.5 Amendment. “Amendment” means a written modification or change to any Contract Document signed by both Parties.

1.6 Applicable Law. “Applicable Law” means all applicable present and future federal, state or local laws, ordinances, executive orders, rules, regulations and all court orders, injunctions, decrees and other official interpretations thereof of any federal, state or local court, administrative agency or governmental body, including the City, the Commonwealth and the United States of America. Applicable Law includes, without limitation, the Charter (as defined below), as amended from time to time, the Code (as defined below), as amended from time to time, and each of the specific laws set forth in Article XIV (Additional Representations and Covenants of Provider Relating to Certain Applicable Laws) below, each as amended from time to time.

1.7 Applicant. “Applicant” means a Person who has filed an application to be awarded a Non-Competitively Bid Contract.

1.8 Certification of restrictions on Lobbying. “Certification of Restrictions on Lobbying,” if required in the Provider Agreement, means a certificate in the form attached to the Provider Agreement.

1.9 Charter. The “Charter” means the Philadelphia Home Rule Charter, as it may be amended from time to time.
1.10 **City.** The “City” means The City of Philadelphia, a corporation and body politic existing under the laws of the Commonwealth of Pennsylvania, and includes its various executive and administrative departments, agencies, boards and commissions, including the Department, and its legislature, City Council (defined below). The City is a City of the First Class under the laws of the Commonwealth of Pennsylvania.

1.11 **City Council.** “City Council” means the Council of The City of Philadelphia, as described in Article II of the Philadelphia Home Rule Charter, as it may be amended from time to time. City Council is the legislature of the City.

1.12 **Code.** The “Code” means The Philadelphia Code of Ordinances, as it may be amended from time to time.

1.13 **Commissioner.** The “Commissioner” means the Commissioner of the Department of Public Health of the City.

1.14 **Consultant.** “Consultant” means any Person used by Provider to assist in obtaining a Non-Competitively Bid Contract through direct or indirect communication by such Person with any City Agency or any City officer or employee, if the communication is undertaken by such Person in exchange for, or with the understanding of receiving, payment from the Provider or any other Person; provided, however, that “Consultant” shall not include a full-time employee of the Provider.

1.15 **Contract.** The “Contract” means the agreement of the Parties evidenced by the Contract Documents. References to this “Contract” shall mean this Contract as the same may be in effect at the time such reference becomes operative.

1.16 **Contract Cost Principles.** The “Contract Cost Principles,” means the “City of Philadelphia Contract Cost Principles and Guidelines,” as it may be amended from time to time, which specifies the Department’s guidelines for the qualitative and quantitative evaluation of contract services and materials, the determination of allowable costs, and the standards to determine the allowability of individual cost items, (copies are available from the Department upon request).

1.17 **Contract Documents.** The “Contract Documents” means these General Provisions, the Provider Agreement, and any and all other documents or exhibits incorporated by reference in either the General Provisions or the Provider Agreement, and any and all Amendments to any of these documents.

1.18 **Contributions.** “Contributions” shall have the meaning set forth in the Pennsylvania Election Code, 25 P.S. §3241.

1.19 **Department.** The “Department” means the Department of Public Health of the City.
1.20 **Event of Default.** “Event of Default” means those events defined and identified in Section 12.1 (Events of Default) of these General Provisions.

1.21 **Event of Insolvency.** “Event of Insolvency” means (a) the filing of a voluntary petition by Provider under the Federal Bankruptcy Code or any similar state or federal law; or (b) the filing of an involuntary petition against Provider under the Federal Bankruptcy Code or any similar state or federal law which remains undismissed for a period of forty-five (45) days; or (c) Provider’s making of an assignment for the benefit of creditors; or (d) the appointment of a receiver for Provider or for the property or assets of Provider, if such appointment is not vacated within forty-five (45) days thereafter; or (e) any other proceeding under any bankruptcy or insolvency law or liquidation law, voluntary or otherwise; or (f) Provider proves unable to pay its obligations as they mature; or (g) Provider is insolvent as otherwise defined under any Applicable Law.

1.22 **Fiscal Year.** “Fiscal Year” means the fiscal year of the City, which commences on July 1 of each calendar year and expires on June 30 of the next succeeding calendar year.

1.23 **Fixed Assets.** “Fixed Assets” means equipment, furnishings, and vehicles with an expected useful life of more than two (2) years and initial unit purchase price exceeding Five Hundred Dollars ($500.00), except as otherwise mandated by Applicable Law, federal or state funding sources or grant requirements.

1.24 **General Provisions.** “General Provisions” means these “The City of Philadelphia Professional Services Contract General Provisions for the Department of Public Health”, which contain the standard provisions required by the City in its professional services contracts for the Department of Public Health, and any exhibits identified in these General Provisions.

1.25 **Independent Audit Report.** “Independent Audit Report” means a report prepared by a Certified Public Accountant who, pursuant to AICPA Professional Standards, is not (a) a member of the board of Provider, (b) an officer or employee of Provider, or (c) a partner, director, officer or employee of a partnership, corporation or association who is a member of the board of Provider, or a director, officer or employee of Provider.

1.26 **Initial Term.** “Initial Term” shall have the meaning set forth in Section 2.1 (Initial Term) below.

1.27 **Interpretation; number, gender.** The words “herein” “hereof” and “hereunder” and other words of similar import refer to this Contract as a whole, including the all of the Contract Documents, and not to any particular article, section, subsection or clause contained in the Contract Documents. Whenever the context requires, words used in the singular shall be construed to include the plural and vice versa, and pronouns of any gender shall be deemed to include the masculine, feminine and neuter genders.
1.28 **Materials.** “Materials” means any and all reports, records, documents, documentation, information, supplies, plans, original drawings, specifications, computations, sketches, renderings, arrangements, videos, pamphlets, advertisements, statistics, and other data, computer tapes, computer software, and other tangible work product or materials prepared or developed by Provider in connection with the Services, or for Provider by a Subcontractor in connection with the Services, and supplied to the City by Provider or its Subcontractor pursuant to this Contract.

1.29 **Modification Notice.** “Modification Notice” means written notice from the City to Provider that informs Provider of the City's intent to modify the maximum daily rate, number of days of care or units of services under this Contract. The Modification Notice operates as an Amendment to this Contract.

1.30 **Non-Competitively Bid Contract.** “Non-Competitively Bid Contract” means a contract for the purchase of goods or services to which the City or a City Agency is a party that is not subject to the lowest responsible bidder requirements of Section 8-200 of the Charter, including, but not limited to, a Professional Services Contract, and any renewal of such a contract (other than a renewal term pursuant to an option to renew contained in an executed contract).

1.31 **Party; Parties.** A “Party” means either the City or Provider; the “Parties” means the City and Provider.

1.32 **Person.** “Person” means any individual, sole proprietorship, association, company, firm, partnership, limited partnership, joint venture, corporation, limited liability company or other form of entity or association recognized at law.

1.33 **Provider.** “Provider” means the Person providing Services and Materials to the City as defined in the heading of the Provider Agreement.

1.34 **Provider Agreement.** The “Provider Agreement” means the instrument, part of the Contract Documents, which sets forth the terms, covenants and conditions specific to Provider's engagement.

1.35 **Responsible Official.** The “Responsible Official” means the director, commissioner or other head of the Department.

1.36 **Scope of Services.** “Scope of Services” means the document(s) attached as an exhibit (or as exhibits) to the Provider Agreement, which set(s) forth the Services to be rendered and Materials to be provided under this Contract, the time frames within which the Services are to be rendered and the Materials are to be provided, and other requirements Provider must satisfy in rendering the Services and providing the Materials.

1.37 **Services.** “Services” means the work to be performed under this Contract as specified in the Provider Agreement.
1.38 **Subcontract.** “Subcontract” means a contract made between Provider and a Subcontractor providing for the completion of some part or parts of the Services or Materials by a Subcontractor.

1.39 **Subcontractor.** “Subcontractor” means a Person performing under a contract with Provider some part of the Services or Materials.

1.40 **Subrecipient Audit Guide.** “Subrecipient Audit Guide” means the document entitled “City of Philadelphia Subrecipient Audit Guide” which specifies the City’s audit requirements, as amended from time to time. (Copies are available in the Office of the Director of Finance of the City).

1.41 **Suspension Notice.** “Suspension Notice” means a written notice from the City to Provider pursuant to Section 13.1 (Termination or Suspension for Convenience) below suspending Provider’s performance under this Contract.

1.42 **Suspension Period.** “Suspension Period” means the period designated by the City in a Suspension Notice during which the City has suspended Provider’s performance under this Contract.

1.43 **Term.** “Term” has the meaning set forth in Section 2.1 (Initial Term) of the Provider Agreement.

1.44 **Termination Notice.** “Termination Notice” means a written notice from the City to Provider pursuant to Section 13.1 (Termination Or Suspension for Convenience) below terminating this Contract.

**ARTICLE II: TERM**

2.1 **Initial Term.** The initial term (“Initial Term”) of this Contract is set forth in Section 2.1 of the Provider Agreement. In no event shall the Initial Term exceed one (1) year.

2.2 **Additional Terms.** The City may, at its sole option, amend this Contract to add on an annual basis up to three (3) successive one (1) year terms (“Additional Terms”), unless any shorter term (or terms) is specified in the Provider Agreement. Unless otherwise stated in the Provider Agreement, the same terms and conditions applicable in the Initial Term shall be applicable in the Additional Term(s). The City shall give Provider thirty (30) days written notice of its intent to amend this Contract to add an Additional Term prior to each annual Additional Term. Each Additional Term shall be subject to appropriation of funds by City Council for such Additional Term. There shall be no liability or penalty to the City for electing not to amend the term of this Contract to add Additional Terms. Each Additional Term of this Contract shall be deemed to constitute a separate contract, whose term shall not exceed one (1) year.
ARTICLE III: PROVIDER’S DUTIES AND COVENANTS

3.1 **Performance Requirements.** Provider shall provide all Services and Materials in accordance with this Contract and applicable professional standards. All payments to Provider are contingent upon satisfactory performance of the terms and conditions set forth in this Contract, as determined by the Commissioner in his or her sole discretion.

3.2 **Compliance with Applicable Law.** Provider shall comply with the requirements of all Applicable Law with respect to Provider’s activities, Services, Materials and facilities used in connection with any aspect of this Contract. Provider shall inform the Commissioner, in writing, of any notices of violations of any Applicable Law within forty-eight (48) hours of Provider’s receipt thereof, and shall correct any violations within the time prescribed by law, or immediately in the case of any emergency.

3.3 **Additional Services and Materials; Change in Scope of Services.** Except as set forth in Section 5.7 below, any time during the Term of this Contract, the City may, by written change order or request delivered by notice to Provider, make changes to the Scope of Services under this Contract, and the Parties will, if appropriate, negotiate an adjustment in compensation, subject to appropriation of funds therefore by City Council, if necessary. Provider shall not commence to perform or provide, and the City shall not pay for, any services or materials not included in this Contract (the “Additional Services and Materials”) unless and until Provider receives written pre-authorization (by change order or other request) from the Commissioner that specifies the Additional Services and Materials to be provided. In no event shall the rates charged by Provider for said Additional Services and Materials exceed the lowest of (a) Provider's then current standard rates for such Services or Materials, (b) such rates as the City and Provider may have negotiated for this Contract, as set forth in the Provider Agreement, or (c) the lowest rate or rates that Provider may then be charging to other purchasers of like Services and Materials. If Provider requests changes to the Scope of Services, Provider must demonstrate to the satisfaction of the City, in its sole discretion, that the changes are necessary and not due to the acts or omissions of Provider. The City shall pay Provider additional compensation above the limit set forth in the Provider Agreement only if and when an Amendment to this Contract is duly executed by the Parties. The City shall have no responsibility or liability whatsoever for any fee, or for costs incurred by Provider for any services, materials or other costs or expenses, other than the Services and Materials and any duly approved Additional Services and Materials.

3.4 **Responsibility.**

(a) Notwithstanding the acceptance and approval by the City of any Services performed or Materials provided, Provider shall continue to be responsible for the professional quality, technical accuracy and the coordination of all Materials and Services provided by Provider under this Contract. Provider shall, without additional compensation, correct any errors, defects, deficiencies or omissions in Provider’s Materials and Services.
(b) The City’s review, approval or acceptance of, or payment for, any of the Materials and Services required under this Contract shall not constitute any representation, warranty or guaranty by the City as to the substance or quality of the matter reviewed, approved or accepted and shall not be construed to operate as a waiver or estoppel of any of the City’s rights or privileges under this Contract or of any cause of action arising out of the performance of this Contract. No Person shall have any right to rely in any way on the City’s review, approval or acceptance of Provider’s Services or Materials. Provider shall be and remain liable in accordance with this Contract and Applicable Law for all damages to the City caused by Provider or the Services or Materials provided by Provider. Review, approval or acceptance by the City or the Commissioner under this Contract shall not constitute or be construed to constitute approval otherwise required by any City department, board, commission, or other regulatory agency in the exercise of such department’s, board’s, commission’s or agency’s independent regulatory authority or police powers under Applicable Law.

(c) Without limiting Provider’s responsibility as set forth above, if any act or omission of Provider or error or deficiency or omission in the Services or Materials provided by Provider requires any change in the Scope of Services or any portion thereof, Provider shall promptly complete such change at no additional cost to the City.

3.5 Subcontracts.

(a) Provider shall not delegate or enter into any Subcontract for the performance of any of its obligations under this Contract, in whole or in part, without on each occasion first obtaining the written consent of the Commissioner.

(b) Provider shall submit to the Commissioner copies of all proposed Subcontract(s) to be entered into by Provider, along with Provider’s written request for the City’s consent. All such Subcontracts must specify that:

1. work performed by Subcontractor shall be in conformity with the terms of this Contract;

2. nothing contained in such Subcontract shall be construed to impair the rights of the City under this Contract;

3. the City’s consent to, or approval of, any Subcontract shall not create any obligation of the City to any Subcontractor;

4. nothing contained in such Subcontract, or under this Contract, shall create any obligation of the City to any Subcontractor;

5. the City shall be expressly designated a third party beneficiary of the Subcontract;
(6) upon request by the City (at the City’s sole option) and upon receipt of written notice from the City stating that this Contract between the City and Provider has been terminated, Subcontractor agrees that it will continue to perform its obligations under the Subcontract for the benefit of the City in conformity with the terms and conditions of this Contract, provided the City pays Subcontractor for the Services rendered and Materials provided by Subcontractor from and after the date of the termination of this Contract between the City and Provider at the same rate or in the same amount as set forth in the Subcontract for those Services and Materials provided by Subcontractor after such date of termination;

(7) Subcontractor shall be bound by the same terms, covenants and conditions as Provider under this Contract; including, without limitation, confidentiality, maintenance and preservation of records, and audit by government representatives, under this Contract;

(8) Subcontractor shall, effective on the date of the Subcontract, presently, fully and unconditionally assign, transfer and set over to the City all of Subcontractor’s right, title and interest in and to any sales and use tax which may be refunded as a result of a claim for refund for any materials purchased in connection with the Subcontract or this Contract, and Subcontractor shall covenant and agree that, (i) other than as directed by the City, it will not file a claim for refund for any sales or use tax which is the subject of this assignment; and (ii) the City, in its own name or in the name of Subcontractor, may file a claim for a refund of any sales or use tax covered by this assignment;

(9) Subcontractor shall not be indebted to the City (to satisfy this requirement, Provider shall include subsection 4.1(g) (No Indebtedness to the City) below, with appropriate adjustments for the identity of the parties, in all Subcontracts that are entered into for work to be performed pursuant to this Contract);

(10) Subcontractor shall comply with Section 17-400 of the Code (to satisfy this requirement, Provider shall include subsection 14.2 (a) (Section 17-400 of the Code) below, with appropriate adjustments for the identity of the parties, in all Subcontracts that are entered into for work to be performed pursuant to this Contract); and

(11) Subcontractor shall comply with Section 17-104 of the Code (to satisfy this requirement, Provider shall include subsection 14.6 (b) (Section 17-104 of the Code) below, with appropriate adjustments for the identity of the parties, in all Subcontracts that are entered into for work to be performed pursuant to this Contract).

(12) Subcontractor is not and shall not become suspended or debarred by the Commonwealth, any other state or the federal government throughout the term of the Subcontract.

(13) Subcontractor shall comply with Section 14.11 below, if applicable.
(14) Subcontractor shall comply with Chapter 17-1300 of the Code to the extent it is applicable to a Subcontractor that is also a Service Contractor (as defined in Chapter 17-1300) providing Services under the Subcontract, and to subcontractors at any tier that are also Service Contractors providing Services under this Contract. To satisfy these requirements, Provider shall notify its Subcontractors of these provisions; shall incorporate this paragraph and Section 14.13 below, with appropriate adjustments for the identity of the parties, in each Subcontract; and shall require its Subcontractors to include such terms in any lower-tier subcontract that is, or may become, covered by Chapter 17-1300.

(c) No permitted Subcontract shall relieve Provider of any obligation under this Contract. Provider shall be as fully responsible for the acts and omissions of its Subcontractors and Persons either directly or indirectly employed or retained by them as it is for the acts and omissions of Provider and Persons directly or indirectly employed or retained by Provider.

(d) Any purported Subcontract made in violation of this Section or of any other Section in this Contract shall be null and void.

(e) City-Related Agencies.

(1) If Provider is a City-Related Agency, as defined in Subsection 17-1401(9) of the Code, Provider shall abide by the provisions of Chapter 17-1400 of the Code in awarding any contract(s) pursuant to this Contract as though such contracts were directly subject to the provisions of Chapter 17-1400, except that the exception set forth in Subsection 17-1406(8) shall apply to Provider as if Provider were listed in that subsection.

(2) Unless approved by the City to the contrary, any approvals required by Chapter 17-1400 of the Code to be performed by the City Solicitor shall be performed by Provider by its General Counsel; any approvals required to be performed by the Director of Finance shall be performed by Provider by its Chief Financial Officer; and any approvals required to be performed by the Mayor shall be performed by Provider by its Executive Director.

3.6 Relationship with the City. Neither Provider’s personnel nor any Subcontractor personnel shall be employees of the City. Provider shall notify the City of any Provider personnel or any Subcontractor personnel who have any employment or other contractual relationship or agency relationship with the City.

3.7 Time Frame for Submissions. Provider shall perform any and all Services and shall submit any and all Materials required by this Contract within the time frames set forth in the Scope of Services attached as an exhibit to the Provider Agreement or as mutually agreed upon in writing by the City and Provider. Absent any such written time frames, Provider shall perform its obligations under this Contract diligently and promptly and in any and all events before the scheduled expiration of the Term.
3.8 **Substance Abuse.** If this Contract is funded in whole or in part by the Commonwealth Office of Drug and Alcohol Programs, Provider shall adhere to the provisions set forth in “The Substance Abuse Prevention and Treatment Block Grant Requirements/Prohibitions/Restrictions”, which, in such case, is attached as an Exhibit to the Provider Agreement.

3.9 **Prompt Payment by Provider.** Provider agrees to pay promptly all Persons which have furnished labor or supplies in connection with the Services, the Materials or this Contract, including, without limitation, Subcontractors and suppliers. Provider shall provide, upon request of the City, reasonable evidence that these Persons have been fully and timely paid.

3.10 **Sales and Use Tax.** The City is not subject to federal, state or local sales or use taxes or federal excise tax. Provider hereby assigns to the City all of its right, title and interest in any sales or use tax which may be refunded as a result of any materials, including any Materials, purchased or services, including any Services, rendered in connection with this Contract and unless directed otherwise by the City, Provider shall not file a claim for any sales or use tax refund subject to this assignment. Provider authorizes the City, in its own name or the name of Provider, to file a claim for a refund of any sales or use tax subject to this assignment.

**ARTICLE IV: PROVIDER’S REPRESENTATIONS AND COVENANTS**

4.1 **Provider’s Representations and Covenants.** Provider makes the following representations, warranties and covenants upon which the City has relied as a material consideration for the execution and delivery by the City of this Contract. The representations, warranties and covenants stated below shall continue throughout the Term of this Contract. In the event said representations, warranties and covenants are or become untrue or inaccurate, Provider shall promptly give notice thereof to the City, specifying the manner in which said representation, warranty or covenant is untrue or inaccurate.

(a) **Good Standing.** If Provider is not an individual, Provider is a business corporation, limited liability company, partnership, limited partnership or other business entity duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization. Provider is duly licensed, qualified and in good standing in the Commonwealth of Pennsylvania and in all jurisdictions in which it conducts business activities relating in any way to the performance of the Services and delivery of the Materials under this Contract, including, but not limited to, the jurisdiction in which Provider is organized. If Provider is a not-for-profit corporation or otherwise an entity determined to be tax exempt pursuant to Section 501(c) of the Internal Revenue Code by the Internal Revenue Service, then Provider has procured, and shall maintain in full force and effect, all consents and approvals necessary in connection with such tax-exempt and non-profit status.

(b) **Authority to Act.** Provider has full legal power and authority to execute and deliver this Contract, and provide the Services and Materials as set forth herein. Provider has
duly authorized by all necessary actions the execution and delivery of this Contract on behalf of Provider by the individual or individuals signing the Provider Agreement. This Contract is the legal, valid and binding obligation of Provider, enforceable against Provider in accordance with the terms set forth herein. The execution and delivery of this Contract by Provider will not result in a default under or a breach or violation of (1) Provider’s certificate or articles of incorporation or bylaws, partnership agreement, limited liability company operating agreement or other pertinent organizational documents, as applicable; (2) any Applicable Law or any judgment, decree order, license, permit or other instrument or obligation to which Provider is now a party or by which Provider may be bound or affected; and (3) Provider’s tax exempt status, if applicable. No consent, approval or authorization is required of any regulatory authority or governmental agency, or of any shareholder, partner, member, manager or other party related to Provider.

(c) **Legal Obligation.** This Contract has been duly authorized, executed and delivered by Provider, by and through individuals duly authorized to execute this Contract on behalf of Provider, and constitutes the legal, valid and binding obligation of Provider, enforceable against Provider in accordance with its terms.

(d) **No Litigation Preventing Performance.** There is no litigation, claim, consent order, settlement agreement, arbitration, agency proceeding, investigation, challenge or other proceeding pending or threatened against Provider, its properties or business or any individuals acting on Provider’s behalf, including, without limitation, Subcontractors, in which any Person seeks to enjoin or prohibit Provider from entering into or performing its obligations under this Contract.

(e) **Requisite Licensure and Qualifications.** Provider and all of the Persons acting on Provider’s behalf, including, without limitation, Subcontractors, in connection with the Services and Materials under this Contract, possess and, at all times during the Term of this Contract, shall possess all licenses, certifications, qualifications or other credentials required in accordance with Applicable Law and the terms of this Contract, including without limitation all licenses required for eligibility to receive Medical Assistance or other third party reimbursement, to perform the Services and provide the Materials. Provider shall provide the City with copies of all licenses, credentials and certifications required under this Section within five (5) days of request by the City.

(f) **No Adverse Interests.** Except as disclosed in writing and approved in advance by the Commissioner, neither Provider nor any of its directors, officers, members, partners or employees, has any interest, or will acquire any interest, directly or indirectly, that would or may conflict in any manner or degree with the performance or rendering of the Services and Materials.

(g) **No Indebtedness to the City.** Provider and any and all entities controlling Provider, under common control with Provider or controlled by Provider are not currently indebted to the City, and will not at any time during the Term of this Contract (including any Additional Term(s)) be indebted to the City, for or on account of any delinquent taxes (including,
but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), water bills, sewer bills, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. Provider shall remain current during the Term of this Contract under all such agreements and payment plans, and shall inform the Commissioner in writing of any notices of delinquent payments under any such agreement or payment plan within five (5) days after receipt. In addition to any other rights or remedies available to the City at law or in equity, Provider acknowledges that any breach or failure to conform to this representation, warranty and covenant may, at the option of the City, result in the withholding of payments otherwise due to Provider under this Contract or any other agreement with the City under which the City may then owe payment of any kind, and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments or the termination of this Contract for default (in which case Provider shall be liable for all excess costs and other damages resulting from the termination), or both. In addition, Provider understands that false certification, representation or warranty by it is subject to prosecution under Title 18 Pa.C.S.A. § 4904.

(h) **Commercial Activity License.** If Provider is a "business" as defined in Section 19-2601 of the Code, Provider has and shall maintain during the Term of this Contract, a valid, current Commercial Activity License, issued by the City's Department of Licenses and Inspections, to do business in the City.

(i) **Subcontractor Licensure; No Indebtedness to the City.** Each Subcontractor, if any, holds a valid, current Commercial Activity License to do business in the City, if required by Applicable Law. To the best of Provider's knowledge, information and belief, the representations made in any Subcontract that Subcontractor is not indebted to the City are true and correct.

(j) **Non-Suspension; Debarment.** Provider and all of the individuals acting on Provider's behalf including, without limitation, Subcontractors, are not under suspension or debarment from doing business with the Commonwealth of Pennsylvania, any other state, or the federal government, or any department, agency or political subdivision of any of the foregoing. If Provider cannot so warrant, then Provider shall submit to the Responsible Official a full, complete written explanation as to why Provider cannot so warrant. Provider shall reimburse the City for the reasonable cost of investigation incurred by the City or the Commonwealth of Pennsylvania Office of Inspector General for investigation of Provider's compliance with the terms of this or any other contract between Provider and the City which results in the suspension or debarment of Provider. Such costs shall include, but are not limited to, salaries of investigators, including overtime, travel and lodging expenses, expert witness and documentary fees and attorney fees and expenses. Provider shall not be responsible for costs of investigations which do not result in Provider's suspension or debarment.
ARTICLE V: COMPENSATION

5.1 Certification of Available Funds. Provider acknowledges that payments under this Contract shall not exceed the amount certified by or on behalf of the City’s Director of Finance as available for this Contract. A copy of the form signed by the Finance Department showing the amount of currently available funds will be attached to the fully executed Contract returned to Provider. During the Initial Term and any Additional Term(s) of this Contract, the City reserves the right to fund any remaining balance of this Contract amount in varying amounts from time to time as funds become available, not to exceed in total the maximum amount stated in this Contract. Provider agrees that the City shall not be obligated to fund this Contract except out of funds certified by or on behalf of the City’s Director of Finance as currently available, even if those funds are less than the maximum amount stated in this Contract. If sufficient funds are not certified as available at any time, the City may exercise its options described in Section 5.2 (Unavailability of Funds) below.

5.2 Unavailability of Funds. If funding for this Contract from any source is not obtained and continued at an aggregate level sufficient to allow for payment for the Services performed and Materials delivered under this Contract, the City may exercise one of the following options without liability or penalty to the City:

(a) Terminate this Contract effective upon a date specified in a Termination Notice; or

(b) Continue this Contract by reducing, through written notice to Provider, the amount of this Contract and Services and Materials, consistent with the nature, amount and circumstances of available funding.

The City's exercise of either option under this Section shall not affect any obligations or liabilities of either Party accruing prior to such termination or reduction of Services or Materials. Provider shall be compensated in accordance with the terms of this Contract for Services and Materials satisfactorily performed and delivered prior to such termination or modification of this Contract under this Section.

5.3 Crossing Fiscal Years. If any portion of the compensation set forth in this Contract is to be paid in any City fiscal year following the fiscal year in which the Initial Term or any Additional Term of this Contract commences (in either case, “Appropriated Fiscal Year”), Provider understands and agrees that the portion of the compensation under this Contract payable with City funds for any period following the Appropriated Fiscal Year is subject to the discretion of City Council as to future appropriations. If, for any reason, funds for any such portion of the compensation are not appropriated by City Council in any Fiscal Year following the Appropriated Fiscal Year, this Contract and the City’s liability under this Contract shall automatically terminate at the end of the then current Appropriated Fiscal Year; provided, however, that Provider shall be compensated in accordance with the terms of this Contract for
Services and Materials satisfactorily performed and delivered prior to the end of the then current Appropriated Fiscal Year.

5.4 **Allowability of Cost Items.** All payments by the City to Provider under this Contract shall be subject to the limitations on the allowability of cost items imposed by this Contract Cost Principles.

5.5 **Advances.** The City will make cash advances only to the extent set forth in the Provider Agreement. Any advance to Provider shall be repaid by Provider to the City by reducing subsequent monthly payments by the City to Provider during or before the last quarter by a proportionate amount of the advance. The entire advance amount must be repaid no later than June 30th of the current fiscal year.

5.6 **Income From Contract Funds.** Provider shall provide a written report to the City accounting for all income derived either directly or indirectly by Provider from the use of funds paid to Provider under this Contract or with respect to any activities of Provider in connection with this Contract, including but not limited to sale, publication, registration fees, interest, program service fees, and service charges on fees. If required by the City, at the City’s sole discretion, Provider shall use all such income to set off against and reduce payments to Provider otherwise due under this Contract.

5.7 **Maximum Daily Rate, Days of Care and/or Units of Service.** The City shall not compensate Provider for any increases in the maximum daily rate, number of days of care or units of service set forth in the Provider Agreement without the prior written approval of the Commissioner. By execution of this Contract, Provider agrees that the City may modify, upon issuance of a Modification Notice to Provider, the maximum daily rate, number of days of care or units of service that the City agrees to purchase under this Contract. In the event the maximum daily rate, number of days of care or units of service are increased, the date of such increase shall be the date stated in the Modification Notice. Any decrease in the maximum daily rate, number of days of care or units of service shall be made upon issuance of a Modification Notice not less than thirty (30) days prior to the effective date of such decrease.

**ARTICLE VI: AUDITS; INSPECTION RIGHTS; RECORDS**

6.1 **City Audit.** From time to time during the Initial Term and any Additional Term(s) of this Contract, and for a period of five (5) years after the expiration or termination of this Contract, the City may audit any and all aspects of Provider’s performance under this Contract, including but not limited to its billings and invoices. Audits may be conducted by representatives, agents or contractors of the City, including the Department, or other authorized City representatives including, without limitation, the City Controller. If requested by the City, Provider shall submit to the City all vouchers or invoices presented for payment pursuant to this Contract, all cancelled checks, work papers, books, records and accounts upon which the vouchers or invoices are based, and any and all documentation and justification in support of expenditures or fees incurred pursuant to this Contract. All books, invoices, vouchers, records,
reports, cancelled checks and other materials shall be subject to periodic review or audit by the City.

6.2 Inspection. All Services and Materials shall be subject to inspection and review by City, federal and state representatives, as may be applicable, or their designees, at the offices of Provider in the City, or in another location with the City’s consent. Provider shall cooperate with all City, state and federal inspections and reviews conducted in accordance with the provisions of this Contract. Such inspection and review of Provider’s Services and Materials, including, without limitation, programs and facilities, shall be in the sole discretion of the inspecting or reviewing entity. Such inspection or review may include, without limitation, meetings with consumers, review of staffing ratios and job descriptions, and meetings with any of Provider’s staff members who are either directly or indirectly involved in providing Services or Materials.

6.3 Availability of Records. Provider shall make available, in the City at reasonable times during the Term of this Contract and for the period set forth in Section 6.4 (Retention of Records) below, all records pertaining to this Contract for the purpose of inspection, audit or reproduction by any authorized representative (including any agent or contractor and the City Controller) of the City, the Commonwealth of Pennsylvania Auditor General, and any other federal and state auditors, as may be applicable.

6.4 Retention of Records. Provider shall retain all records, books of account and documentation pertaining to this Contract for a period of five (5) years following expiration or termination of this Contract; however, if any litigation, claim or audit is commenced prior to expiration of said five (5) year period, then the records shall be retained until all litigation, claims or audit findings have been completely terminated or resolved, without right of further appeal, or if Applicable Law requires a longer period, then the records shall be retained for such longer period.

6.5 Independent Audit.

(a) Combined City Contracts That Total Less Than $300,000 in a Fiscal Year. If requested by the City, Provider shall submit to the City an Independent Audit Report prepared and certified by a Certified Public Accountant (CPA) acceptable to the City. The Independent Audit Report shall be prepared in accordance with the following audit requirements:

(1) Provider shall ensure that a final audit of the financial transactions relating to each City contract shall be performed in compliance with all requirements of the Subrecipient Audit Guide, which is incorporated in this Contract by reference. This audit shall verify that all invoiced costs are actual, authorized and eligible for reimbursement in accordance with each City contract’s requirements.

(2) Provider agrees to make full and prompt refund to the City of amounts of money which result from audit exceptions due to Provider’s performance hereunder, or result
from non-compliance with Applicable Law and this Contract, including, without limitation, the Contract Cost Principles.

(3) The City reserves the right to disallow fees paid by Provider for audit services under this Contract if the final audit report is not submitted in the manner and within the time frame prescribed in this Section or if subsequent review of audit work papers discloses deficiencies in required performance.

(4) Provider shall submit all audit documentation, as described above, pertaining to this Contract no later than one hundred twenty (120) days after the end of the Term of this Contract, unless a different time is approved, in writing, in accordance with City’s audit policies promulgated by the Deputy Mayor’s Office for Health and Opportunity, which are incorporated in this Contract by reference. Provider’s failure to submit the audit documentation in the time required shall be a basis for withholding processing of invoices for payment, and other remedies the City has at its discretion in accordance with this Contract and the City’s audit policies.

(b) Combined City Contracts That Total $300,000 or More in a Fiscal Year. Provider shall submit to the City an Independent Audit Report prepared and certified by a Certified Public Accountant (CPA) acceptable to the City. The Independent Audit Report shall be prepared in accordance with the following audit requirements:

(1) Provider shall ensure that an audit of the financial transactions relating to each City contract shall be performed.

(.a) For subrecipients, the audit shall be in compliance with all requirements of the Subrecipient Audit Guide, which is incorporated in this Contract by reference. This audit shall verify that all invoiced costs are actual, authorized and eligible for reimbursement in accordance with this Contract's requirements.

(.b) For Vendors, these examinations shall be conducted in accordance with the American Institute of Certified Public Accountants’ Statements on Standards for Attestation Engagements (SSAE), Section 601, Compliance Attestation. The initial SSAE, Section 601, compliance examination shall be completed for the official annual reporting period of this Contract and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination, as defined in SSAE, Section 601.

(.c) For Vendor-Service Organizations, these examinations shall be conducted in accordance with SSAE, Section 601. The Provider shall also ensure that an independent auditor performs an audit of its policies and procedures applicable to the processing of transactions. The audit shall be performed in accordance with the Statement on Auditing Standards 70 (SAS 70), Reports on the Processing of Transactions by Service Organizations, which is incorporated in this Contract by reference. The initial SAS 70 audit shall be completed PSC GP (DPH)
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for the official annual reporting period of this Contract and conducted annually thereafter. The independent auditor shall issue reports on its compliance examination, as defined in the SSAE, Section 601, and on the policies and procedures placed in operation and the tests of operating effectiveness, as defined in SAS 70.

(d) Providers shall adhere to all other auditing requirements imposed by state and/or federal legislation and regulation, including but not limited to audit submission timelines, on funding source(s) that Provider receives through this Contract, if the funding source(s) are comprised of state and/or federal funds.

(2) Provider agrees to make full and prompt refund to the City of amounts of money which result from audit exceptions due to Provider’s performance hereunder, or result from non-compliance with Applicable Law and this Contract, including, without limitation, the Contract Cost Principles.

(3) The City reserves the right to disallow fees paid by Provider for audit services under this Contract if the final audit report is not submitted in the manner and time frame prescribed in this Section or if subsequent review of audit work papers discloses deficiencies in required performance.

(4) Provider shall submit all audit documentation, as described above, pertaining to this Contract no later than one hundred twenty (120) days after the end of the Term of this Contract, unless a different time is approved, in writing, in accordance with City audit policies promulgated by the Deputy Mayor’s Office for Health and Opportunity or designee, which are included in this Contract by reference. Provider’s failure to submit the audit documentation in the time required shall be a basis for withholding processing of invoices for payment, and other remedies the City has at its discretion in accordance with this Contract and the City’s audit policies.

6.6 Audits Pursuant to Section 6-400 of the Home Rule Charter. Any Provider that is an Agency, as defined in Section 6-400 of the Charter, shall permit the City Controller to audit its affairs as authorized in Section 6-400 during the Initial Term or any Additional Term. Under Section 6-400, an Agency is any entity a) that receives funds from the City, and either b) that is created by, or whose board of directors is in whole or part appointed by, one or more City officials or bodies; or c) that is organized pursuant to legal authority granted to it by City ordinance.

ARTICLE VII: ASSIGNMENT

7.1 Assignment by Provider. Provider shall not assign this Contract, or any part of this Contract, or delegate performance of this Contract (other than to its own work forces), without obtaining the prior written consent of the Commissioner. The decision whether to consent to an assignment, the timing of consent (if any), and conditions to such consent, if any, shall each be at the City's sole discretion. Any consent to the assignment of any monies to be paid under this PSC GP (DPH)

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Contract shall not relieve Provider from the faithful performance of any of its obligations under this Contract or change any of the terms and conditions of this Contract. Any purported assignment in violation of this provision shall be void and of no effect. The City’s consent to an assignment shall not release the assignor from any liability accrued or thereafter accruing under this Contract. Any assignment or purported assignment shall be in writing and shall contain an express assumption by the assignee of all liability accrued or thereafter accruing under this Contract. Consent by the City to any assignment shall not be deemed a course of conduct, dealing or performance with respect to any other assignment or proposed assignment. For purposes of this Section 7.1 (Assignment by Provider), an assignment includes the acquisition of the Provider, or a controlling interest therein, through a corporate or other merger, and the appointment of a receiver or bankruptcy trustee, and the transfer of this Contract or Provider in any bankruptcy or other insolvency proceeding.

7.2 **Applicability in Case of Bankruptcy or Insolvency.** A receiver or trustee of or for Provider in any federal or state bankruptcy, insolvency or other proceedings concerning Provider shall comply with the requirements set forth in Section 7.1 (Assignment by Provider) above.

7.3 **Personal Services.** Provider acknowledges that the Services and Materials are the personal services of Provider and the City shall have no obligation to accept performance by a third party without the Commissioner’s prior and express written consent.

**ARTICLE VIII: INDEPENDENT CONTRACTOR; INDEMNIFICATION; LITIGATION COOPERATION**

8.1 **Independent Contractor.** Provider is an independent contractor and shall not in any way or for any purpose be deemed or intended to be an employee or agent of the City. Neither Provider nor its agents, employees or Subcontractors shall in any way represent that they are acting as employees, officials or agents of the City.

8.2 **Indemnification.** Provider shall indemnify, defend and hold harmless the City, its officers, employees and agents, from and against any and all losses, costs (including, but not limited to, litigation and settlement costs and counsel fees and expenses), claims, suits, actions, damages, liability and expenses, occasioned wholly or in part by Provider’s act or omission or negligence or fault or the act or omission or negligence or fault of Provider’s agents, Subcontractors, independent contractors, suppliers, employees or servants in connection with this Contract, including, but not limited to, those in connection with loss of life, bodily injury, personal injury, damage to property, contamination or adverse effects on the environment, intentional acts, failure to pay any Subcontractors and suppliers, any breach of this Contract, and any infringement or violation of any proprietary right (including, but not limited to, patent, copyright, trademark, service mark and trade secret).

8.3 **Litigation Cooperation.** If, at any time, the City becomes involved in a dispute or receives notice of a claim or is involved in litigation concerning the Services and Materials provided under this Contract, the resolution of which requires the services or cooperation of
Provider, and Provider is not otherwise obligated to indemnify and defend the City pursuant to the provisions of Section 8.2 (Indemnification) above, Provider agrees to provide such services and to cooperate with the City in resolving such claim or litigation as Additional Services and Materials under Section 3.3 (Additional Services and Materials; Change in Scope of Services) above.

8.4 **Notice of Claims.** If Provider receives notice of a legal claim against it in connection with this Contract, Provider shall submit appropriate written notice of such claim to its insurance carrier within the time frame required for submission of claims by the applicable insurance policy and, within ten (10) business days of receipt of notice of the claim, to the Commissioner.

**ARTICLE IX: INSURANCE**

9.1 **Insurance.** Unless otherwise approved by the City’s Risk Management Division in writing, Provider shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, in full force and effect, the types and minimum limits of insurance specified below, covering Provider’s performance of the Services and the delivery of the Materials. Provider shall procure, or cause to be procured, all insurance from reputable insurers admitted to do business on a direct basis in the Commonwealth of Pennsylvania or otherwise acceptable to the City. All insurance herein, except Professional Liability insurance, shall be written on an “occurrence” basis and not a “claims-made” basis. In no event shall Provider perform any Services or other work until Provider has delivered or caused to be delivered to the City’s Risk Management Division the required evidence of insurance coverages. All insurance coverages shall provide for at least thirty (30) days prior written notice to be given to the City in the event coverage is materially changed, cancelled, or non-renewed. The City, its officers, employees, and agents, shall be named as additional insureds on the General Liability Insurance policy. Provider shall also deliver or cause to be delivered to the City an endorsement stating that the coverage afforded the City and its officers, employees and agents, as additional insureds, will be primary to any other coverage available to them and that no act or omission of the City, its officers, employees or agents shall invalidate the coverage.

(a) **Workers' Compensation and Employers' Liability.**

(1) Workers' Compensation: Statutory Limits.

(2) Employers' Liability: $100,000 Each Accident - Bodily Injury by Accident; $100,000 Each Employee - Bodily Injury by Disease; and $500,000 Policy Limit - Bodily Injury by Disease.

(3) Other states insurance including Pennsylvania.
(b) **General Liability Insurance.**

(1) Limit of Liability: $1,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability; $1,000,000 advertising injury; $2,000,000 general aggregate and $1,000,000 aggregate for products and completed operations. The City may require higher limits of liability if, in the City’s sole discretion, the potential risk warrants.

(2) Coverage: Premises operations; blanket contractual liability; personal injury liability; products and completed operations; independent contractors, employees and volunteers as additional insureds; cross liability; and broad form property damage (including completed operations).

c) **Automobile Liability Insurance.**

(1) Limit of Liability: $1,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability.

(2) Coverage: Owned, non-owned, and hired vehicles.

d) **Professional Liability Insurance.**

(1) Health Care Providers subject to the Medical Care Availability and Reduction of Error (MCARE) Act, as amended:

   (.a) Hospital and Nursing Homes including officers and employees: $1,000,000 each occurrence, $4,000,000 annual aggregate

   (.b) Individuals and Professional Corporations: $1,000,000 each occurrence; $3,000,000 annual aggregate

(2) All Health Care and Human Services Providers not subject to the MCARE Act, as amended: $1,000,000 each occurrence; $3,000,000 annual aggregate.

Professional Liability Insurance may be written on a claims-made basis provided that coverage for occurrences happening during the performance of the Services required under this Agreement shall be maintained in full force and effect under the policy or “tail” coverage for a period of at least two (2) years after completion of the Services.

9.2 **Self-Insurance.** Provider may not self-insure any of the coverages required under this Contract without the prior written approval of the Commissioner and the City’s Risk Manager. In the event that Provider wants to self-insure any of the coverages listed above, it shall submit to the Commissioner and the City’s Risk Management Division, prior to Provider’s commencement of Services or delivery of any Materials hereunder, a certified copy of Provider’s most recent
audited financial statement, and such other evidence of its qualifications to act as self-insurer (e.g. state approval) as may be requested by the Commissioner or the City’s Risk Manager. In the event the City grants such approval, Provider understands and agrees that the City, its officers, employees and agents shall be entitled to receive the same coverages and benefits under Provider’s self-insurance program that they would have received had the insurance requirements set forth above been satisfied by a reputable insurer admitted and duly authorized to do business in the Commonwealth of Pennsylvania or otherwise acceptable to the City. If at the time of commencement of the Term of this Contract, Provider self-insures its professional liability or workers' compensation and employers' liability coverage, Provider may, in lieu of the foregoing, furnish to the City a current copy of the state certification form for self-insurance or a current copy of the State Insurance Commissioner's letter of approval, whichever is appropriate. The insurance (including self-insurance) requirements set forth herein are not intended and shall not be construed to modify, limit or reduce the indemnifications made in this Contract by Provider to the City, or to limit Provider’s liability under this Contract to the limits of the policies of insurance (or self-insurance) required to be maintained by Provider hereunder.

9.3 Evidence of Insurance Coverage. Certificates of insurance evidencing the required coverages must specifically reference the City contract number for which they are being submitted. The original certificates of insurance must be submitted to the City's Risk Manager at the following address:

The City of Philadelphia  
Finance Department  
Division of Risk Management  
1515 Arch Street, 14th Floor  
Philadelphia, PA 19102-1579  
(Fax No.: 215-683-1705).

A copy of the certificates of insurance shall be submitted to the Commissioner at the address of the Department set forth in the Notice Section of the Provider Agreement. Both submissions must be made at least ten (10) days before work is begun and at least ten (10) days before each Additional Term. The City, in its sole discretion, may waive the ten (10) day requirement for advance documentation of coverage in situations where such waiver will benefit the City, but under no circumstances shall Provider actually begin work (or continue work, in the case of an Additional Term) without providing the required evidence of insurance. The actual endorsement adding the City as an additional insured must specifically reference the City contract number and be submitted to the City's Risk Management Division at the above address. The City reserves the right to require Provider to furnish certified copies of the original policies of all insurance required under this Contract at any time upon ten (10) days written notice to Provider.

9.4 Fidelity Bond. When required by the City, Provider shall, at its sole cost and expense, obtain and maintain during the Initial Term and any Additional Term(s) of this Contract, a fidelity bond in an amount equal to the greater of (a) Ten Thousand Dollars ($10,000) or (b) the amount specified in the Provider Agreement, covering Provider's employees who have
financial responsibilities related to the receipt and disbursement of funds under this Contract. In lieu of a fidelity bond, Provider may obtain coverage for crime insurance with limits that are the greater of (a) $10,000 or (b) the amount specified in the Provider Agreement. The fidelity bond or crime insurance, whichever is obtained by Provider, shall name the City as a beneficiary. Evidence of the existence of the fidelity bond or crime insurance shall be submitted to the City prior to the commencement of Services in conformity with the requirements of Section 9.3 (Evidence of Insurance Coverage) above.

ARTICLE X: OWNERSHIP OF MATERIALS; PROPRIETARY INFORMATION; CONFIDENTIALITY

10.1 Ownership of Materials.

(a) Subject to Applicable Law, all Materials shall be the sole and absolute property of the City and the City shall have title thereto and unrestricted use thereof. To the extent that any Materials relating to this Contract developed by or for Provider embody a copyrightable work, including, but not limited to, a “compilation” as that term is used in 17 U.S.C. §101, as amended from time to time, the City and Provider agree that such copyrightable work(s) shall be considered as one or more “works made for hire” by Provider for the City, as that term is used in 17 U.S.C. §§101 and 201(b), as amended from time to time. To the extent that any Materials relating to this Contract developed by or for Provider embody one or more copyrightable works but are neither a “compilation” nor any other form of “work made for hire,” Provider hereby assigns, and agrees to execute instruments evidencing such assignment, all copyrights in all of such works to the City. Provider shall cause all Materials developed or produced by Provider and any Subcontractor in connection with this Contract which embody a copyrightable work to bear the following designation: “© _ The City of Philadelphia” [complete then current year in blank line].

(b) Without limitation of the foregoing, and in order to ensure continuity of care, medical records may be retained in the custody and control of Provider, subject to Applicable Law. Provider shall allow the City unlimited access to all medical records, and if copies are required they shall be made at Provider’s expense.

(c) Provider shall make available to the City, upon the City’s request, a copy of any Materials prepared by or for Provider in performance of this Contract, at no cost to the City.

(d) If this Contract is funded in whole or in part by the Commonwealth Office of Drug and Alcohol Programs, Provider shall, and shall require its Subcontractors to, place in a conspicuous place on any data, material, media, curricula, instruments, reports or other material, developed or delivered under this Contract, a statement that such work was “performed under the auspices of the Commonwealth Office of Drug and Alcohol Programs” and the City. Otherwise, all notices, informational pamphlets, press releases, research reports and similar public notices prepared and released by Provider shall include the statement, “This project is funded in part under a contract with The City of Philadelphia, Department of Public Health.”
(e) All computer programs, tapes and software developed under this Contract shall be compatible with specifications set by the Department.

(f) Provider hereby grants, and shall require its Subcontractors to grant, to the City a royalty-free, nonexclusive and irrevocable right to publish, translate, reproduce, deliver, perform and authorize others to do so, all studies, media, curricula, reports and other Materials not owned by the City under this Contract but which relate to the performance of the Services, Materials or this Contract; provided, however, that Provider shall not be required to grant such right to the City with respect to any Materials for which Provider would be liable to pay compensation to third parties because of such grant.

10.2 Non-Disclosure. During the Initial Term and any Additional Term(s) of this Contract and thereafter, except with the prior written consent of the Commissioner, Provider will not:

(a) Issue, publish or divulge any Services or Materials developed or used in the performance of this Contract in any public statement, thesis, writing, lecture or other verbal or written communication; or

(b) Disclose, or use to its advantage or gain, confidential information of any nature acquired from the City or acquired as a result of Provider’s activities in connection with this Contract.

ARTICLE XI: EVENTS OF DEFAULT

11.1 Events of Default. Each of the following shall be an Event of Default by Provider under this Contract:

(a) Failure by Provider to comply with any provision of this Contract,

(b) Occurrence of an Event of Insolvency with respect to Provider,

(c) Falseness or inaccuracy of any warranty or representation of Provider contained in this Contract or in any other document submitted to the City by Provider,

(d) Any act, omission, or misrepresentation which renders the Provider ineligible for a City contract or renders the contract voidable under Chapter 17-1400 of the Code;

(e) Misappropriation by Provider of any funds provided under this Contract or failure by Provider to notify the City upon discovery of any misappropriation,

(f) A violation of law which results in a guilty plea, a plea of nolo contendere, or conviction of a criminal offense by Provider, its directors, employees, or agents (1) directly or indirectly relating to this Contract or the Services or Materials provided under this Contract,
whether or not such offense is ultimately adjudged to have occurred; or (2) which adversely affects the performance of this Contract,

(g) Indictment of or other issuance of formal criminal charges against Provider, its directors, employees or agents for any criminal offense or any other violation of Applicable Law directly relating to this Contract or Services or Materials, or which adversely affects Provider’s performance of this Contract in accordance with its terms, whether or not such offense or violation is ultimately adjudged to have occurred, and/or

(h) Debarment or suspension of Provider or any agent, employee or Subcontractor of Provider under any federal, state or local law, rule or regulation.

11.2 Notice and Cure. The City agrees that the City will not exercise any right or remedy provided for in Section 12.1 (The City’s Remedies) below because of any Event of Default unless the City shall have first given written notice of the Event of Default to Provider, and Provider, within a period of ten (10) days thereafter, or such additional cure period as the City may authorize, shall have failed to correct the Event of Default; provided, however, that no such notice from the City shall be required nor shall the City permit any period for cure if:

(a) Provider has temporarily or permanently ceased providing Services and Materials;

(b) The Event of Default creates an emergency which requires, as determined by the City in the City’s sole discretion, immediate exercise of the City’s rights or remedies;

(c) The City has previously notified Provider in the preceding twelve (12) month period of any Event of Default under this Contract;

(d) An Event of Default occurs as described in 11.1(e) above or 11.1(f) above; or

(e) Provider has failed to obtain or maintain the insurance or any bond required under this Contract.

Nothing contained in this Section shall limit the City’s rights under Article XII (Remedies) below.

ARTICLE XII: REMEDIES

12.1 The City’s Remedies.

(a) In the event Provider has committed or permitted an Event of Default and has been notified thereof in accordance with Section 11.2 (Notice and Cure) above, then the City may, but shall not be obligated to, without further notice to or demand on Provider and without waiving or releasing Provider from any of its obligations under this Contract:
(1) perform (or cause a third party to perform) this Contract, in whole or in part, including, without limitation, obtaining or paying for any required insurance or performing other acts capable of performance by the City. Provider shall be liable to the City for all sums paid by the City and all expenses incurred by the City (or a third party) pursuant to this Section 12.1(a)(1), together with interest at the highest legal rate permitted in the Commonwealth of Pennsylvania thereon from the date the City or its agent incurs such costs. The City shall not in any event be liable for inconvenience, expense or other damage incurred by Provider by reason of the City’s performance or paying such costs or expenses, and the obligations of Provider under this Contract shall not be altered or affected in any manner by the City’s exercise of its rights under this Section 12.1 (The City's Remedies);

(2) withhold payment of, or offset against, any funds payable to or for the benefit of Provider;

(3) collect, foreclose or realize upon any bond, collateral, security or insurance provided by or on behalf of Provider; or

(4) exercise any other right the City has or may have at law, in equity, or under this Contract.

(b) In the event Provider has committed or permitted an Event of Default and has been notified thereof in accordance with Section 11.2 (Notice and Cure) above, then the City may, but shall not be obligated to, without waiving or releasing Provider from any of its obligations under this Contract, terminate or suspend this Contract in whole or in part, as set forth more fully in Article XIII (Termination and Suspension) below. In the event of partial termination or suspension, Provider shall continue the performance of this Contract to the extent not terminated or suspended. If this Contract is terminated, the City shall issue a written Termination Notice which shall set forth the effective date of the termination.

(c) The Services and Materials purchased from Provider are unique and not otherwise readily available. Accordingly, Provider acknowledges that, in addition to all other remedies to which the City is entitled, the City shall have the right, to the fullest extent permitted under Applicable Law, to enforce the terms of this Contract without limitation, by a decree of specific performance or by injunction restraining a violation, or attempted or threatened violation, of any provision of this Contract.

12.2 Concurrent Pursuit of Remedies; No Waiver. The City may exercise any or all of the remedies set forth in this Article XII (Remedies), each of which may be pursued separately or in conjunction with such other remedies as the City in its sole discretion shall determine. No extension or indulgence granted by the City to Provider shall operate as a waiver of any of the City’s rights in connection with this Contract. The rights and remedies of the City as described in this Article XII (Remedies) and as described elsewhere in this Contract shall not be exclusive and are in addition to any other rights or remedies available to the City under this Contract at law or in equity.
ARTICLE XIII: TERMINATION AND SUSPENSION

13.1 **Termination or Suspension for Convenience.** In addition to its rights under Articles V (Compensation) and XII (Remedies) above, the City shall have the right to terminate this Contract or suspend Provider’s performance under this Contract at any time during the Initial Term or any Additional Term(s) of this Contract, for any reason, including, without limitation, the convenience of the City. If this Contract is terminated solely for the City’s convenience, the City shall issue a written Termination Notice, which shall set forth the effective date of the termination. If this Contract is suspended solely for the City’s convenience, the City shall issue a written Suspension Notice, which shall set forth the effective date of the suspension.

13.2 **Provider Responsibilities Upon Termination or Suspension.**

(a) Upon the City’s transmission of a Termination Notice or a Suspension Notice under any provision of this Contract, Provider and its agents, employees and Subcontractors, shall

(1) take immediate action in an orderly manner to discontinue Services and Materials, and demobilize work forces to minimize the incurrence of costs; and

(2) upon request by the City by notice to Provider, collect, assemble and transmit to the City all Materials in such state of completion as may exist as of the effective date of the termination or suspension. All such Materials shall be clearly labeled and indexed to the satisfaction of the Commissioner and delivered to the Commissioner by Provider on or before the date set forth in the Termination Notice for delivery of the Materials or, if no such date is set forth in the Termination Notice, then before the effective date of termination set forth in the Termination Notice. Provider waives and releases any and all right to any retaining or charging liens or similar right or remedy in favor of Provider.

(b) The City’s termination or suspension of this Contract shall not affect any obligations or liabilities of either Party accruing prior to the effective date of such termination or suspension.

(c) There shall be no liability, cost or penalty to the City for termination or suspension of this Contract.

13.3 **Payment of Provider upon Termination or Suspension.**

(a) Upon termination or suspension of this Contract by the City for an Event of Default, Provider shall be entitled to payment of such an amount, to be determined by the City and subject to audit, as shall compensate it for the work satisfactorily performed prior to the termination date; provided, however, that:
(1) no allowance shall be included for termination expenses or for anticipated profits, unabsorbed or underabsorbed overhead, or unperformed Services; and

(2) the City shall deduct from any amount due and payable to Provider prior to the termination date, but withheld or not paid, the total amount of fees, costs or additional expenses incurred by the City in order to satisfactorily complete the Services and Materials required to be performed by Provider under this Contract, including the expense of engaging another provider for this purpose, and such other damages, costs, losses and expenses of the City as may be incurred or result from such termination for an Event of Default.

(b) In the event of termination or suspension of this Contract by the City for the City's convenience, Provider shall be paid such an amount as shall compensate Provider for the portion of the Services satisfactorily performed and Materials satisfactorily delivered prior to the date of termination. The City shall not pay Provider any amount for Provider’s termination or suspension expenses or anticipated profits, unabsorbed or underabsorbed overhead or unperformed Services and Materials not satisfactorily delivered.

13.4 Suspension. Suspension of Provider’s performance under this Contract after an Event of Default shall not constitute a waiver or release of any liability of Provider for such Event of Default or any of the City’s damages or other remedies arising out of such Event of Default; nor shall such suspension be deemed an election of remedies in derogation of any other remedy. Provider acknowledges that the City shall have the right, at its sole discretion, to suspend Provider’s performance in the event City Council does not appropriate funds for the performance of this Contract. In the event that the City issues a Suspension Notice to Provider, such suspension shall continue from the effective date specified in the Suspension Notice until a date specified in the Suspension Notice which shall be not more than one hundred and eighty (180) days after the effective date (the “Suspension Period”). On or prior to the expiration of the Suspension Period, the City shall either terminate this Contract by giving a Termination Notice pursuant to Section 13.1 (Termination or Suspension for Convenience) above, or by notice to Provider, instruct Provider to resume the delivery of Services and Materials pursuant to this Contract upon the expiration of the Suspension Period. After issuing a Suspension Notice, the City shall pay any invoices submitted by Provider for Services rendered prior to the commencement of the Suspension Period or otherwise payable by the City to Provider under this Contract, subject to all of the City’s rights and remedies against Provider, including but not limited to its rights of set off and its right to review and accept Services and Materials prior to payment therefore.

ARTICLE XIV: ADDITIONAL REPRESENTATIONS AND COVENANTS OF PROVIDER RELATING TO CERTAIN APPLICABLE LAWS

In addition to the representations, warranties, and covenants made by Provider in Article IV, Provider further represents, warrants, and covenants that, to the extent of their applicability to Provider, Provider is in compliance with the laws, ordinances, regulations and executive orders described below. By executing this Contract, Provider thereby certifies to such compliance.
Provider further certifies that the representations, warranties, and covenants provided pursuant to this Article shall continue to remain true throughout the Term of this Contract or any other period of time required by such laws. In the event said representations, warranties, and covenants are or become untrue or inaccurate, Provider shall promptly give notice thereof to the City, specifying the manner in which said representation, warranty, or covenant is untrue or inaccurate. The provisions of this Article are not intended to limit the applicability of the other provisions of this Contract, including, without limitation, Provider’s agreement to comply with all Applicable Law.

14.1 **Non-Discrimination; Fair Practices.**

(a) This Contract is entered into under the terms of the Charter, the Fair Practices Ordinance (Chapter 9-1100 of the Code) and the Mayor’s Executive Order No. 04-86 (the “Executive Order”), as they may be amended from time to time, and in performing this Contract, Provider shall not discriminate or permit discrimination against any individual because of race, color, religion, ancestry or national origin, sex, gender identity, sexual orientation, age or disability. Nor shall Provider discriminate or permit discrimination against individuals in employment, housing and real property practices, and/or public accommodation practices whether by direct or indirect practice of exclusion, distinction, restriction, segregation, limitation, refusal, denial, differentiation or preference in the treatment of a person on the basis of actual or perceived race, ethnicity, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, age, disability, marital status, source of income, familial status, genetic information or domestic or sexual violence victim status, or Human Immunodeficiency Virus (HIV) infection, or engage in any other act or practice made unlawful under the Charter, Chapter 9-1100, the Executive Order, or under the nondiscrimination laws of the United States or the Commonwealth of Pennsylvania. In the event of any breach of this Section 14.1 (Non-Discrimination; Fair Practices), the City may, in addition to any other rights or remedies available under this Contract, at law or in equity, suspend or terminate this Contract forthwith.

(b) Irrespective of the applicability to Provider of Chapter 9-1100 of the Code, in connection with providing Services under the Contract, Provider shall not engage in any of the following employment practices because of race, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, age, handicap (including, but not limited to, HIV infection), disability, or marital status (together, for purposes of this paragraph (b), the “Protected Categories” except that sexual orientation and marital status shall not be Protected Categories for purposes of bona fide employee benefits plans):

(1) Refuse to hire, discharge, or discriminate against any person with respect to tenure, promotions, terms, conditions or privileges of employment or with respect to any matter directly or indirectly related to employment; or

(2) Establish, announce or follow a policy of denying or limiting, through a quota system or otherwise, the employment or membership opportunities, of any individual or group; or
(3) Prior to employment or admission to membership:

   (.a) make any inquiry concerning, or make any record of any of the Protected Categories of any applicant for employment or membership, except and to the extent a particular Protected Category is a bona fide occupational qualification, or

   (.b) use any form of application for employment of personnel or membership blanks containing questions or entries regarding Protected Categories except and to the extent of such a bona fide occupational qualification, or

   (.c) cause to be printed, published, or circulated any notice or advertisement relating to employment or membership indicating any preference, limitation, specification or discrimination based upon Protected Categories except and to the extent of such a bona fide occupational qualification; or

(4) Fail or refuse to classify properly or refer any person for employment, or otherwise discriminate against any person, except and to the extent of a bona fide occupational qualification; or

(5) Violate any provision of Chapter 9-3200 of the Code, entitled “Entitlement To Leave Due To Domestic Or Sexual Violence;” or

(6) Penalize or discriminate in any manner against any individual because the individual has opposed any practice forbidden by this Section or has made a charge, testified or assisted in any manner in any investigation, proceeding or hearing hereunder; or

(7) Aid, abet, incite, compel or coerce the doing of any employment practice prohibited under this Section, or obstruct or prevent any person from complying with the provisions of this Section, or attempt directly or indirectly to commit any act prohibited under this Section.

   (c) Irrespective of the applicability to Provider of Chapter 9-1100 of the Code, in connection with providing Services under the Contract, Provider shall not engage in any of the following housing practices because of race, color, sex, sexual orientation, gender identity, religion, national origin, ancestry, age, handicap (including, but not limited to, HIV infection), disability, marital status, the presence of children or sources of income (together, for purposes of this paragraph (c), the “Protected Categories”):

   (1) Refuse to sell, rent, lease or in any way discriminate because of any Protected Category in the terms, conditions, or privileges of the sale, rental or lease of any commercial housing accommodation or other real property or in the furnishing of facilities or services in connection therewith; or
(2) Discriminate against any person in lending, guaranteeing loans, accepting mortgages or otherwise making available funds for the purchase, acquisition, construction, rehabilitation, repair or maintenance of any housing accommodation; or

(3) Make, print or circulate or cause to be made, printed or circulated any written or oral statement, advertisement, or publication, or to use any form of application for the purchase, rental or lease of housing accommodations or to make real estate appraisals, financial or credit reports or any record or inquiry in connection with the prospective purchase, rental or lease of housing accommodations which express, directly or indirectly, any limitation, specification or discrimination as to any Protected Category or any intent to make any such limitation, specification or discrimination; or

(4) Sell, lease or transfer any housing accommodation that is known to be the subject of a written complaint filed with the City; or

(5) Fail to include a notice of such a complaint in any subsequent lease or agreement of sale involving that housing accommodation, unless the complaint has been resolved in favor of Provider; or

(6) Establish, announce, follow a policy of denying or limiting, through a quota system or otherwise, the housing opportunities of any individual or group because of any Protected Category; or

(7) Harass, threaten, harm, damage or otherwise penalize any individual, group or business because of compliance with the provisions of this Section, or because of a charge, testimony or assistance in any manner in any related investigation, proceeding or hearing; or

(8) Give false or misleading information, written or oral, with regard to the sale or rental of any commercial housing for the purpose of discriminating on the basis of any Protected Category; or

(9) Make any distinctions in the location of a house, lot, apartment or other commercial housing or to make any distinctions relating to the time of delivery of a house or the date of availability of an apartment or other commercial housing; or

(10) Aid, abet, incur, induce, compel or coerce the doing of any unlawful housing practice prohibited by this Section or to obstruct or prevent any person from complying with the provisions of this Section; or

(11) Refuse or limit service to any person or to accept or retain a listing of any housing accommodation for sale, rent or lease with an understanding that discrimination may be practiced in connection with the sale, rental or lease thereof.
(d) Provider’s failure to comply with any term or condition set forth in this 
Section 14.1 shall be an Event of Default pursuant to Article XI (Events of Default) of the 
General Provisions, for which the City may exercise any one or more of the remedies provided 
in Article XII (Remedies) of the General Provisions including, without limitation, termination of 
the Contract.


(a) In accordance with Chapter 17-400 of the Code, Provider agrees that its 
payment or reimbursement of membership fees or other expenses associated with participation by 
its employees in an exclusionary private organization, insofar as such participation confers an 
employment advantage or constitutes or results in discrimination with regard to hiring, tenure of 
employment, promotions, terms, privileges or conditions of employment on the basis of race, 
color, sex, sexual orientation, religion, national origin or ancestry, constitutes, without limiting 
the applicability of Articles XI (Events of Default) and XII (Remedies) above, a substantial 
breach of this Contract entitling the City to all rights and remedies provided in this Contract or 
otherwise available at law or in equity.

(b) Provider agrees to cooperate with the Commission on Human Relations of the 
City in any manner which the Commission deems reasonable and necessary for the Commission 
to carry out its responsibilities under Chapter 17-400 of the Code. Provider’s failure to so 
cooperate shall constitute, without limiting the applicability of Articles XI (Events of Default) 
and XII (Remedies) above, a substantial breach of this Contract entitling the City to all rights and 
remedies provided in this Contract or otherwise available at law or in equity.

14.3 Executive Order 03-12: Minority, Woman and Disabled Business Enterprise 
Participation. In accordance with Executive Order 03-12 (the “Antidiscrimination Policy”), the 
City, acting through its Office of Economic Opportunity (“OEO”), has established an 
antidiscrimination policy that relates to the solicitation and participation of Minority Business 
Enterprises (“MBE”), Woman Business Enterprises (“WBE”), and Disabled Business Enterprises 
(“DSBE”) (collectively, “M/W/DSBE”) in City contracts. The purpose of this 
Antidiscrimination Policy is to ensure that all businesses desiring to do business with the City 
have an equal opportunity to compete by creating access to the City’s procurement process and 
meaningfully increasing opportunities for the participation by M/W/DSBEs in City contracts at 
all tiers of contracting, as prime contractors, subcontractors and joint venture partners. In 
furtherance of this policy, the City will, from time to time, establish participation ranges for City 
Contracts and City Related Special Projects. Provider agrees to comply with the requirements of 
the Antidiscrimination Policy by exercising its Best and Good Faith Efforts to include 
M/W/DSBEs in its contract, and where participation ranges are established by OEO, Provider 
agrees, without limitation, to submit documentation responsive to each of the participation ranges 
established for the Contract.

(a) General Requirements. In furtherance of the purposes of the 
Antidiscrimination Policy, Provider agrees to the following:
(1) Provider, if it has achieved participation commitments with M/W/DSBEs, represents that it has entered into legally binding agreement(s) (“M/W/DSBE Subcontract(s)”) with M/W/DSBEs as participants under this Contract for the services and in the dollar amount(s) and percentage(s) as specified in the M/W/DSBE Participation Exhibit to this Contract (the “Contract Commitment(s)”).

(2) Provider shall secure the prior written approval of the OEO before making any changes or modifications to any Contract Commitments made by Provider herein, including, without limitation, substitutions for its MBEs, WBEs and/or DSBEs, changes or reductions in the services provided by its M/W/DSBE participants, or changes or reductions in the dollar amounts and/or percentage value paid to its M/W/DSBE participants.

(3) Unless otherwise specified in a M/W/DSBE Subcontract between the Provider and its M/W/DSBE participant, as described in (a) (1) above, Provider shall, within five (5) business days after receipt of a payment from the City for services performed under the Contract, deliver to its M/W/DSBE participant its proportionate share of such payment for services performed by the M/W/DSBE participant. In connection with payment of its M/W/DSBE participants, Provider agrees to fully comply with the City’s payment reporting process which may include the use of electronic payment verification systems.

(4) Provider shall, in the event of an increase in units of work and/or compensation under the Contract, increase its Contract Commitment(s) with its M/W/DSBE Subcontractors proportionately, which increase shall be reflected in the M/W/DSBE Subcontract(s) described in (a) (1) above. OEO may from time to time request documentation from Provider evidencing compliance with this provision.

(5) Provider shall submit, within the time frames prescribed by the City, any and all documentation the City may request, including, but not limited to, copies of M/W/DSBE Subcontracts, participation summary reports, M/W/DSBE participant invoices, telephone logs and correspondence with M/W/DSBE participants, cancelled checks and certification of payments. Provider shall maintain all documentation related to this Section for a period of five (5) years from the date of Provider’s receipt of final payment under the Contract.

(6) Provider agrees that the City may, in its sole discretion, conduct periodic reviews to monitor Provider’s compliance with the terms of this Antidiscrimination Policy.

(7) Provider agrees that in the event the City determines that Provider has failed to comply with any of the requirements of this Antidiscrimination Policy, including substantial compliance with any Contract Commitment, the City may, in addition to any other rights and remedies it may have under the Contract which includes termination of the Contract, exercise one or more of the following remedies which shall be deemed cumulative and concurrent:
(.a) Debar Provider from proposing on and/or participating in any future contracts for a maximum period of three (3) years.

(.b) Withhold payment(s) or any part thereof until corrective action is taken. If corrective action is not taken to the satisfaction of OEO, the City may, without institution of a lawsuit, deduct money in an amount equal to the M/W/DSBE shortfall, which amount shall be collected and considered not as a penalty, but as liquidated damages for the Provider’s failure to comply with the contract.

(8) No privity of contract exists between the City and any M/W/DSBE participant identified herein and the City does not intend to give or confer upon any such M/W/DSBE participant(s) any legal rights or remedies in connection with the subcontracted services pursuant to the Antidiscrimination Policy or by reason of this Contract except such rights or remedies that the M/W/DSBE participant may seek as a private cause of action under any legally binding contract to which it may be a party. The remedies enumerated above are for the sole benefit of the City and City’s failure to enforce any provision or the City’s indulgence of any non-compliance with any provision hereunder, shall not operate as a waiver of any of the City’s rights in connection with this Contract nor shall it give rise to actions by any third parties including identified M/W/DSBE participants.

(b) **Special Requirements Applicable to Non-Profit Providers.** In the event the Provider is a non-profit, the Contract may not be subject to M/W/DSBE participation ranges, but Provider shall demonstrate its compliance with the Antidiscrimination Policy by providing annually to OEO the following information:

1. a statement identifying the race, gender, disability status and ethnic composition of its workforce and board of directors;
2. a list of the non-profit’s five highest dollar value M/W/DSBE suppliers of products and services; and
3. the non-profit’s written “equal opportunity statement,” an assurance of the non-profit’s efforts to maintain a diverse workforce and board of directors and operate a fair and effective supplier diversity program.

(c) **Criminal Liability for Fraudulent or False Statements.** Provider hereby verifies that all information submitted to the City in connection with the Antidiscrimination Policy is true and correct and is notified that the submission of false information is subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities, which may include payment of a fine of at least $1,000 and a term of imprisonment of not more than two years. Provider also acknowledges that under 18 Pa.C.S. §4107.2(a)(4), it is a felony in the third degree, punishable by a term of imprisonment of not more than seven years in addition to the payment of any fines or restitution, if, under this Contract, Provider fraudulently obtains public moneys
reserved for or allocated or available to minority business enterprises or women’s business enterprises.


14.5 **Americans With Disabilities Act.** Provider understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Contract or from providing Services or Materials under this Contract. By executing and delivering this Contract, Provider covenants to comply with all provisions of the Americans With Disabilities Act (the “ADA”), 42 U.S.C. §§12101 - 12213, and all regulations promulgated thereunder, as the ADA and regulations may be amended from time to time, which are applicable (a) to Provider; (b) to the benefits, Services, Materials, activities, facilities and programs provided in connection with this Contract; (c) to the City, or the Commonwealth of Pennsylvania; (d) to the benefits, services, activities, facilities and programs of the City or of the Commonwealth; and (e) if any funds under this Contract are provided by the federal government, which are applicable to the federal government and its funds, benefits, services, activities, facilities and programs applicable to this Contract. Without limiting the applicability of the preceding sentence, Provider shall comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Part 35.130, and all other regulations promulgated under Title II of the ADA, as they may be amended from time to time, which are applicable to the benefits, services, facilities, programs and activities provided by the City through contracts with outside contractors.

14.6 **Northern Ireland.**

(a) In accordance with Section 17-104 of the Code, Provider by execution of this Contract certifies and represents that (1) Provider (including any parent company, subsidiary, exclusive distributor or company affiliated with Provider) does not have, and will not have at any time during the Term of this Contract (including any extensions of the Term), any investments, licenses, franchises, management agreements or operations in Northern Ireland and (2) no product to be provided to the City under this Contract will originate in Northern Ireland, unless Provider has implemented the fair employment principles embodied in the MacBride Principles.

(b) In the performance of this Contract, Provider agrees that it will not use any suppliers, Subcontractors or subconsultants at any tier (1) who have (or whose parent, subsidiary, exclusive distributor or company affiliate have) any investments, licenses, franchises, management agreements or operations in Northern Ireland or (2) who will provide products originating in Northern Ireland unless said supplier, subconsultant or Subcontractor has implemented the fair employment principles embodied in the MacBride Principles.
(c) Provider agrees to cooperate with the City’s Director of Finance in any manner which the said Director deems reasonable and necessary to carry out the Director’s responsibilities under Section 17-104 of the Code. Provider expressly understands and agrees that any false certification or representation in connection with this Section 14.6 (Section 17-104 of the Code) and any failure to comply with the provisions of this Section 14.6 (Section 17-104 of the Code) shall constitute a substantial breach of this Contract entitling the City to all rights and remedies provided in this Contract or otherwise available at law (including, but not limited to, Section 17-104 of the Code) or in equity. In addition, Provider understands that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A. § 4904.

14.7 Limited English Proficiency. Provider understands and agrees that no individual who is limited in his or her English language proficiency shall be denied access to Services provided under this Contract on the basis of that limitation. As a condition of accepting and executing this Contract, Provider shall comply with all provisions of Title VI of the Civil Rights Act of 1964, the President of the United States of America Executive Order No. 12250, the Mayor of the City of Philadelphia's Executive Order entitled, “Access to Federally Funded City Programs and Activities for Individuals with Limited English Proficiency” dated September 29, 2001, and all regulations promulgated thereunder, as the Act and regulations may be amended from time to time, which are applicable (a) to Provider, (b) to the benefits, services, activities and programs provided in connection with this Contract, (c) to the City, or the Commonwealth of Pennsylvania, and (d) to the benefits, services, activities and programs of the City or of the Commonwealth, and if any funds under this Contract are provided by the federal government, which are applicable to the federal government and its benefits, services, activities and programs. Without limiting the applicability of the preceding sentence, Provider shall comply with 45 C.F.R. 80 et. seq. and all other regulations promulgated under Title VI of the Civil Rights Act of 1964, as they may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by the City through contracts with outside contractors.

14.8 Human Experimentation. In accordance with 45 C.F.R. §46, as it may be amended from time to time, each Provider agrees to refrain from experimentation involving any physical or mental risk to human subjects without complying with all Applicable Law and obtaining the following:

(a) Prior written approval of the City and the Commonwealth Department of Public Welfare; and

(b) Prior informed and voluntary written consent of the subject; or

(c) Prior informed and voluntary written consent of the subject’s parents or legal guardians, if the subject is a minor or incompetent.

(d) Notification to each potential subject prior to his or her consent that refusal of consent will not result in the loss of any benefits to which the subject is otherwise entitled from the City or Provider.
14.9 **Drug and Alcohol Abuse.** If this Contract is funded in whole or in part by the Commonwealth Office of Drug and Alcohol Programs, Provider shall render all Services hereunder in compliance with Pennsylvania Drug and Alcohol Abuse Control Act of April 14, 1972, P.L. 221, No. 63, 71 P.S §1690, as it may be amended from time to time, all regulations promulgated thereunder, and the City’s Drug and Alcohol Abuse Treatment and Rehabilitation Plan.

14.10 **Terms and Conditions Relating to Protected Health Information (“City PHI Terms”).** The City of Philadelphia is a “Covered Entity” as defined in the Privacy Rule issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). The City’s business activities include both (1) functions which make the City a Covered Entity, and therefore, subject to HIPAA, and (2) functions that are not subject to HIPAA. In accordance with 45 CFR §164.105(a)(2)(iii)(D), the City has designated certain departments and units of the City as health care components that must comply with the HIPAA Rules (defined below). These health care components are referred to collectively as “Covered Components” in these Terms and Conditions Relating to Protected Health Information (“City PHI Terms”). These City PHI Terms shall apply to any Provider that, with respect to the Contract, falls within the definition of a “Business Associate” in 45 CFR §160.103, including but not limited to any Provider who pursuant to the Contract: (1) creates, receives, maintains, or transmits Protected Health Information (as defined below) on behalf of a Covered Component (whether or not the City department or unit through which the City entered into the Contract is a Covered Component) for a function or activity described in paragraph (1)(i) of the definition of a Business Associate in 45 CFR §160.103; (2) provides to or for a Covered Component a service described in paragraph (1)(ii) of the definition of a Business Associate in 45 CFR §160.103, which may involve the disclosure of Protected Health Information from the City (or from another Business Associate of the City) to the Provider or someone acting for or on behalf of the Provider; (3) provides data transmission services that require access on a routine basis to Protected Health Information; or (4) offers a personal health record to one or more individuals on behalf of a Covered Component. The Covered Components within the Philadelphia Department of Public Health as of August 7, 2013 include:

- Ambulatory Health Services;
- Philadelphia Nursing Home; and
- Philadelphia Public Health Laboratory

Capitalized terms used in these City PHI Terms but not defined in the Contract shall have the same meaning as those terms are given in the HIPAA Rules (as defined below). Any reference to a statute or regulation in these City PHI Terms shall refer to the statute or regulation referenced, as may be amended or superseded from time to time.

(a) **Definitions.**

For purposes of these City PHI Terms and notwithstanding anything in the Contract to the contrary, the terms enumerated in this Section (a) shall be defined as follows:
(1) **Agent.** “Agent” shall mean an agent of Provider as determined in accordance with the federal common law of agency.

(2) **Breach.** “Breach” shall have the same meaning as the term “breach” in 45 CFR §164.402.

(3) **Breach Notification Rule.** “Breach Notification Rule” shall mean the Final Rule requiring notification of Breaches of Unsecured Protected Health Information set forth at 45 CFR §§164.400 through 164.414.

(4) **Business Associate.** “Business Associate” shall have the same meaning as the term “business associate” in 45 CFR §160.103.

(5) **City PHI Terms.** “City PHI Terms” shall mean the Terms and Conditions Relating to Protected Health Information set forth in these General Provisions.

(6) **Covered Component.** “Covered Component” shall mean a health care component designated by the City in accordance with 45 CFR §164.105(a)(2)(iii)(D).

(7) **Covered Entity.** “Covered Entity” shall have the same meaning as the term “covered entity” in 45 CFR §160.103.

(8) **Discovery of an Incident.** Consistent with 45 CFR §164.410 (a)(2), “Discovery of an Incident” shall mean that Provider, or an employee, officer, or other Agent of Provider, knows of an Incident or by the exercise of reasonable diligence should have known of an Incident.

(9) **Electronic Protected Health Information.** “Electronic Protected Health Information” (sometimes referred to as “EPHI”) shall have the same meaning as the term “electronic protected health information” in 45 CFR §160.103, limited to information received from the City (or from another Business Associate of the City) or information accessed, created, received, maintained, retained, modified, transmitted, destroyed, or otherwise held, used, or disclosed by Provider (or a Subcontractor or Agent) for or on behalf of the City pursuant to the Contract.

(10) **HIPAA.** “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996, Public Law No. 104-191, 104th Congress.


(12) **HITECH Act.** “HITECH Act” shall mean the Health Information Technology for Economic and Clinical Health Act, Public Law No. 111-05, 111th Congress (2009).
(13) **Incident.** “Incident” shall mean (a) any Security Incident that results in the unauthorized access, use, disclosure, modification, or destruction of EPHI or interference with system operations in an information system of Provider or of an Agent or Subcontractor, (b) any use or disclosure of Protected Health Information not authorized by the Contract, or (c) any Breach of Unsecured Protected Health Information.

(14) **Individual.** As defined in 45 CFR §160.103, “Individual” shall mean the person who is the subject of Protected Health Information and for purposes of Section (c)(7) through Section (c)(10) of these City PHI Terms shall include a person who qualifies as a personal representative in accordance with 45 CFR §164.502(g).

(15) **Other Privacy Laws.** The Pennsylvania Mental Health Procedures Act (50 P.S. §7111 et seq.), Pennsylvania Mental Health Treatment Regulations (55 Pa. Code §5100.31 et seq.), Pennsylvania Confidentiality of HIV-Related Information Act (35 P.S. §7601 et seq.), federal substance abuse treatment confidentiality law and regulations codified as 42 USC 290dd-2 and 42 CFR Part 2, Pennsylvania Drug and Alcohol Abuse Control Act (71 P. S. §1690.101 et seq.), Pennsylvania Breach of Personal Information Notification Act (73 P. S. §2301 et seq.), Identity Theft Prevention Rules under 16 CFR §681.1, and any other Pennsylvania and federal laws that protect the privacy, confidentiality, integrity, and security of individually identifiable health information shall collectively be referred to in these City PHI Terms as "Other Privacy Laws."

(16) **Privacy Rule.** "Privacy Rule" shall mean Subparts A and E of Part 164 of Title 45 of the Code of Federal Regulations.

(17) **Protected Health Information.** "Protected Health Information" (sometimes referred to as “PHI”) shall have the same meaning as the term "protected health information" in 45 CFR §160.103, limited to information received from the City (or from another Business Associate of the City) or information accessed, created, received, maintained, retained, modified, transmitted, destroyed, or otherwise held, used or disclosed by Provider (or a Subcontractor or Agent) for or on behalf of the City pursuant to the Contract.

(18) **Required By Law.** "Required By Law" shall have the same meaning as the term "required by law" in 45 CFR §164.103.

(19) **Responsible Official.** “Responsible Official” shall mean the person identified as the Responsible Official in the General Provisions attached to the Provider Agreement.

(20) **Secretary.** "Secretary" shall mean the Secretary of the U. S. Department of Health and Human Services or the Secretary’s designee.
(21) **Security Incident.** As defined in 45 CFR §164.304, “Security Incident” shall mean the attempted or successful unauthorized access, use, disclosure, or destruction of information or interference with system operations in an information system.

(22) **Security Rule.** “Security Rule” shall mean Subparts A and C of Part 164 of Title 45 of the Code of Federal Regulations.

(23) **Subcontractor.** Notwithstanding anything to the contrary in the Contract, the term “Subcontractor” when used in these City PHI Terms shall mean a Person who under a contract or other arrangement with Provider performs or assists in the performance of some part of the Services or Materials or any other function or activity involving the use or disclosure of or access to Protected Health Information.

(24) **Unsecured Protected Health Information.** “Unsecured Protected Health Information” shall have the same meaning as the term “unsecured protected health information” in 45 CFR §164.402, limited to information received from the City (or from another Business Associate of the City) or accessed, created, received, maintained, retained, modified, transmitted, destroyed, or otherwise held, used or disclosed by Provider (or a Subcontractor or Agent) for or on behalf of the City pursuant to the Contract.

(b) **Obligations and Activities of Provider.**

(1) Provider shall not use, disclose, or maintain Protected Health Information other than as expressly authorized or required by the Contract or as Required By Law.

(2) Provider shall use appropriate safeguards to prevent the use or disclosure of Protected Health Information other than as provided for by the Contract and, with respect to Electronic Protected Health Information, shall comply with all the requirements of Subpart C of Part 164 of Title 45 of the Code of Federal Regulations that apply to Business Associates. Provider understands and agrees that failure to comply with these requirements may result in civil or criminal penalties pursuant to §§13401(b) and 13404 of the HITECH Act.

(3) To the extent Provider is to carry out one or more of the City’s obligations under the Privacy Rule, Provider shall comply with the requirements of the Privacy Rule that apply to the City in the performance of such obligation(s).

(4) Without unreasonable delay after Provider becomes aware of an Incident, or within the time prescribed by Applicable Law, whichever is shorter, (i) Provider shall mitigate, to the extent practicable, any harmful effect of any Incident or any use or disclosure of Protected Health Information by Provider (or a Subcontractor or Agent) in violation of the Privacy Rule or these City PHI Terms and (ii) shall use all reasonable steps to cure any Event of Default arising out of these City PHI Terms. Provider’s obligation under this paragraph shall not
relieve Provider of its obligation to cure an Event of Default to the extent otherwise required by the Contract or Applicable Law.

(5) In accordance with 45 CFR §164.502(e)(1)(ii) and 45 CFR §164.308(b)(2), if applicable, Provider shall ensure that any Subcontractors that create, receive, maintain, or transmit Protected Health Information, in any format, on behalf of Provider agree to the same restrictions, conditions, and requirements that apply to Provider with respect to such information and shall ensure that any such Subcontractors enter into a business associate agreement or other arrangement that complies with the applicable requirements of 45 CFR §164.504(e) and 45 CFR§164.314(a).

(6) Provider shall make its internal practices, books, and records relating to the use and disclosure of Protected Health Information available to the City and to the Secretary, in a time and manner designated by the head of the Covered Component for which Services are being rendered pursuant to the Contract, the City’s HIPAA Privacy Officer, or the Secretary, for purposes of determining the City’s compliance with the Privacy Rule and Security Rule. Provider shall notify the head of the Covered Component for which Services are being rendered pursuant to the Contract and the City’s HIPAA Privacy Officer in writing, as set forth in Section (d)(2) of these City PHI Terms, of any request from the Secretary for Provider’s internal practices, books, and records within five (5) business days after receipt of such request and, at the same time or before it provides any information to the Secretary, shall provide the City’s Privacy Officer with a copy of such information.

(7) Individual’s Request for Access to PHI. Provider shall, following an Individual’s or the City’s written request from time to time, make available to the City or, at the City’s direction, to an Individual, Protected Health Information in a Designated Record Set (as that term is defined in 45 CFR §164.510) in a time and manner that enables the City to meet its obligations under 45 CFR §164.524. Upon the City’s written request, Provider shall provide to the HIPAA Privacy Officer of the Covered Component for which Services are being rendered pursuant to the Contract documentation of the Designated Record Sets that are subject to access by Individuals and the titles of and contact information for the persons or offices of Provider responsible for receiving and processing requests for access to PHI by Individuals.

(8) Individual’s Request for Amendment of PHI. As requested by the City or an Individual in writing from time to time and in the time and manner specified by the City, Provider shall (i) make any amendments to Protected Health Information in a Designated Record Set (as that term is defined in 45 CFR §164.510) as the City is required to make in accordance with 45 CFR §164.526 and (ii) make reasonable efforts to inform and provide the amendments to others who Provider knows have the Protected Health Information that is the subject of the amendment, and that may have relied, or could foreseeably rely, on the information to the detriment of the Individual. Upon the City’s written request, Provider shall provide to the HIPAA Privacy Officer of the Covered Component for which Services are being rendered pursuant to the Contract the titles and contact information of the persons or offices of Provider responsible for receiving and processing requests for amendments of PHI and retaining the documentation required by 45 CFR §164.530(j).
(9) **Documentation of Disclosures.** Provider shall identify and document, and require any Subcontractors and Agents to identify and document, such disclosures of Protected Health Information and information related to disclosures as necessary to enable the City to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR §164.528.

(10) **Individual’s Request for Accounting of Disclosures.** If an Individual requests Provider to provide the Individual with an accounting of disclosures, Provider shall provide to the Individual within fifty (50) days of such request an accounting of disclosures of Protected Health Information in such form and manner that enables the City to fulfill its obligations to respond to a request by an Individual for an accounting of disclosures in accordance with 45 CFR §164.528. If the City requests Provider to provide an accounting of disclosures for an Individual, Provider shall provide to the City or, at the City’s direction, to the Individual, in a time that will enable the City to meet its obligations under the Privacy Rule, but no later than thirty (30) days after requested by the City to do so, information collected in accordance with Section (b)(9) of these City PHI Terms, in such form and manner that enables the City to fulfill its obligations to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 CFR §164.528.

(11) **Minimum Necessary Standard.** Except as otherwise expressly authorized in the Contract, Provider shall use, disclose or request only the minimum Protected Health Information necessary to accomplish the intended purpose of the use, disclosure, or request in accordance with 45 CFR §164.502(b) and shall provide access to such information only to those employees who have a need to know the information to carry out the intended purpose.

(c) **Permitted Uses and Disclosures by Provider.**

(1) **Uses and Disclosures Authorized by the Contract.** The City authorizes Provider to create, use, receive, and disclose the minimum Protected Health Information necessary to perform the Services and provide the Materials required by the Contract.

(2) **Creation of De-Identified Information, Limited Data Set and Provision of Data Aggregation Services.** As requested by and subject to such limitations as may be imposed by the City in writing from time to time, Provider may use PHI to create information that is not individually identifiable health information in accordance with the specifications in 45 CFR §164.514(b), to create a limited data set that meets the specifications in 45 CFR §164.514(e)(2), or to provide data aggregation services as permitted in 45 CFR §164.504(e)(2)(i)(B).

(3) **Duty to Comply with the Privacy Rule and Other Privacy Laws.** Provider may not use, disclose, or request Protected Health Information in a manner that would violate the Privacy Rule or Other Privacy Laws if done by the City except that Provider may provide data aggregation services to the extent permitted under Section (c)(2) of these City PHI Terms.
(d) Reporting Obligations.

(1) Notice of Unauthorized Use or Disclosure of PHI, Security Incident, or Breach of Unsecured Protected Health Information.

.(a) Without unreasonable delay, and in no event later than five (5) business days after Provider becomes aware of an Incident, Provider shall give notice of such Incident to the head of each Covered Component for which Services are being rendered pursuant to the Contract and the HIPAA Privacy Officer of each Covered Component for which Services are being rendered pursuant to the Contract. Such notice shall be in writing, shall be given as set forth in Section (d)(2) of these City PHI Terms, and shall include a) a description of what happened, including the date of the Incident, the date of Discovery of the Incident, and how Provider learned of the Incident; b) the nature and extent of the Protected Health Information involved, including but not limited to the types of Protected Health Information (demographic, financial, or clinical), the types of identifiers (such as name, account number, or social security number) and any other information that could be used to identify an Individual or reveal a sensitive health condition; c) if applicable, steps Individuals should take to protect themselves from potential harm resulting from the Incident; d) a description of what Provider is doing to investigate the Incident, to mitigate harmful effects of the Incident, to lessen and assess the risk that the PHI has been compromised, and to protect against any further Incidents; e) the name, title, and address of the unauthorized person who used the Protected Health Information or to whom the disclosure was made; f) whether the Protected Health Information was actually acquired or viewed; g) contact procedures and information to enable the City to ask questions or learn additional information relating to the Incident; h) whether the Incident involved Unsecured Protected Health Information and, if not, Provider’s basis for this conclusion; i) the approximate number of Individuals affected by the Incident (if number is not known, state whether number may involve more than 500 Individuals); j) the extent to which the risk to the Protected Health Information has been mitigated, and k) such other information relating to the Incident as Provider deems relevant to the City’s review of the Incident. Provider shall not include any Protected Health Information in such notice.

.(b) Without unreasonable delay after providing notice of an Incident pursuant to Section (d)(1)(a) of these City PHI Terms, and in no event later than fifteen (15) calendar days after becoming aware of such Incident, Provider shall provide in writing to the head and the HIPAA Privacy Officer of each Covered Component for which Services are being rendered pursuant to the Contract: a) Provider’s conclusion as to whether the Incident falls within an exception to the duty of a Covered Entity to report the Incident under the Breach Notification Rule, if applicable, and, if so, Provider’s basis for this conclusion; b) Provider’s conclusion as to whether there is low probability that the privacy or security of the applicable Protected Health Information has been compromised and Provider’s basis for this conclusion; and c) such other information as the City may request or Provider deems relevant to the City’s review of the Incident. Provider shall provide to the head and the HIPAA Privacy Officer of each Covered Component for which Services are being rendered pursuant to the Contract updates to the written notices or reports required under Section (d)(1) of these City PHI Terms, which
updates shall be provided without unreasonable delay from time to time as Provider becomes aware of any information that Provider is required to report to the City under Section (d)(1) of these City PHI Terms or that the City is required to include in any notification to Individuals or the Secretary under Applicable Law.

(.c) Upon the City’s written request from time to time, Provider shall provide to the City’s HIPAA Privacy Officer, without unreasonable delay and in no event later than fourteen (14) calendar days after the City makes each such request, the name and contact information of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Provider to have been, accessed, acquired, used, or disclosed during the Incident, and if relevant to the Incident or the duty of the City to notify someone other than the Individual, the Individual’s date of birth.

(.d) Upon the City’s written request from time to time, Provider shall provide to the City’s HIPAA Privacy Officer, without unreasonable delay and in no event later than seven (7) business days after receiving such request, a written report that a) identifies patterns of activity that constitute Unsuccessful Security Incidents within the timeframe specified in the request, and b) states whether Provider believes its current defensive security measures are adequate to address such Unsuccessful Security Incidents and, if the security measures are not adequate, the specific measures Provider will implement to address the inadequacies and the date when each such measure will be implemented. To the extent such patterns of activity are tracked by Provider, Provider shall include in the report all patterns of activity that the City determines, in its sole discretion, are necessary to enable the City to assess the risk posed by the Unsuccessful Security Incidents within the specified timeframe and shall notify the City’s HIPAA Privacy Officer when a measure that Provider agrees to implement to address an inadequacy is fully implemented and operational. For purposes of this paragraph, an “Unsuccessful Security Incident” shall mean the attempted unauthorized access, use, disclosure, modification, or destruction of information or interference with Provider’s system operations used in connection with the Services, including (to the extent that Provider is aware) the attempted unauthorized access, use, disclosure, modification, or destruction of information or interference with any Agent’s or Subcontractor’s system operations used in connection with the Services.

(2) Notices. Notwithstanding anything to the contrary in the Contract, any notification given pursuant to these City PHI Terms shall be in a writing delivered by fax and by overnight delivery service. In each case, such notices shall be sent to the address and fax number of the head of the applicable Covered Component(s), the HIPAA Privacy Officer of the applicable Covered Component(s), and the City’s HIPAA Privacy Officer, as applicable, as set forth in this Section (d)(2) or to such other address and fax number for such individuals as the Responsible Official or the City’s HIPAA Privacy Officer may specify in a notice sent to Provider in accordance with the Contract. If Services are being rendered to more than one Covered Component pursuant to the Contract or if a notice sent pursuant to these City PHI Terms is returned to Provider as undeliverable, a notice required to be given to the head or HIPAA Privacy Officer of a Covered Component pursuant to these City PHI Terms shall also be given to the Responsible Official and the City’s HIPAA Privacy Officer.
The address and fax number of the head and HIPAA Privacy Officer of each Covered Component that is part of the Philadelphia Department of Public Health are as follows:

**Ambulatory Health Services**
Attn: Director
Philadelphia Department of Public Health
Division of Clinical Services
500 South Broad Street – 3rd Floor
Philadelphia, PA 19146
Fax Number: (215) 685-6732

**Ambulatory Health Services**
Attn: HIPAA Privacy Officer
Philadelphia Department of Public Health
Director’s Office
500 South Broad Street – 3rd Floor
Philadelphia, PA 19146
Fax Number: (215) 685-6732

**Philadelphia Nursing Home**
c/o: Deputy Commissioner of Health
Philadelphia Department of Public Health
1401 J. F. Kennedy Blvd – Room 600
Philadelphia, PA 19102
Fax Number: (215) 686-5209

**Philadelphia Nursing Home**
Attn: HIPAA Privacy Officer
Philadelphia Department of Public Health
1401 J. F. Kennedy Blvd – Room 600
Philadelphia, PA 19102
Fax Number: (215) 685-5209

**Philadelphia Public Health Laboratory**
Attn: Laboratory Operations Director
Philadelphia Department of Public Health
500 S. Broad Street, 3rd Floor
Philadelphia, PA 19146
Fax Number: 215-545-7297

**Philadelphia Public Health Laboratory**
Attn: HIPAA Privacy Officer/Operations Director
Philadelphia Department of Public Health
500 S. Broad Street, 3rd Floor
Philadelphia, PA 19146
Fax Number: 215-545-7297

The address and fax number of the City’s HIPAA Privacy Officer are as follows:

City of Philadelphia Law Department
Attn: HIPAA Privacy Officer
1515 Arch Street, 17th Floor
Philadelphia, PA 19102
Fax Number: (215) 683-5069

(3) Cooperation with the City. Provider shall cooperate with the City in investigating any Incident and in meeting the City’s obligations under HIPAA, the HITECH Act, the HIPAA Rules, and the Other Privacy Laws. If the City determines that a Breach of Unsecured Protected Health Information must be reported to the U. S. Department of Health and Human Services (“HHS”), the City (and not Provider) shall report the Breach to HHS. As may be requested by the City from time to time after a Breach, Provider shall provide to the City full and timely assistance in compiling and producing the information and documentation needed for the submission to HHS and notification to Individuals affected by the Breach, including but not limited to preparing and submitting to the City’s HIPAA Privacy Officer for approval the notification letters to Individuals affected by the Breach, delivering to the City an addressed envelope for each Individual to receive the notification, translating letters to foreign languages,
Braille, or large text as necessary to comply with the City’s obligations under Applicable Law, and providing the postage to cover the cost of mailing the notifications.

(4) Responsibility for Costs - Breach of Unsecured Protected Health Information. To the extent an Incident occurs involving Unsecured Protected Health Information under the custody or control of Provider or a Subcontractor or Agent, then, in addition to any other obligation of Provider under the Contract and notwithstanding any other provision in the Contract to the contrary, Provider will indemnify the City for (i) all costs and expenses the City incurs to investigate an Incident and, if the City determines that a Breach has or may have occurred, to comply with the notification and mitigation requirements of 45 CFR §§164.404, 164.406, 164.408, and 164.414, and (ii) any fees, fines, penalties, costs, expenses, and other liabilities assessed or imposed on the City as a result of the Incident. Nothing contained in this Section (d)(4) shall be deemed to limit, waive, or in any way modify Provider's obligations to the City under any provision of the Contract outside of this Section (d)(4). Nothing contained or waived in any provision of the Contract outside of this Section (d)(4) shall be deemed to limit, waive, or in any way modify Provider’s obligations to the City under this Section (d)(4).

(5) Responsibility for Costs - Pennsylvania Breach of Personal Information Notification Act. In addition to any other obligation of Provider under the Contract and notwithstanding any other provision in the Contract to the contrary, in the event the City or any agency or administrative or judicial body determines that a “Breach of Personal Information” (as that term is defined in the Pennsylvania Breach of Personal Information Notification Act, 73 P. S. §2301 (2005)) has occurred, Provider will indemnify the City for any fees, fines, penalties, costs, expenses, and other liabilities incurred by the City or assessed or imposed on the City as a result of such Breach of Personal Information to the extent the Breach of Personal Information involves Personal Information (as that term is defined in the Pennsylvania Breach of Personal Information Notification Act) under the custody or control of Provider or a Subcontractor or Agent. Nothing contained in this Section (d)(5) shall be deemed to limit, waive, or in any way modify Provider's obligations to the City under any provision of the Contract outside of this Section (d)(5). Nothing contained or waived in any provision of the Contract outside of this Section (d)(5) shall be deemed to limit, waive, or in any way modify Provider’s obligations to the City under this Section (d)(5).

(e) Obligations of City to Inform Provider of Privacy Practices and Restrictions.

(1) The City shall notify Provider of any limitation(s) in a City’s notice of privacy practices in accordance with 45 CFR §164.520, to the extent that such limitation may affect Provider's use or disclosure of Protected Health Information.

(2) The City shall notify Provider of any changes in, or revocation of, permission by an Individual to use or disclose Protected Health Information, to the extent that such changes may affect Provider's use or disclosure of Protected Health Information.
(3) The City shall notify Provider of any restriction on the use or disclosure of Protected Health Information that has been requested by an Individual and agreed to by the City in accordance with 45 CFR §164.522, to the extent that such restriction may affect Provider’s use or disclosure of Protected Health Information.

(f) **Termination.**

(1) **Termination for Cause.** In addition to and without limiting any other termination rights or remedies of the City provided for in the Contract, the City shall have the right to terminate the Contract immediately if (i) upon becoming aware of an Event of Default arising out of these City PHI Terms, the City determines in its sole discretion that such Event of Default constitutes a material breach of these City PHI Terms and (ii) Provider fails to cure the Event of Default within ten (10) days after the City notifies Provider of the Event of Default.

(2) **Effect of Termination.** At termination of the Contract for any reason, unless Provider is mandated by Applicable Law to retain the Protected Health Information or unless the City directs Provider, or agrees in writing to allow Provider, to retain the Protected Health Information after the Contract terminates, Provider shall return all Protected Health Information to the Responsible Official or, if directed by the Responsible Official in writing to do so, shall destroy all Protected Health Information that Provider still maintains or otherwise holds in any form, and Provider shall retain no copies of such information in any electronic, paper, or other form, format, or medium. To the extent Provider is mandated by Applicable Law or directed or authorized by the City to retain any Protected Health Information after the termination of the Contract, Provider agrees to extend the protections of these City PHI Terms to the information and limit further uses and disclosures strictly to those purposes that are mandated by Applicable Law or that are expressly authorized by the City in writing. At such time as Provider is no longer mandated by Applicable Law or directed or authorized by the City to retain the Protected Health Information, Provider shall return to the Responsible Official or, if directed by the Responsible Official in writing to do so, shall destroy all Protected Health Information retained by Provider, and Provider shall retain no copies of such information in any electronic, paper, or other form, format, or medium. If Provider destroys any Protected Health Information, Provider agrees to use a technology or methodology that renders the Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals in accordance with the most recent guidance issued by the Secretary pursuant to the HITECH Act. The above notwithstanding, to the extent Provider, during the term of the Contract, maintains or otherwise holds any Protected Health Information for or on behalf of the City that the City has a legal obligation to retain under any local, state or federal records retention laws, Provider shall retain such Protected Health Information that is not returned to the City for the time period and in accordance with such retention laws.

The foregoing paragraph shall apply to Protected Health Information in the possession of Subcontractors or Agents, shall be enforced by Provider with respect to such Subcontractors and Agents, and shall be incorporated in any Subcontract or other agreement between Provider and such Subcontractors or Agents for the performance of the Services or provision of the Materials.
(g) **Miscellaneous.**

(1) **Privacy Law Modifications Notice.** Notwithstanding anything to the contrary in the Contract, the Provider and the City agree that these City PHI Terms shall be deemed automatically modified as the City in its sole judgment deems necessary from time to time to insure continued compliance with the requirements of HIPAA, the HITECH Act, the HIPAA Rules, and Other Privacy Laws, and all regulations implemented pursuant thereto, such modification to be effective upon the City posting the modified Terms and Conditions Relating to Protected Health Information (referred to as “City PHI Terms”) on the City’s website (at https://secure.phila.gov/eContract/ under the “About” link).

(2) **Survival.** In addition to and without limiting the survival of any other rights, obligations, or liabilities provided for in the Contract, the respective rights and obligations of Provider under Sections (d) and (f)(2) of these City PHI Terms shall survive the termination of the Contract.

(3) **Interpretation.** Any ambiguity in these City PHI Terms shall be resolved to permit the City and require Provider to comply with HIPAA, the HITECH Act, the HIPAA Rules, and Other Privacy Laws.

14.11 **Non-Lobbying Certification.** No federally appropriated funds have been paid, by or on behalf of Provider, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Contract, Provider shall complete and submit Standard Form LLL, “Disclosure of Lobbying Activities,” in accordance with its instructions.

If this Contract or any Subcontract is funded with federal funds, Provider shall require that this language be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients and Subcontractors shall certify and disclose accordingly.

Provider understands that this is a material representation of fact upon which reliance was placed when this Contract was entered into. Submission of this certification is a prerequisite for making or entering into this Contract imposed under Section 1352, Title 31, U.S. Code, and Provider agrees that the execution of this Contract shall constitute the requisite submission.
14.12 **Business, Corporate and Slavery Era Insurance Disclosure.**

(a) In accordance with Section 17-104 of the Code, the Provider, after execution of this Agreement, will complete an affidavit certifying and representing that the Provider (including any parent company, subsidiary, exclusive distributor or company affiliated with Provider) has searched any and all records of the Provider or any predecessor company regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era. The names of any slaves or slaveholders described in those records must be disclosed in the affidavit.

(b) The Provider expressly understands and agrees that any false certification or representation in connection with this Paragraph and/or any failure to comply with the provisions of this Paragraph shall constitute a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available in law (including, but not limited to, Section 17-104 of the Code) or equity and the contract will be deemed voidable. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A. Section 4904.


(a) Provider is a “Service Contractor” in that by virtue of entering into this Contract, Provider has entered into a “Service Contract,” as those terms are defined in Chapter 17-1300 of the Code. Any Subcontract between Provider and a Subcontractor to perform Services under this Contract is a “Service Contract” and such Subcontractors are also “Service Contractors” for purposes of Chapter 17-1300 as are any subcontract and subcontractor at any tier providing Services under this Contract. (Chapter 17-1300 is accessible at [http://www.amlegal.com/library/pa/philadelphia.shtml](http://www.amlegal.com/library/pa/philadelphia.shtml).) If such Service Contractor (Provider or any subcontractor at any tier) is also an “Employer,” as that term is defined in Section 17-1302 (more than 5 employees), and further described in Section 17-1303 of the Code, then absent a waiver, during the Initial Term and any Additional Term, in addition to any applicable state and federal requirements, Provider shall provide, and shall enter into Subcontracts and otherwise cause any subcontractors at any tier that are also Service Contractors to provide, their respective covered Employees (persons who perform work for a covered Employer that arises directly out of a Service Contract), with at least the minimum wage standard and minimum benefits standard, and required notice thereof, stated in federal and state law and in Chapter 17-1300 of the Code. A summary of the current requirements is as follows:

1. **Minimum Wage.**

   (a) for the period through December 31, 2014, provide covered Employees with an hourly wage, excluding benefits, that is no less than $10.88/hour;

   (b) as of January 1, 2015, provide their covered Employees with an hourly wage, excluding benefits, that is no less than $12/hour;
(c) commencing as of January 1, 2016, for wages to be provided on and after January 1 of each year during which the Initial Term and any Additional Term is in effect, provide their covered Employees with an hourly wage, excluding benefits, that is no less than the result of multiplying $12 by the then current CPI Multiplier as annually adjusted. For purposes of determining the minimum hourly wage required, the CPI Multiplier is calculated annually by the City’s Director of Finance by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) as of each January 1 by the CPI-U most recently published as of January 1, 2015. The then current minimum hourly wage applicable to City contractors and sub contractors will be posted on the City’s web site.

(2) Minimum Benefits.

(.a) to the extent an Employer provides health benefits to any of its employees, provide each full-time, non-temporary, non-seasonal covered Employee with health benefits at least as valuable as the least valuable health benefits that are provided to any other full-time employees of the Employer; and

(.b) provide to each full-time, non-temporary, non-seasonal covered Employee at least the minimum number of earned sick leave days required by Code Section 17-1305(2).

(3) Generally. Notwithstanding the above requirements, to the extent a change in law would require an increase in wages or benefits under Chapter 17-1300 (for example, an increase in the federal minimum wage to $9.00/hour, which would increase the required City minimum wage to $13.50 due to the Chapter’s requirement of $150% of the federal minimum wage), such new requirement will take effect only at the start of an Additional Term, if any, commencing on or after the date of the new legal requirement.

(b) If covered, absent a waiver, Provider shall promptly provide to the City all documents and information as the City may require verifying its compliance, and that of all Service Contractors providing Services under the Contract, with the requirements of Chapter 17-1300. Each covered Service Contractor shall notify each affected Employee what wages and benefits are required to be paid pursuant to Chapter 17-1300.

(c) Absent a waiver, a Provider subject to Chapter 17-1300 shall comply with all of its requirements as they exist on the date when the Provider entered into this Contract with the City or into an amendment thereto. Provider shall take such steps as are necessary to notify its Subcontractors of these requirements, and to cause such Subcontractors to notify lower-tier subcontractors that are Service Contractors of these requirements, including, without limitation, by incorporating this Section 14.13, with appropriate adjustments for the identity of the parties, in its Subcontracts with such Subcontractors. A Provider or subcontractor at any tier subject to Chapter 17-1300 that fails to comply with these provisions may, after notice and hearing before the Director of Finance or such other officer or agency designated by the Mayor, be suspended from receiving financial assistance from the City or from bidding on and/or participating in
future City contracts, whether as a prime contractor or a subcontractor, for up to three (3) years. City Council may also initiate a similar suspension or debarment process. Such suspension or debarment shall be in addition to any of the other sanctions or remedies set forth in Chapter 17-1300 or this Contract.

(d) Without limiting the applicability of Articles XI (Events of Default) and XII (Remedies) above, Provider’s failure to comply, or the failure of subcontractors at any tier to comply, with the requirements of Chapter 17-1300 shall constitute a substantial breach of this Contract entitling the City to all rights and remedies provided in this Contract or otherwise available at law or in equity.

(e) Provider’s covered Employees shall be deemed third-party beneficiaries of Provider’s representation, warranty, and covenant to the City under this Section 14.13 only, and the covered Employees of a subcontractor at any tier that is also a covered Employer performing Services directly or indirectly under a subcontract at any tier shall be deemed third-party beneficiaries of their Employer’s representation, warranty and covenant to Provider or such subcontractors at any tier, as the case may be, under this Section.

(f) The Office of Labor Standards may grant a partial or total waiver of Chapter 17-1300 based on specific stipulated reasons elaborated in Section 17-1304 of the Code. An overview offering guidance on the applicability of, and requirements placed on City contractors and subcontractors by Chapter 17-1300 of the Code is available on the City’s website at https://secure.phila.gov/eContract/ under the “About” link; see “Minimum Wage and Equal Benefits Ordinances Impacting Some City Contractors.”

14.14 **Chapter 17-1400 of the Philadelphia Code: Contributions and Other Mandatory Disclosures.**

(a) Provider confirms on behalf of itself and its Subcontractor(s) that no contribution(s) have been made and agrees that none shall be made during the Term of this Contract, and any Additional Term, by Provider, any Subcontractor, or any party from which a contribution can be attributed to the Provider or Subcontractor, that would render the Provider or Subcontractor, as applicable, ineligible to apply for or enter into a Non-Competitively Bid Contract under the provisions of Sections 17-1404(1) and 17-1405 of the Code; and that disclosures made as part of its application to receive a Non-Competitively Bid Contract contain no material misstatements or omissions. Breach of this covenant shall constitute an event of default and render the Contract voidable at the City’s option, and, as to contributions made by or attributable to Provider, shall make the Provider liable for liquidated damages to the City in the amount of ten percent (10%) of the maximum payments to the Provider allowed under the Contract, regardless whether actually paid. The City may exercise any or all of the remedies set forth in this Section 14.14 (Contributions and Other Mandatory Disclosures), each of which may be pursued separately or in conjunction with such other remedies as the City in its sole discretion shall determine. No extension or indulgence granted by the City to Provider shall operate as a waiver of any of the City’s rights in connection with this Contract. The rights and remedies of
the City as described in this Section 14.14, and as described elsewhere in this Contract, shall not be exclusive and are in addition to any other rights or remedies available to the City under this Contract at law or in equity.

(b) Provider shall, during the term of the Contract, any Additional Term, and for one year thereafter, disclose any contribution of money or in-kind assistance the Provider, Subcontractor or any Consultant utilized by Provider in connection with this Contract, has made, or any individual or entity has made if such contributions can be attributed to Provider, or such Subcontractor or Consultant pursuant to the attribution rules of Section 17-1405, during such time period to a candidate for nomination or election to any public office in the Commonwealth of Pennsylvania or to an individual who holds such office, or to any political committee or state party in the Commonwealth of Pennsylvania, or to any group, committee or association organized in support of any such candidate, office holder, political committee or state party, and the date and amount of such contribution.

(c) It shall not be a violation of Section 14.14(b) above if Provider fails to disclose a contribution made by a Consultant because the Provider was unable to obtain such information from the Consultant, provided the Provider demonstrates that it used reasonable efforts to attempt to obtain such information, including, at a minimum:

1. Entering into a written agreement with the Consultant for such Consultant’s services, before the filing of the application for the Contract, and before the Consultant communicated with a City department or office, official or employee on behalf of the Provider;

2. Including in such agreement a provision requiring the Consultant to provide the Provider in a timely manner with all information required to be disclosed under the provisions of Chapter 17-1400 of the Code, and providing, in effect, that the agreement will be terminated by the Provider if the Consultant fails to provide all required information on a timely basis and that no further payments, including payments owed for services performed prior to the date of termination, will be made to the Consultant by or on behalf of the Provider as of the date of such termination;

3. Communicating regularly with the Consultant concerning the Consultant’s obligations to provide timely information to permit the Provider to comply with the provisions of Chapter 17-1400; and

4. Invoking the termination provisions of the written agreement in a full and timely manner.

(d) The Provider shall, during the Term of the Contract, any Additional Term, and for one year thereafter, disclose the name and title of each City officer or employee who, during such time period, asked the Provider, any officer, director or management employee of the Provider, or any Person representing the Provider, to give money, services, or any other thing of
value (other than a Contribution as defined in Section17-1401) to any Person, and any payment of money, provision of services, or any other thing of value (other than a Contribution as defined in Section17-1401) given to any Person in response to any such request. The Provider shall also disclose the date of any such request, the amount requested, and the date and amount of any payment made in response to such request.

(e) The Provider shall during the Term, and any Additional Term, of the Contract disclose the name and title of each City officer or employee who directly or indirectly advised the Provider, any officer, director or management employee of the Provider, or any Person representing the Provider that a particular Person could be used by the Provider to satisfy any goals established in the Contract for the participation of minority, women, disabled or disadvantaged business enterprises. The Provider shall also disclose the date the advice was provided, and the name of such particular Person.

(f) The disclosures required by Sections 14.14(b), (d) and (e) shall be made utilizing the online disclosure update process through Provider’s eContract Philly account which can be accessed on the City’s website at www.phila.gov/contracts by clicking on eContract Philly. Such disclosures shall be made within five (5) business days of the action or event requiring Provider to update its disclosures. In the case of updates to political contributions made by Provider required by Section 14.14(b), the attribution rules of Section 17-1405 shall apply to determine what contributions must be disclosed under this provision as contributions of the Provider or of a Consultant. Provider is advised that any individual who submits an update on eContract Philly must be an authorized signatory of the Provider, authorized to make the required updated disclosures.

(g) Reports generated automatically by the online process for the updated disclosures required by Sections 14.14(b), (d) and (e) will be automatically forwarded to the President and Chief Clerk of Council, and to the Mayor, Director of Finance, Procurement Department, and the Department of Records.

14.15 **Executive Order 03-11: Gifts.**

(a) Pursuant to Executive Order 03-11, no official or employee in the Executive and Administrative Branch of the City shall solicit or accept, directly or indirectly, anything of value, including any gift, gratuity, favor, entertainment, invitation, food, drink or loan, unless consideration of equal or greater value is conveyed in return, from any of the following sources:

1. A person seeking to obtain business from, or who has financial relations with, the City;

2. A person whose operations or activities are regulated or inspected by any City agency;
(3) A person engaged, either as principal or attorney, in proceedings before any City agency or in court proceedings in which the City is an adverse party;

(4) A person seeking legislative or administrative action by the City; or

(5) A person whose interests may be substantially affected by the performance or nonperformance of the official’s or employee’s official duties.

(b) Provider understands and agrees that if it offers anything of value to a City official or employee under circumstances where the receipt of such item would violate the provisions of this Executive Order, Provider shall be subject to sanctions with respect to future City contracts. Such sanctions may range from disqualification from participation in a particular contract to debarment, depending on the nature of the violation.

14.16 **Chapter 17-1900 of the Philadelphia Code: Equal Benefits Ordinance.**

(a) Unless Provider is a government agency, this is a “Service Contract” as that term is defined in Section 17-1901(4) of the Code. If the Service Contract is in an amount in excess of $250,000, then pursuant to Chapter 17-1900 of the Code, Provider shall, for any of its employees who reside in the City, or any of its employees who are non-residents subject to City wage tax under Section 19-1502(1)(b) of the Code, extend the same employment benefits the Provider extends to spouses of its employees to life partners of such employees. Provider certifies that (i) it is in compliance with the requirements of Chapter 17-1900, (ii) its employees have been notified of the employment benefits available to life partners pursuant to Chapter 17-1900, and (iii) such employment benefits are currently, or will be made available within the time required by Section 17-1902(2), or that the Provider does not provide employment benefits to the spouses of married employees.

(b) Provider acknowledges and agrees that the following terms are included in this Contract:

1. Provider shall notify its employees of the employment benefits available to life partners pursuant to Chapter 17-1900 of the Code.

2. Noncompliance by the Provider with the requirements of Chapter 17-1900 of the Code shall be a material breach of this Contract.

3. Discrimination or retaliation by the Provider against any employee on account of having claimed a violation of Chapter 17-1900 shall be a material breach of this Contract.

4. In addition to any other rights and remedies available to the City pursuant to this Contract at law or in equity, a material breach of this Contract related to Chapter
17-1900 may result in the suspension or debarment of Provider from participating in City contracts for up to three (3) years.

(c) An overview offering guidance on the applicability of, and requirements placed on City contractors by Chapter 17-1900 of the Code is available on the City’s website (at https://secure.phila.gov/eContract/ under the “About” link) (see “Minimum Wage and Equal Benefits Ordinances Impacting Some City Contractors”).

ARTICLE XV: FIXED ASSETS

15.1 Title to Fixed Assets.

(a) Title to fixed assets purchased in whole or in part through this Contract shall vest in the City, subject to Provider’s use thereof during the Term of this Contract. The City may, at its sole discretion, in whole or in part, according to the percentage of contribution, and within one hundred and eighty (180) days after the expiration of the Term of this Contract:

   (1) Take possession of the fixed assets and reimburse any other funding sources according to their percentage of contribution based upon fair market value as determined by an Independent appraisal by an appraiser selected by the City;

   (2) Direct that the fixed assets be sold pursuant to an independent appraisal by an appraiser selected by the City reflecting an acceptable fair market value, with the proceeds of the sale retained by the City;

   (3) Allow retention by Provider upon proportionate payment to the City of the share contributed by the City as determined by the fair market value in accordance with an independent appraisal by an appraiser selected by the City.

(b) Provider shall maintain and administer, in accordance with sound business practice, a program for the maintenance, repair, protection, preservation, and insurance of property so as to assure its full availability and usefulness for the performance of this Contract. A control system, including insurance coverage, must be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated and fully documented by Provider.

(c) During the Term of this Contract and within one hundred and eighty (180) days after the expiration or earlier termination of the Term hereof, Provider shall not sell, lease, donate, or otherwise dispose of any fixed asset purchased with funds obtained pursuant to this Contract without prior written permission from the City.

(d) The following provisions shall apply to all property which has been furnished by the City or for which reimbursement has been made.
(1) Provider shall maintain a fixed assets ledger or equivalent document which shall be current and shall be submitted to the City in accordance with the terms and conditions of this Contract. The fixed assets ledger or equivalent document shall separately identify those assets owned by the City and those assets owned by Provider.

(2) In the event that Provider is indemnified, reimbursed or otherwise compensated for any loss, destruction or damage to assets covered by this Contract, it shall notify the City in writing and shall use the proceeds to repair, renovate or replace the property involved; and shall credit such proceeds against the cost of work covered by this Contract, or shall otherwise reimburse the City as directed by the City.

(3) Provider shall maintain an inventory listing of all fixed assets. Provider shall perform an annual physical inventory at the end of the Initial Term and the end of any Additional Term of this Contract, by sighting and verifying the inventory listings. Discrepancies shall be documented and kept on file with the invoices, inventory reports, and other papers which are subject to audit. Provider shall submit such inventory listings to the City at the end of the Initial Term and the end of any Additional Term of this Contract. Without limiting the applicability of other portions of this Contract, the City retains the right to enter the property or facilities used in connection with this Contract or Services, to make inspections of fixed assets covered by this Contract, and of the above-mentioned invoices, inventory reports and other papers.

ARTICLE XVI: MISCELLANEOUS

16.1 **Governing Law.** This Contract shall be deemed to have been made in Philadelphia, Pennsylvania. This Contract and all disputes arising under this Contract shall be governed, interpreted, construed and determined in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to principles of Pennsylvania law concerning conflicts of laws.

16.2 **Amendments; Waiver.** Except as provided in Sections 3.3, 5.7 and 14.10(g)(1) above, this Contract may not be amended, supplemented, altered, modified or waived, in whole or in part, except by a written Amendment signed by the Parties. Except to the extent that the Parties may have otherwise agreed in writing in an Amendment, no waiver, whether express or implied, by either Party of any provision of this Contract shall be deemed: (a) to be a waiver by that Party of any other provision in this Contract; or (b) to be a waiver by that Party of any breach by the other Party of its obligations under this Contract. Any forbearance by a Party in seeking a remedy for any noncompliance or breach by the other Party shall not be deemed to be a waiver of rights and remedies with respect to such noncompliance or breach.

16.3 **Integration.** The Contract Documents forming this Contract, including the Provider Agreement and the General Provisions and the exhibits incorporated by reference therein, contain all the terms and conditions agreed upon by the Parties, constitute the entire agreement among the Parties pertaining to the subject matter hereof, and supersede all prior agreements,
understandings, negotiations and discussions, whether oral or written, of the Parties (except to
the extent specifically set forth herein). No other prior or contemporaneous agreements,
covenants, representations or warranties, oral or otherwise, regarding the subject matter of this
Contract shall be deemed to exist or to bind any Party or to vary any of the terms contained in
this Contract.

16.4 No Joint Venture. The Parties do not intend to create, and nothing contained in this
Contract shall be construed as creating, a joint venture arrangement or partnership between the
City and Provider with respect to the Services or the Materials.

16.5 No Third Party Beneficiaries. With the exception of the remedy provided to Third
party beneficiaries by Section 14.13(e), nothing in this Contract, express or implied, is intended
or shall be construed to confer upon or give to any Person, other than the Parties, any rights,
remedies, or other benefits, including but not limited to third-party beneficiary rights, under or by
reason of this Contract. This Contract shall not provide any third party with any remedy, claim,
liability, reimbursement, cause of action or other right other than any such remedy, claim, etc.
existing without reference to the term of or the existence of this Contract.

16.6 Counterparts. This Contract may be executed in one or more counterparts, each of
which shall be deemed an original, but all of which, taken together, shall constitute one and the
same instrument.

16.7 Severability and Partial Invalidity. The provisions of this Contract shall be
severable. If any provision of this Contract or the application thereof for any reason or in any
circumstance shall to any extent be held to be invalid or unenforceable, the remaining provisions
of this Contract and the application of such provision to Persons, or circumstances, other than
those as to which it is held invalid or unenforceable, shall not be affected thereby, and each
provision of this Contract shall be valid and enforceable to the fullest extent permitted by law.

16.8 Survival. Any and all provisions set forth in this Contract which, by its or their
nature, would reasonably be expected to be performed after the termination of this Contract shall
survive and be enforceable after such termination. Any and all liabilities, actual or contingent,
which shall have arisen in connection with this Contract shall survive the expiration or earlier
termination of this Contract, along with the following: Provider’s representations, warranties and
covenants set forth in Article IV (Provider’s Representations, Warranties and Covenants) above;
Provider’s obligation to indemnify, defend and hold harmless the City, its officers, employees
and agents as set forth in Section 8.2 (Indemnification) above; and the Parties’ rights and
obligations set forth in Article X (Ownership of Materials; Proprietary Information; Confidentiality)
above.

16.9 Determination of Disputes. Any dispute arising between the City and Provider
under or with respect to either Party’s covenants, obligations, powers, rights or duties under this
Contract shall be submitted to and decided by the Commissioner or his or her designee. The
Commissioner or his or her designee shall render and reduce to writing his or her decision, and
furnish a copy to Provider by notice under this Contract. In connection with any dispute under this Contract, the Commissioner shall offer Provider an opportunity to offer evidence in support of its position concerning the subject matter of the dispute. This Section shall not be construed to limit the benefit to the City of Articles XI (Events of Default) or XII (Remedies) above.

16.10 **Interpretation; Order of Precedence.** In the event of a conflict or inconsistency between the terms of these General Provisions and the terms of the Provider Agreement, the terms of these General Provisions shall control, except to the extent (if any) that the Provider Agreement contains an express change, by specific reference, to the General Provisions.

16.11 **Headings.** The titles, captions or headings of Articles, Sections and Exhibits or schedules in this Contract are inserted for convenience of reference only; do not in any way define, limit, describe or amplify the provisions of this Contract or the scope or intent of the provisions, and are not a part of this Contract.

16.12 **Statutory and Other Citations.** All statutory or other citations of law referenced in the Contract shall refer to the statute referenced, as it may be amended or superseded from time to time.

16.13 **Days.** Any references to a number of days in this Contract shall mean calendar days unless this Contract specifies business days.

16.14 **Forum Selection Clause; Consent to Jurisdiction.** The Parties irrevocably consent and agree that any lawsuit, action, claim, or legal proceeding involving, directly or indirectly, any matter arising out of or related to this Contract, or the relationship created or evidenced thereby, shall be brought exclusively in the United States District Court for the Eastern District of Pennsylvania or the Court of Common Pleas of Philadelphia County. It is the express intent of the Parties that jurisdiction over any lawsuit, action, claim, or legal proceeding shall lie exclusively in either of these two (2) forums. The Parties further irrevocably consent and agree not to raise any objection to any lawsuit, action, claim, or legal proceeding which is brought in either of these two (2) forums on grounds of venue or forum non conveniens, and the Parties expressly consent to the jurisdiction and venue of these two (2) forums. The Parties further agree that service of original process in any such lawsuit, action, claim, or legal proceeding may be duly effected by mailing a copy thereof, by certified mail, postage prepaid to the addresses specified in Section 5.1 (Notice) of the Provider Agreement.

16.15 **Waiver of Jury Trial.** Provider hereby waives trial by jury in any legal proceeding in which the City is a party and which involves, directly or indirectly, any matter (whether sounding in tort, contract or otherwise) in any way arising out of or related to this Contract or the relationship created or evidenced hereby. This provision is a material consideration upon which the City relied in entering into this Contract.
16.16 **Notices.** All notices, demands, requests, waivers, consents, approvals or other communications which are required or may be given under this Contract shall be in writing and shall be deemed to have been duly made (a) when received or refused if delivered by hand with receipt given or refused; (b) on the next business day if delivered by a nationally recognized overnight courier service (*e.g.*, Federal Express or United Parcel Service); (c) on the date confirmed for receipt by facsimile if delivered by facsimile; and (d) upon receipt or refusal of delivery if sent by certified or registered United States mail, return receipt requested. In each case notices shall be sent to the addresses set forth in Section 5.1 (Notice) of the Provider Agreement, or to such other address as either Party may specify to the other by a notice complying with the terms of this Section 16.16 (Notices).