

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
2100 CLARENDON BOULEVARD, SUITE 500
ARLINGTON, VIRGINIA 22201

NOTICE OF CONTRACT AWARD

TO: RSM US LLP	DATE ISSUED:	<u>4/12/18</u>
7351 OFFICE PARK PLACE	CURRENT REFERENCE NO:	<u>17-025-RFP</u>
MELBOURNE, FLORIDA 32940	CONTRACT TITLE:	<u>INTERNAL AUDIT SERVICES</u>

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

The contract documents consist of the terms and conditions of AGREEMENT No. 17-025-RFP including any attachments or amendments thereto.

EFFECTIVE DATE: 4/12/18
EXPIRES: 4/11/23
RENEWALS: NO RENEWALS

ATTACHMENTS:
AGREEMENT No. 17-025-RFP

EMPLOYEES NOT TO BENEFIT:
NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: Clara Ewing
EMAIL ADDRESS: clara.ewing@rsmus.com

VENDOR TEL. NO.: (321) 751-6239

COUNTY CONTACT: Maria Meredith (DMF)
COUNTY CONTACT EMAIL: mmeredith@ARLINGTONVA.US

COUNTY TEL. NO.: (703) 228-0757

CONTRACT AUTHORIZATION

For 
MICHAEL E BEVIS
PURCHASING AGENT

4/12/18
DATE

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE PURCHASING AGENT
SUITE 500, 2100 CLARENDON BOULEVARD
ARLINGTON, VA 22201

AGREEMENT NO. 17-025-RFP

THIS AGREEMENT is made, on the date of execution by the County, between RSM US LLP ("Contractor"), of 7351 Office Park Place, Melbourne, Florida 32940, and the County Board of Arlington County, Virginia. The County and the Contractor, for the consideration hereinafter specified, agree as follows:

1. CONTRACT DOCUMENTS

The "Contract Documents" consist of:

This Agreement
Attachment A – Scope of Work
Attachment B – Contract Pricing
Attachment C – County Nondisclosure and Data Security Agreement (Contractor)
Attachment D – County Nondisclosure and Data Security Agreement (Individual)
Attachment E – Business Associate Agreement
Attachment F – Arlington County Travel Policy

Where the terms and provisions of this Agreement vary from the terms and provisions of the other Contract Documents, the terms and provisions of this Agreement will prevail over the other Contract Documents, and the remaining Contract Documents will be complementary to each other. If there are any conflicts, the most stringent terms or provisions will prevail.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either party has made any representation or promise with respect to the parties' agreement that is not contained in the Contract Documents. The Contract Documents may be referred to below as the "Contract" or the "Agreement".

2. SCOPE OF WORK

The Contractor agrees to perform the services described in the task order assignment provisions and in the Contract Documents (the "Work"). As detailed in the "Scope of Work" (Attachment A) and will be supplemented by future task orders, the primary purpose of the Work is for the provision of internal audit services. It will be the Contractor's responsibility, at its sole cost, to provide the specific services set forth in the Contract Documents and sufficient services to fulfill the purposes of the Work. Nothing in the Contract Documents limits the Contractor's responsibility to manage the details and execution of the Work.

3. PROJECT OFFICER

The performance of the Contractor is subject to the review and approval of the County Project Officer, who will be appointed by the Director of the Arlington County department or agency requesting the Work under this Contract.

4. CONTRACT TERM

Time is of the essence. The Work will commence on the date of the execution of the Agreement by the County and must be completed no later than 5 years from the commencement date ("Contract Term"), subject to any modifications provided in the Contract Documents.

5. CONTRACT AMOUNT

The County will pay the Contractor in accordance with the terms of the Payment section below and of Attachment B for the Contractor's completion of the Work as required by the Contract Documents. The Contractor will complete the Work for the total amount specified in this section ("Contract Amount").

The County will not compensate the Contractor for any goods or services beyond those included in Attachment B unless those additional goods or services are covered by a fully executed task order or amendment to this Contract. Additional services will be billed at the rates set forth in Attachment B unless otherwise agreed by the parties in writing.

The Contractor may not bill the County for obtaining information that is generally available to the public.

6. CONTRACT PRICE ADJUSTMENTS

The Contract Amount/unit price(s) will remain firm for 2 (two) years from the commencement date ("Price Adjustment Date"). To request a price adjustment, the Contractor or the County must submit a written request to the other party not less than 60 days before the Price Adjustment Date. Increases in the Contract Amount/unit price(s) will not exceed the percentage of change in the U.S. Department of Labor Consumer Price Index, All Items, Unadjusted, Urban Areas ("CPI-U") for the 12-month period ending in January of each year of the Contract.

Any Contract Amount/unit price(s) that result from this provision will become effective the day after the Price Adjustment Date and will be binding for 12 months. The new Price Adjustment Date will be 12 months after the price adjustment.

If the Contractor and the County have not agreed on a requested adjustment by 30 days before the Price Adjustment Date, the County may terminate the Contract, whether or not the County has previously elected to extend the Contract's term.

7. STANDARD OF CARE

The County is entering into this Contract in reliance on the Contractor's experience and abilities with respect to performing the services hereunder. In performing the Work, the Contractor will ensure that it and its agents and employees exercise the degree of skill and care that is normally accepted by members of the same profession currently practicing under similar conditions in the same locality ("Customary Standard of Care"). The Contractor will re-perform, without additional compensation, any services not meeting this Customary Standard of Care.

The Contractor will be responsible for the professional quality, completeness, technical accuracy and coordination of all costs estimates and other services or materials provided, regardless of whether such items are prepared by the Contractor or the Contractor's consultants. The items that the Contractor prepares must be free from material errors, complete and appropriate for the purposes intended.

7. PAYMENT

The Contractor must submit invoices to the County's Project Officer, who will either approve the invoice or require corrections. The County will pay the Contractor within 30 days after receipt of an invoice for completed task order milestones that are performed to the satisfaction of the Project Officer. The number of the County Purchase Order pursuant to which the task order has been delivered or performed must appear on all invoices.

8. ADJUSTMENTS FOR CHANGE IN SCOPE

The County may order additions, deletions and other revisions in the Work within the general scope of this arrangement. If the Contractor believes that any change is not within the scope of the project or warrants additional compensation, the Contractor must notify the Project Officer as soon as the County requests the change; and the Contractor must then provide written notice of its position to the Project Officer within ten calendar days. The Contractor's notice must detail and document the basis for the claimed amount of additional compensation. The Contractor will not receive any additional compensation pursuant to this paragraph unless the parties execute a written Contract amendment and the County issues a purchase order consistent with the amendment.

9. REIMBURSABLE EXPENSES

Only reasonable project-related expenses identified in Attachment B will be reimbursed. The Contractor will charge allowed reimbursable expenses on a unit-price basis and must provide verified invoices. The total amount paid for task related expenses will not exceed the amount shown in the related task order.

10. REIMBURSABLE TRAVEL-RELATED EXPENSES

The County will not reimburse the Contractor for travel-related expenses for employees located within the greater Baltimore-Washington Metropolitan Area, as defined by the United States Office of Management and Budget. For employees located outside this area, the County will reimburse for pre-approved travel-related expenses, documented with receipts, pursuant to the Arlington County Travel Policy (See Attachment F).

11. PAYMENT OF SUBCONTRACTORS

The Contractor is obligated to take one of the two following actions within seven days after receipt of payment by the County for work performed by any subcontractor under this Contract:

- a. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or
- b. Notify the County and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment, with the reason for nonpayment.

The Contractor is obligated to pay interest to the subcontractor on all amounts owed by the Contractor to the subcontractor that remain unpaid after seven days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in subsection b., above. Unless otherwise provided under the terms of this Contract, interest will accrue at the rate of 1% per month.

The Contractor must include in each of its subcontracts, if any are permitted, a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to this section may not be construed to be an obligation of the County. A Contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

12. NON-APPROPRIATION

All payments by the County to the Contractor pursuant to this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia ("Board"). In the event that the Board does not appropriate funds for the goods or services provided under this Contract, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the fiscal year or when the previous appropriation has been spent, whichever event occurs first.

13. ESTIMATED QUANTITIES/NON-EXCLUSIVITY OF CONTRACTOR

This Contract does not obligate the County to purchase a specific quantity of items or services during the Contract Term. Any quantities that are included in the Contract Documents are the present expectations of the County for the period of the Contract; and the County is under no obligation to buy that or any amount as a result of having provided this estimate or of having had any normal or otherwise measurable requirement in the past. The County may require more goods and/or services than the estimated annual quantities, and any such additional quantities will not give rise to any claim for compensation other than at the unit prices and/or rates in the Contract.

The County does not guarantee that the Contractor will be the exclusive provider of the goods or services covered by this Contract. The items or services covered by this Contract may be or become available under other County contract(s), and the County may determine that it is in its best interest to procure the items or services through those contract(s).

14. COUNTY PURCHASE ORDER REQUIREMENT

County purchases are authorized only if the County issues a Purchase Order in advance of the transaction, indicating that the ordering County agency has sufficient funds available to pay for the purchase. If the Contractor provides goods or services without a signed County Purchase Order, it does so at its own risk and expense. The County will not be liable for payment for any purchases made by its employees that are not authorized by the County Purchasing Agent.

15. REPLACEMENT OF PERSONNEL AND SUBCONTRACTORS

The County has the right reasonably to reject staff or subcontractors whom the Contractor assigns to the project. The Contractor must then provide replacement staff or subcontractors satisfactory to the County in a timely manner and at no additional cost to the County. The day-to-day supervision and control of the Contractor's and its subcontractors' employees is the sole responsibility of the Contractor.

The Contractor may not replace key personnel or subcontractors identified in its proposal, including the approved Project Manager, without the County's prior written approval; provided, however, such prior written approval shall not be required where circumstances beyond Contractor's control (e.g., family or medical emergency, death, termination of employment/relationship, etc.) necessitate replacement. The Contractor must submit any request to remove or replace key personnel or subcontractors to the County Project Officer at least 15 calendar days in advance of the proposed action. The request must contain a detailed justification, including identification of the proposed replacement and his or her qualifications.

If the approved Project Manager must be absent for an extended period, the Contractor must provide an interim Project Manager, subject to the County's prior written approval.

If the approved Project Manager resigns or is terminated by the Contractor, the Contractor will replace the Project Manager with an individual with similar qualifications and experience, subject to the County's prior written approval.

16. EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED

During the performance of its work pursuant to this Contract:

- A. The Contractor will not discriminate against any Contractor employee or applicant for employment to the Contractor because of race, religion, color, sex, national origin, age or disability or on any other basis prohibited by state law. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- B. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation will be deemed sufficient for meeting the requirements of this section.
- C. The Contractor will state in all solicitations or advertisements for employees that it places or causes to be placed that such Contractor is an Equal Opportunity Employer.
- D. The Contractor will comply with the provisions of the Americans with Disabilities Act of 1990 ("ADA"), which prohibits discrimination against individuals with disabilities in employment and mandates that disabled individuals be provided access to publicly and privately provided services and activities.
- E. The Contractor must include the provisions of the foregoing paragraphs in every subcontract or purchase order of more than \$10,000.00 relating to this Contract so that the provisions will be binding upon each subcontractor or vendor.

17. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED

In accordance with §2.2-4311.1 of the Code of Virginia, as amended, the Contractor must not during the performance of this Contract knowingly employ an unauthorized alien, as that term is defined in the federal Immigration Reform and Control Act of 1986.

18. DRUG-FREE WORKPLACE TO BE MAINTAINED BY CONTRACTOR

During the performance of this Contract, the Contractor must: (i) provide a drug-free workplace for its employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violating such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of more than \$10,000.00 relating to this Contract so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "workplace" means the site(s) for the performance of the work required by this Contract.

19. TERMINATION

The County may terminate this Contract at any time as follows: (1) for cause, if, as determined by the County, the Contractor is in breach or default or has failed to perform the Work satisfactorily; or (2) for the convenience of the County upon fifteen (15) days prior written notice to Contractor.

Upon receipt of a notice of termination, the Contractor must not place any further orders or subcontracts for services; must terminate all vendors and subcontracts, except as are necessary for the completion of any portion of the Work that the County did not terminate; and must immediately deliver all documents related to the terminated Work to the County; provided, however, that the Contractor shall have no liability for any Work delivered which is designated as incomplete as of the date of termination. Documents are defined in accordance with the AICPA's Code of Professional Conduct; Records Request.

Any purchases that the Contractor makes after the notice of termination will be the sole responsibility of the Contractor, unless the County has approved the purchases in writing as necessary for completion of any portion of the Work that the County did not terminate.

If any court of competent jurisdiction finds a termination for cause by the County to be improper, then the termination will be deemed a termination for convenience.

A. TERMINATION FOR CAUSE, INCLUDING BREACH AND DEFAULT; CURE

1. Termination for Unsatisfactory Performance. If the County determines that the Contractor has failed to perform satisfactorily, then the County will give the Contractor written notice of such failure(s) and the opportunity to cure them within 15 days or any other period specified by the County ("Cure Period"). If the Contractor fails to cure within the Cure Period, the County may terminate the Contract for failure to provide satisfactory performance by providing written notice with a termination date. Upon such termination, the Contractor may apply for compensation for Contract services that the County previously accepted ("Termination Costs"), unless payment is otherwise barred by the Contract. The Contractor must submit any request for Termination Costs, with all supporting documentation, to the County Project Officer within 30 days after the expiration of the Cure Period. The County may accept or reject the request for Termination Costs, in whole or in part, and may notify the Contractor of its decision within a reasonable time.

In the event of termination by the County for failure to perform satisfactorily, the Contractor must continue to provide its services as previously scheduled through the termination date, and the County must continue to pay all fees and charges incurred through the termination date.

2. Termination for Breach or Default. If the County terminates the Contract for default or breach of any Contract provision or condition, then the termination will be immediate after written notice of termination to the Contractor (unless the County provides for an opportunity to cure), and the Contractor will not be permitted to seek Termination Costs.

Upon any termination pursuant to this section, the Contractor will return to the County any fees paid to Contractor by County under this Contract. This section does not limit the County's recovery of any other damages to which it is entitled by law.

Except as otherwise directed by the County, the Contractor must stop work on the date of receipt the notice of the termination.

B. TERMINATION FOR THE CONVENIENCE OF THE COUNTY

The County may terminate this Contract in whole or in part whenever the Purchasing Agent determines that termination is in the County's best interest. The County will give the Contractor at least 15 days' notice in writing. The notice must specify the extent to which the Contract is terminated and the effective termination date. The Contractor will be entitled to Termination Costs, as defined above, plus any other reasonable amounts that the parties might negotiate; but no amount will be allowed for anticipatory profits.

Except as otherwise directed by the County, the Contractor must stop work on the date of receipt of the notice of the termination.

20. INDEMNIFICATION

The Contractor covenants for itself, its employees and its subcontractors to save, defend, hold harmless and indemnify the County and all of its elected and appointed officials, officers, current and former employees, agents, departments, agencies, boards and commissions (collectively the "County Indemnitees") from and against any and all claims made by third parties for any and all losses, damages, injuries, fines, penalties, costs (including court costs and attorneys' fees), charges, liability, demands or exposure resulting from, arising out of or in any way connected with the Contractor's negligent or willful acts or omissions, including the acts or omissions of its employees and/or subcontractors, in performance or nonperformance of the Contract. This duty to save, defend, hold harmless and indemnify will survive the termination of this Contract. If the Contractor fails or refuses to fulfill its obligations contained in this section, the Contractor must reimburse the County for any and all resulting payments and expenses, including reasonable attorneys' fees. The Contractor must pay such expenses upon demand by the County, and failure to do so may result in the County withholding such amounts from any payments to the Contractor under this Contract.

The total liability of Contractor, except for its indemnification obligations hereunder or claims involving personal injury or death, is limited to an amount equal to three times (3x) the fees Contractor receives under the Contract, and shall exclude all indirect, consequential, exemplary or similar such damages.

21. INTELLECTUAL PROPERTY INDEMNIFICATION

The Contractor warrants and guarantees that in providing services under this Contract neither the Contractor nor any subcontractor is infringing on the intellectual property rights (including, but not limited to, copyright, patent, mask and trademark) of third parties.

If the Contractor or any of its employees or subcontractors uses any design, device, work or material that is covered by patent or copyright, it is understood that the Contract Amount includes all royalties, licensing fees, and any other costs arising from such use in connection with the Work under this Contract.

The Contractor covenants for itself, its employees and its subcontractors to save, defend, hold harmless, and indemnify the County Indemnitees, as defined above, from and against any and all claims, losses, damages, injuries, fines, penalties, costs (including court costs and attorneys' fees), charges, liability or exposure for infringement of or on account of any trademark, copyright, patented or unpatented invention, process or article manufactured or used in the performance of this Contract. This duty to save, defend, hold harmless and indemnify will survive the termination of this Contract. If the Contractor fails or refuses

to fulfill its obligations contained in this section, the Contractor must reimburse the County for any and all resulting payments and expenses, including reasonable attorneys' fees. The Contractor must pay such expenses upon demand by the County, and failure to do so may result in the County withholding such amounts from any payments to the Contractor under this Contract.

22. COPYRIGHT

By this Contract, the Contractor irrevocably transfers, assigns, sets over and conveys to the County all rights, title and interest, including the sole exclusive and complete copyright interest, in any and all copyrightable works created specifically for the County by the Contractor pursuant to this Contract. The Contractor will execute any documents that the County requests to formalize such transfer or assignment.

The rights granted to the County by this section are irrevocable and may not be rescinded or modified, including in connection with or as a result of the termination of or a dispute concerning this Contract.

The Contractor may not use subcontractors or third parties to develop or provide input into any copyrightable materials produced pursuant to this Contract without the County's advance written approval and unless the Contractor includes this Copyright provision in any contract or agreement with such subcontractors or third parties related to this Contract.

23. OWNERSHIP AND RETURN OF RECORDS

This Contract does not confer on the Contractor any ownership rights or rights to use or disclose the County's data or inputs.

All data, information, findings, memoranda, correspondence, documents or records of any type, whether written, oral or electronic, and all documents custom-developed for the County by the Contractor or its subcontractors as a result of this Contract (collectively "Records") are the exclusive property of the County and must be provided or returned to the County upon completion, termination, or cancellation of this Contract. The Contractor will not use or willingly cause or allow such materials to be used for any purpose other than performance of this Contract without the prior written consent of the County. Notwithstanding any other provisions set forth herein, Contractor reserves all rights in and to all proprietary works of authorship created, developed or purchased by Contractor or any third party under contract to Contractor that have not been created specifically for the County and/or have general applicability to Contractor's business, whether they were created prior to or during the term of this Contract, including without limitation, methodologies, templates and documentation, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, and any derivatives thereof (collectively, "Contractor Information"). To the extent that Contractor incorporates any Contractor Information into the Work or other work product provided to the County, upon final payment under the Contract, Contractor hereby grants to the County a nonexclusive, nontransferable license to use such Contractor Information solely for internal purposes and solely in connection with the County's use of the Work or other work product in accordance with any limitations set forth in the Contract. The County may not reuse, resell or disclose the Contractor Information to any third parties.

The Records are confidential, and the Contractor will neither release the Records nor share their contents. The Contractor will refer all inquiries regarding the status of any Record to the Project Officer or to his or her designee. At the County's request, the Contractor will deliver all Records, including hard copies of electronic records, to the Project Officer and will destroy all electronic Records.

The Contractor agrees to include the provisions of this section as part of any contract or agreement related to this Contract into which it enters with subcontractors or other third parties.

The provisions of this section will survive any termination or cancellation of this Contract.

24. DATA SECURITY AND PROTECTION

The Contractor will hold County Information, as defined below, in strict confidence and will comply with all applicable County security and network resources policies applicable to the services to be provided by Contractor and as communicated to Contractor in writing, as well as all applicable local, state and federal laws and regulatory requirements concerning data privacy and security. The Contractor must develop, implement, maintain, continually monitor and use appropriate administrative, technical and physical security measures to control access to and to preserve the confidentiality, privacy, integrity and availability of all electronically maintained or transmitted information received from or created or maintained on behalf of the County. For purposes of this provision, and as more fully described in this Contract, the Business Associate Agreement and in the County's Non-Disclosure and Data Security Agreement (NDA), "County Information" includes, but is not limited to, electronic information; documents; data; images; financial records; personally identifiable information; personal health information (PHI); personnel, educational, voting, registration, tax and assessment records; information related to public safety; County networked resources; and County databases, software and security measures that are created, maintained, transmitted or accessed to perform the Work under this Contract.

- (a) **County's Non-Disclosure and Data Security Agreement.** The Contractor and its Designees (Contractor Designees shall include, but shall not be limited to, all Contractor-controlled agents or subcontractors working on-site at County facilities or otherwise performing any work under this Contract) must sign the NDA (Attachment C) before performing any work or obtaining or permitting access to County networked resources, application systems or databases. The Contractor will make copies of the signed NDAs available to the County Project Officer upon request.
- (b) **Use of Data.** The Contractor will protect against any unauthorized use, distribution or disclosure of or access to County Information and County networked resources by itself or its Designees. Use of County Information other than as specifically outlined in the Contract Documents is strictly prohibited. The Contractor will be solely responsible for any unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access to or disclosure of County Information and for any non-compliance with this provision by itself or by its Designees.
- (c) **Data Protection.** The Contractor will protect the County's Information according to industry standards such as standards established by the National Institute of Standards and Technology, 201 CMR 17.00, Standards for the Protection of Personal Information of Residents of the Commonwealth, and no less rigorously than it protects its own data and proprietary or confidential information. The Contractor must provide to the County a summary of its data security policy and procedures for securing County Information and a summary of its disaster recovery plan(s). Upon request, but not more than annually, Contractor will deliver to the County a copy of its CyberTrust Certification evidencing the operating effectiveness of Contractor's IT control environment.
- (d) **Security Requirements.** The Contractor must maintain anti-virus software (which is updated every 14 days), industry-accepted firewalls and other protections on its systems and networking equipment. The Contractor certifies that all systems and networking equipment that support, interact with or store County Information meet the above standards and

industry standards for physical, network and system security requirements. Printers, copiers or fax machines that store County Data into hard drives must provide data-at-rest encryption. The County's Chief Information Security Officer must approve any deviation from these standards. The downloading of County information onto laptops, other portable storage media or services such as personal e-mail, Dropbox etc. is prohibited without the written authorization of the County's Chief Information Security Officer.

- (e) **Conclusion of Contract.** Within 30 days after the termination, cancellation, expiration or other conclusion of the Contract and upon written request of the County, the Contractor must, at no cost to the County, return all tangible County Information to the County in a format defined by the County Project Officer. The County may request that the tangible County Information be destroyed. With respect to County Information communicated through email or which has been scanned or otherwise stored electronically by Contractor, Contractor will make commercially reasonable efforts to delete such information from its active storage medium. Notwithstanding the preceding, the parties acknowledge that Contractor's deletion of (a) email messages from individual mailboxes or (b) documents from network or individual hard drives will not result in the removal of all copies of such information from Contractor's back-up or archival systems with such retained information remaining subject to the obligations of confidentiality herein. Further, Contractor will maintain a copy of any County Information necessary to support its work product generated as a result of its engagement for professional services, solely for reference and archive purposes in accordance with all applicable professional standards. Any County Information retained will remain subject to the confidentiality obligations of this Contract and will be destroyed in accordance with Contractor's record retention policies. Neither Contractor's retention of archival copies, nor its failure to remove copies from its back-up or archival systems will be deemed a breach of this Contract. The Contractor is responsible for ensuring the return and/or destruction of all Information that is in the possession of its subcontractors or agents. The Contractor must certify completion of this task in writing to the County Project Officer.
- (f) **Notification of Security Incidents.** The Contractor must notify the County Chief Information Officer and County Project Officer immediately, but in any event within 48 hours, of the discovery of any confirmed unauthorized access to or use or disclosure of County Information by Contractor.
- (g) **Subcontractors.** If subcontractors are permitted under this Contract, the requirements of this entire section must be incorporated into any agreement between the Contractor and the subcontractor. If the subcontractor will have access to County Information, each subcontractor must provide to the Contractor a summary of its data security policy and procedures for securing County Information and a summary of its disaster recovery plan(s).

25. ETHICS IN PUBLIC CONTRACTING

This Contract incorporates by reference Article 9 of the Arlington County Purchasing Resolution, as well as all state and federal laws related to ethics, conflicts of interest or bribery, including the State and Local Government Conflict of Interests Act (Code of Virginia § 2.2-3100 et seq.), the Virginia Governmental Frauds Act (Code of Virginia § 18.2-498.1 et seq.) and Articles 2 and 3 of Chapter 10 of Title 18.2 of the Code of Virginia, as amended (§ 18.2-438 et seq.). The Contractor certifies that its proposal was made without collusion or fraud; that it has not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor; and that it has not conferred on any public employee having official responsibility for this procurement any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

26. COUNTY EMPLOYEES

No Arlington County employee may share in any part of this Contract or receive any benefit from the Contract that is not available to the general public.

27. FORCE MAJEURE

Neither party will be held responsible for failure to perform the duties and responsibilities imposed by this Contract if such failure is due to a fire, riot, rebellion, natural disaster, war, act of terrorism or act of God that is beyond the control of the party and that makes performance impossible or illegal, unless otherwise specified in the Contract.

28. AUTHORITY TO TRANSACT BUSINESS

The Contractor must, pursuant to Code of Virginia § 2.2-4311.2, be and remain authorized to transact business in the Commonwealth of Virginia during the entire term of this Contract. Otherwise, the Contract is voidable at the sole option of and with no expense to the County.

29. RELATION TO COUNTY

The Contractor is an independent contractor, and neither the Contractor nor its employees or subcontractors will be considered employees, servants or agents of the County. The County will not be responsible for any negligence or other wrongdoing by the Contractor or its employees, servants or agents. The County will not withhold payments to the Contractor for any federal or state unemployment taxes, federal or state income taxes or Social Security tax or for any other benefits. The County will not provide to the Contractor any insurance coverage or other benefits, including workers' compensation.

30. ANTITRUST

The Contractor conveys, sells, assigns and transfers to the County all rights, title and interest in and to all causes of action under state or federal antitrust laws that the Contractor may have relating to this Contract.

31. REPORT STANDARDS

The Contractor must submit all written reports required by this Contract for advance review in a format approved by the Project Officer. Reports must be accurate and grammatically correct and should not contain spelling errors. The Contractor will bear the cost of correcting grammatical or spelling errors and inaccurate report data and of other revisions that are required to bring the report(s) into compliance with this section.

Whenever possible, proposals must comply with the following guidelines:

- printed double-sided on at least 30% recycled-content and/or tree-free paper
- recyclable and/or easily removable covers or binders made from recycled materials (proposals with glued bindings that meet all other requirements are acceptable)
- avoid use of plastic covers or dividers
- avoid unnecessary attachments or documents or superfluous use of paper (e.g. separate title sheets or chapter dividers)

32. AUDIT

The Contractor must retain all books, records and other documents related to this Contract for at least five years after the final payment. Contractor must allow the County or its authorized agents to examine the documents related to services it provides the County under this Contract, including its time, billing and reimbursable expense records ("Records") during this period and during the Contract Term. The Contractor

must provide any requested Records to the County for examination within 15 days of receipt of a written request by the County for such Records, at the Contractor's expense. Should the County's examination reveal any overcharging by the Contractor, the Contractor must, within 30 days of County's written request, reimburse the County for the overcharges and for the reasonable costs of the County's examination, including, but not limited to, the services of external audit Contractor and attorney's fees; or the County may deduct the overcharges and examination costs from any amount that the County owes to the Contractor. If the Contractor wishes to destroy or dispose of any records related to this Contract (including confidential records to which the County does not have ready access) within five years after the final payment, the Contractor must give the County at least 30 days' notice and must not dispose of the documents if the County objects.

33. ASSIGNMENT

The Contractor may not assign, transfer, convey or otherwise dispose of any award or any of its rights, obligations or interests under this Contract without the prior written consent of the County.

34. AMENDMENTS

This Contract may not be modified except by written amendment executed by persons duly authorized to bind the Contractor and the County.

35. ARLINGTON COUNTY PURCHASING RESOLUTION AND COUNTY POLICIES

Nothing in this Contract waives any provision of the Arlington County Purchasing Resolution, which is incorporated herein by reference, or any applicable County policy.

36. DISPUTE RESOLUTION

All disputes arising under this Agreement or concerning its interpretation, whether involving law or fact and including but not limited to claims for additional work, compensation or time, and all claims for alleged breach of contract must be submitted in writing to the Project Officer as soon as the basis for the claim arises. In accordance with the Arlington County Purchasing Resolution, claims denied by the Project Officer or designee may be submitted to the County Manager in writing no later than 60 days after the final payment. The time limit for a final written decision by the County Manager is 30 days. Procedures concerning contractual claims, disputes, administrative appeals and protests are contained in the Arlington County Purchasing Resolution. The Contractor must continue to work as scheduled pending a decision of the Project Officer, County Manager, County Board or a court of law.

37. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION

This Contract is governed in all respects by the laws of the Commonwealth of Virginia; and the jurisdiction, forum and venue for any litigation concerning the Contract or the Work is in the Circuit Court for Arlington County, Virginia, and in no other court.

38. ARBITRATION

No claim arising under or related to this Contract may be subject to arbitration.

39. NONEXCLUSIVITY OF REMEDIES

All remedies available to the County under this Contract are cumulative, and no remedy will be exclusive of any other at law or in equity.

40. NO WAIVER

The failure to exercise a right provided for in this Contract will not be a subsequent waiver of the same right or of any other right.

41. SEVERABILITY

The sections, paragraphs, clauses, sentences, and phrases of this Contract are severable; and if any section, paragraph, clause, sentence or phrase of this Contract is declared invalid by a court of competent jurisdiction, the rest of the Contract will remain in effect.

42. ATTORNEY'S FEES

In any action commenced to enforce the obligations under this Contract, the prevailing party in any such action is entitled to reimbursement from the non-prevailing party of its reasonable attorney's fees and costs that it incurs.

43. SURVIVAL OF TERMS

In addition to any statement that a specific term or paragraph survives the expiration or termination of this Contract, the following sections also survive: INDEMNIFICATION; INTELLECTUAL PROPERTY INDEMNIFICATION; COPYRIGHT; OWNERSHIP AND RETURN OF RECORDS; DATA SECURITY AND PROTECTION; RELATION TO COUNTY; AUDIT; DISPUTE RESOLUTION; APPLICABLE LAW, FORUM, VENUE AND JURISDICTION; AND ATTORNEY'S FEES.

44. HEADINGS

The section headings in this Contract are inserted only for convenience and do not affect the substance of the Contract or limit the sections' scope.

45. AMBIGUITIES

The parties and their counsel have participated fully in the drafting of this Agreement; and any rule that ambiguities are to be resolved against the drafting party does not apply. The language in this Agreement is to be interpreted as to its plain meaning and not strictly for or against any party.

46. NOTICES

Unless otherwise provided in writing, all written notices and other communications required by this Contract are deemed to have been given when either (a) delivered in person; (b) delivered by an agent, such as a delivery service; or (c) deposited in the United States mail, postage prepaid, certified or registered and addressed as follows:

TO THE CONTRACTOR:

Clara Ewing
RSM US LLP
1861 International Drive, Suite 400
McLean, Virginia 22120

TO THE COUNTY:

Maria Meredith, Project Officer
Arlington County Government 2100
Clarendon Boulevard, Suite 500
Arlington, Virginia 22201

AND

Michael E. Bevis, Purchasing Agent
 Arlington County, Virginia
 2100 Clarendon Boulevard, Suite 500
 Arlington, Virginia 22201

47. NON-DISCRIMINATION NOTICE

Arlington County does not discriminate against faith-based organizations.

50. HIPAA COMPLIANCE

The Contractor must comply with the privacy, security and electronic transaction components of the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA"). Pursuant to 45 C.F.R. §164.502(e) and §164.504(e), the Contractor is designated a Business Associate for purposes of this Contract and must execute the attached Arlington County Business Associate Agreement (Attachment E). Pursuant to 45 C.F.R. § 164.308(b)(1) and the Health Information Technology for Economic and Clinic Health Act ("HITECH"), § 13401, the Contractor must also enter into an agreement with any subcontractors that, in a form approved by the County, requires the subcontractor to protect Protected Health Information ("PHI") to the same extent as the Arlington County Business Associate Agreement. The Contractor must ensure that its subcontractors promptly notify the Contractor of any known or suspected HIPAA violations or breaches in security regarding County-provided PHI, without delaying or impeding the Contractor's notification obligations under HIPAA and Exhibit E. The software and platforms used in performance of this Contract in connection with PHI must be HIPAA compliant.

The Contractor takes full responsibility for HIPAA compliance, for any failure to execute the appropriate agreements with its subcontractors and for any failure of its subcontractors to comply with the applicable existing or future regulations of HIPAA and/or HITECH. The Contractor will indemnify the County for any and all losses, fines, damages, liability, exposure or costs that arise from any failure to comply with this paragraph that arise as a result of Contractor's breach of its obligations as detailed in the Business Associate Agreement and that result in unauthorized disclosure of or unauthorized access to PHI or violate the obligations of 45 CFR §164.504.

Nothing in this paragraph shall supersede or otherwise modify the requirements set forth in the Business Associate Agreement. To the extent that this or any other paragraph of this Contract conflicts with the Business Associate Agreement or the federal regulations governing HIPAA or HITECH, as amended, the Business Associate Agreement and the federal regulations shall prevail.

51. INSURANCE REQUIREMENTS

Before beginning work under the Contract or any extension, the Contractor must provide to the County Purchasing Agent an industry standard ACORD Certificate of Insurance indicating that the Contractor has in force at a minimum the coverage below. The Contractor must maintain this coverage until the completion of the Contract or as otherwise stated in the Contract Documents. All required insurance coverage must be acquired from insurers that are authorized to do business in the Commonwealth of Virginia, with a rating of "A-" or better and a financial size of "Class VII" or better in the latest edition of the A.M. Best Co. Guides.

- a. Workers Compensation - Virginia statutory worker's compensation (W/C) coverage, including Virginia benefits and employer's liability with limits of \$100,000/100,000/500,000. The County will not accept W/C coverage issued by the Injured Worker's Insurance Fund, Towson, MD.

- b. Commercial General Liability - \$1,000,000 per occurrence, with \$2,000,000 annual aggregate covering all premises and operations and including personal injury, completed operations, contractual liability, independent contractors, and products liability. Evidence of contractual liability coverage must be provided with the certificate.
- c. Business Automobile Liability - \$1,000,000 combined single-limit (owned, non-owned and hired).
- d. Professional Liability – The Contractor shall carry Professional Liability insurance which will pay for damages arising out of errors or omissions by Contractor in the rendering, or failure to render services or perform Work under the Contract, in the amount of \$1,000,000 per claim and \$1,000,000 aggregate.
- e. Additional Insured – The County and its officers, elected and appointed officials, employees and agents must be named as additional insured, via a blanket endorsement, on all policies except worker's compensation and automotive and professional liability; and the additional insured endorsement must be provided with the certificate.
- f. Cancellation - Contractor will provide thirty (30) days prior written notice to the Purchasing Agent or designee of any cancellation or non-renewal of the policies required under this Contract where such cancellation or non-renewal does not result in equal or better coverage. Not having the required insurance throughout the Contract Term is grounds for termination of the Contract.
- g. Claims-Made Coverage - Any "claims made" policy must remain in force, or the Contractor must obtain an extended reporting endorsement, until the applicable statute of limitations for any claims has expired, but in no event later than 5 years from the date of final payment under the Contract.
- h. Contract Identification - All insurance certificates must state this Contract's number and title.

The Contractor must disclose to the County the amount of any deductible or self-insurance component of any of the required policies that is in excess of \$25,000. With the County's approval, the Contractor may satisfy its obligations under this section by self-insurance for all or any part of the insurance required, provided that the Contractor can demonstrate sufficient financial capacity. In order to do so, the Contractor must provide the County with its most recent actuarial report and a copy of its self-insurance resolution.

The County may request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible and may require that funds equal to the deductible be placed in escrow; a certificate of self-insurance; collateral; or another mechanism to guarantee the amount of the deductible and ensure protection for the County.

The County's acceptance or approval of any insurance will not relieve the Contractor from any liability or obligation imposed by the Contract Documents.

The Contractor is responsible for the Work and for all materials, tools, equipment, appliances and property used in connection with the Work. The Contractor assumes all risks for direct and indirect damage or injury to the property used or persons employed in connection with the Work and for of all damage or injury to any person or property, wherever located, resulting from any action, omission, commission or operation under the Contract or in connection in any way whatsoever with the Work. The Contractor's insurance shall be the primary non-contributory insurance for any work performed under this Contract.

The Contractor is as fully responsible to the County for the acts and omissions of its subcontractors and of persons employed by them as it is for acts and omissions of persons whom the Contractor employs directly.

The Contractor must disclose to the County the amount of any deductible or self-insurance component of any of the required policies that is in excess of \$25,000. With the County's approval, the Contractor may

satisfy its obligations under this section by self-insurance for all or any part of the insurance required, provided that the Contractor can demonstrate sufficient financial capacity. In order to do so, the Contractor must provide the County with its most recent actuarial report and a copy of its self-insurance resolution.

The County may request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible and may require that funds equal to the deductible be placed in escrow; a certificate of self-insurance; collateral; or another mechanism to guarantee the amount of the deductible and ensure protection for the County.

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The Contractor is as fully responsible to the County for the acts and omissions of its subcontractors and of persons employed by them as it is for acts and omissions of persons whom the Contractor employs directly.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

RSM US LLP

AUTHORIZED
SIGNATURE: 

AUTHORIZED
SIGNATURE: 

NAME: MICHAEL E. BEVIS
TITLE: PURCHASING AGENT

NAME AND
TITLE: Daniel J. Whelan / Partner

DATE: 4/12/18

DATE: 4-11-18

ATTACHMENT ASCOPE OF WORK

This is a task order contract for internal audit services. There will be a primary and secondary award. The primary vendor will receive all task order requests unless there is a perceived conflict involved with its performance, a task order or the primary vendor does not have the capacity to fulfill a task order. In either case, the secondary vendor will receive the task order. Task orders will be assigned through the process described below.

The work will be conducted under the following professional standards as appropriate:

- International Standards for the Professional Practice of Internal Auditing issued by The Institute of Internal Auditors (IIA)
- Government Auditing Standards issued by the Comptroller General of the United States
- Title 2 U.S. Code of Federal Regulations part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)

TASK REQUEST PROCEDURES

The County will advise the Contractor when it has a project to assign and will submit to the Contractor a task order and may request a meeting with the Contractor to discuss the proposed Scope of Work (SOW). The Contractor will prepare and submit to the County a written SOW within ten business days from receipt of the County's task order, unless the County requests that the Contractor submit the SOW sooner.

The County may request that the Contractor make an oral presentation related to the proposed SOW, which may include, but is not limited to, explanations of the proposed approach, work plan and cost estimate. Any presentation will be conducted in a manner determined by the County Project Officer, including but not limited to an internet-based meeting platform, by phone or in person, at County facilities, and at no cost to the County.

The County reserves the right to request from the Contractor additional information as the County deems necessary and will not compensate the Contractor for the preparation and delivery of a SOW.

The Contractor will not begin any work until the County issues a Purchase Order and a signed SOW.

If during the performance of any task order, the Contractor reasonably determines that the necessary hours will exceed the original estimate, the Contractor must submit to the Project Officer a written request with justification to support the increase and must not spend the additional hours until the Project Officer has approved the request in writing.

If the County determines that it needs additional services that are outside of the original SOW, the Contractor will provide those services at the rates indicated in Attachment B. The County will issue a revised Purchase Order and revised SOW before the Contractor begins work on these services.

STATEMENTS OF WORK

Each SOW must include, but is not limited to, the following:

- Scope and objective(s)
- Deliverables
- Professional standards under which the services will be performed

- Personnel responsible for performing the project. If personnel assigned to any engagement were not named in the original bid submission, a resume should be forwarded to the Project Officer.
- The estimated staffing by position title, estimated number of hours for each position, contract billable rates of pay, expected travel costs (airfare, per diem, mileage etc.)
- Whether any subcontractors are required for the task and if so who they will be, including resumes for all assigned individuals. (The County will not compensate the Contractor for training newly assigned individuals.)
- Reimbursable costs required for the task, i.e. non-employee costs such as postage, copying charges, travel, etc.
- A proposed milestone schedule including, but not limited to, kick-off meeting date, first date of fieldwork, last date of fieldwork, submission and dates for report drafts and final report.
- Specific audit steps such as vouching cash disbursements, reviewing payroll records, analyzing PCard activity, etc. to be performed during the preliminary work and/or fieldwork

WORKING PAPERS AND DELIVERABLES

The Contractor will prepare and submit to the Project Officer agreed-upon deliverables, such as risk assessments, individual work programs, reports, multi-year audit plans and/or other items.

The Contractor must report bi-weekly the hours used on each project. With the submission of any deliverable, the Contractor must submit to the Project Officer an itemized list of dates and hours on which each assigned personnel worked on the project.

If the County rejects any final report or deliverable, the County must notify the Contractor in writing of the reason for the rejection. The Contractor will have ten calendar days from date of receipt of notification to correct the deficiencies and resubmit the report or deliverable. Failure to submit acceptable work within the ten calendar days shall constitute a breach of the contract. The County will not compensate the Contractor for time spent on revisions due to incorrect and/or poorly prepared written deliverables.

The Contractor is required to respond to the reasonable inquiries of other County-contracted auditors and allow those auditors to review the Contractor's working papers.

Audit Program

The Contractor will prepare a written audit program with detailed audit steps at the Project Officer's request before fieldwork commences.

Audit Engagement Letter

The Contractor will provide an Audit Engagement Letter to the auditee and the Project Officer before the Audit Entrance Meeting. The Letter will contain the following information:

- Purpose of the audit
- Proposed audit objectives
- Expected audit scope
- Auditor(s) assigned to conduct the audit
- Proposed start-date
- Any other relevant information

The Contractor will also distribute a follow-up letter to the same recipients whenever necessary to note any changes to the audit objectives or scope.

Reports

All reports must be concise but sufficiently detailed and should be tailored to the specific service rendered but must include at a minimum these sections:

- Executive Summary
- Background (synopsis of the activity being audited)
- Objectives, Scope, and Methodology (purpose of engagement; nature, timing, and extent of audit work; scope limitations)
- Recognition (if applicable, to identify positive areas noted during audit testing)
- Conclusions (summary opinion and assessment of the engagement)
- Findings with associated rating of the relative risk (statement of facts addressing condition, effect, cause and criteria; criticality rating for each risk)
- Recommendations (corrective action proposed to mitigate the identified risk)
- Auditee Corrective Action Plan/Management Response (corrective action to be taken, action owner, target date for completion)

Each finding is to contain a synopsis of the finding followed by detailed information that fully supports the finding. The Contractor must vet any findings with the relevant stakeholder within the County before including the findings in the submittal.

The Contractor must fully support its recommendations, which must be consistent with the findings, and must produce deliverables consistent with applicable industry and professional standards. Before submitting any report, the Contractor will meet with the auditee to discuss their findings.

Draft Reports

The Contractor will submit to the Project Officer a draft report for each project, based on the findings that it identifies during fieldwork. The Contractor must fully document its findings in its working papers, which the County may elect to review electronically. Working papers are to clearly document interviews, steps performed, results of such steps, audit finding(s) and other documentation as relevant and consistent with applicable industry standards.

The Contractor must have subjected the draft report to all necessary quality assurance reviews. After the draft report is approved by the Project Officer, the Contractor will send the report to the auditee and the Project Officer.

Bi-Weekly Status Reports

The Contractor will prepare and submit to the County written bi-weekly status reports on each ongoing task, including preliminary findings to date, the number of hours used to date by each staff person on each project and hours remaining in the approved task order.

Final Reports

The Contractor will submit a final report for each project, unless instructed otherwise by the County Project Officer. Upon submission of the final report, the Contractor will provide to the Project Officer an electronic copy of the Contractor's working papers, and an electronic copy of the final report.

The electronic copy can be transmitted via e-mail in a searchable PDF format or via a secure method agreed to by the County. The final report will include the auditee's corrective action plan and any rebuttal documents.

MEETINGS

Entrance Conference

Once a SOW has been approved by the County Project Officer, the Contractor will provide the Project Officer with available dates so that he/she can arrange an entrance conference for each project, to be attended by the Contractor, the County's Internal Audit Staff and/or Management and the auditee.

The Contractor will use the Entrance Conference to mark the official beginning of an audit; introduce auditors to key management personnel; brief the auditee on the audit process, purpose of the audit, and audit objectives; and ask whether management desires to include any other objectives in the audit.

Task Order-Specific Meetings

The Contractor and the Project Officer, with additional County staff as determined by the Project Officer, will have regularly scheduled periodic progress meetings during each engagement.

Exit Conference

Before the draft report is formally sent to the auditee, the Contractor will provide the Project Officer with available dates for the exit conference among the Contractor, the auditee, the County's Internal Audit Staff and/or other employee(s) deemed necessary by the County.

At the exit conference, the Contractor will request that the auditee provide to the Project Officer within a specified timeframe a written corrective action plan (including expected implementation dates and the party responsible for implementing the corrective actions) in response to the draft report. The parties will determine the format for the auditee's corrective action.

The Contractor, in conjunction with the Project Officer, will review the auditee's corrective action plan to determine if a rebuttal is warranted. If necessary, the Contractor will prepare the rebuttal documents.

TRAINING

The Contractor will provide at least four in-person trainings at a County facility per calendar year to a broad audience of County employees on topics related to internal controls. Each training session will last no longer than three hours and will be at no cost to the County.

ARLINGTON COUNTY'S RESPONSIBILITIES

The Contractor will be given reasonable access to County records and staff as necessary. The Contractor will minimize any disruption of County business.

The County will provide the Contractor with read-only access when necessary to the County's software applications.

The County will provide the Contractor with reasonable office accommodations when on-site, including access to telephone lines and photocopying equipment. Unless otherwise arranged, all work conducted on County premises must be accomplished during the County's standard office hours of 8:00 am to 5:00 pm, Monday through Friday, excluding holidays.

At the County's discretion, County personnel may assist the Contractor with engagements. The parties will address the impact of this on fees for the project before the Contractor submits the SOW.

ATTACHMENT B**PRICING**

Fixed Hourly Rate for Consulting Services:

Title:	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Partner	\$326	\$326	\$326	\$336	\$336
Director	\$293	\$293	\$293	\$302	\$302
Manager	\$248	\$248	\$248	\$255	\$255
Sup/Senior	\$191	\$191	\$191	\$197	\$197
Staff	\$146	\$146	\$146	\$150	\$150
Clerical	\$90	\$90	\$90	\$93	\$93

ATTACHMENT C

NONDISCLOSURE AND DATA SECURITY AGREEMENT
(CONTRACTOR)

The undersigned, an authorized agent of the Contractor and on behalf of RSM US LLP ("Contractor"), hereby agrees that the Contractor will hold County-provided information, documents, data, images, records and the like confidential and secure and protect them against loss, misuse, alteration, destruction or disclosure. This includes, but is not limited to, the information of the County, its employees, contractors, residents, clients, patients, taxpayers and property as well as information that the County shares with the Contractor for testing, support, conversion or other services provided under Arlington County Agreement No. 17-025-RFP (the "Project" or "Main Agreement") or that may be accessed through other County-owned or -controlled databases (all of the above collectively referred to as "County Information" or "Information").

In addition to the DATA SECURITY obligations set in the County Agreement, the Contractor agrees that it will maintain the privacy and security of County Information, control and limit internal access and authorization for access to such Information and not divulge or allow or facilitate access to County Information for any purpose or by anyone unless expressly authorized. This includes, but is not limited to, any County Information that in any manner describes, locates or indexes anything about an individual, including, but not limited to, his/her ("his") Personal Health Information, treatment, disability, services eligibility, services provided, investigations, real or personal property holdings and his education, financial transactions, medical history, ancestry, religion, political ideology, criminal or employment record, social security number, tax status or payments, date of birth, address, phone number or anything that affords a basis for inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual, or the record of his presence, registration, or membership in an organization or activity, or admission to an institution.

Contractor also agrees that it will not directly or indirectly use or facilitate the use or dissemination of County information (whether intentionally or by inadvertence, negligence or omission and whether verbally, electronically, through paper transmission or otherwise) for any purpose other than that directly associated with its work under the Project. The Contractor acknowledges that any unauthorized use, dissemination or disclosure of County Information is prohibited and may also constitute a violation of Virginia or federal laws, subjecting it or its employees to civil and/or criminal penalties.

Contractor agrees that it will not divulge or otherwise facilitate the disclosure, dissemination or access to or by any unauthorized person, for any purpose, of any Information obtained directly, or indirectly, as a result of its work on the Project. The Contractor shall coordinate closely with the County Project Officer to ensure that its authorization to its employees or approved subcontractors is appropriate and tightly controlled and that such person/s also maintain the security and privacy of County Information and the integrity of County-networked resources.

Contractor agrees to take strict security measures to ensure that County Information is kept secure; is properly stored in accordance with industry best practices, and if stored is encrypted as appropriate; and is otherwise protected from retrieval or access by unauthorized persons or for unauthorized purposes. Any device or media on which County Information is stored, even temporarily, will have strict security and access control. Any County Information that is accessible will not leave Contractor's work site or the County's physical facility, if the Contractor is working onsite, without written authorization of the County

Project Officer. If remote access or other media storage is authorized, the Contractor is responsible for the security of such storage device or paper files.

Contractor will ensure that any laptops, PDAs, netbooks, tablets, thumb drives or other media storage devices, as approved by the County and connected to the County network, are secure and running the latest version of an industry-standard virus protection program. The Contractor will ensure that all passwords used by its employees or subcontractors are robust, protected and not shared. The Contractor will not download any County Information except as agreed to by the parties and then only onto a County-approved device. The Contractor understands that downloading onto a personally owned device or service, such as personal e-mail, Dropbox, etc., is prohibited.

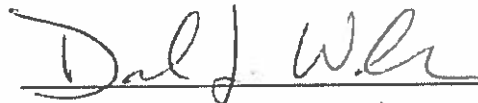
Contractor agrees that it will notify the County Project Officer immediately but in any event within 48 hours, of the discovery of any confirmed unauthorized disclosure of County Information, security breach, hacking or other breach of this agreement, the County's or Contractor's security policies, or any other breach of Project protocols concerning data security or County Information. The Contractor will fully cooperate with the County to regain possession of any information and to prevent its further disclosure, use or dissemination.

The Contractor agrees that all duties and obligations enumerated in this Agreement also extend to its employees, agents or subcontractors who are given access to County information. Breach of any of the above conditions by Contractor's employees, agents or subcontractors shall be treated as a breach by the Contractor. The Contractor agrees that it shall take all reasonable measures to ensure that its employees, agents and subcontractors are aware of and abide by the terms and conditions of this agreement and related data security provisions in the Main Agreement.

It is the intent of this *NonDisclosure and Data Security Agreement* to ensure that the Contractor has the industry standard administrative safeguards, disaster recovery and best practices in place to ensure confidentiality, protection, privacy and security of County information and County-networked resources and to ensure compliance with all applicable local, state and federal laws or regulatory requirements. Therefore, to the extent that this *NonDisclosure and Data Security Agreement* conflicts with the Main Agreement or with any applicable local, state, or federal law, regulation or provision, the more stringent requirement, law, regulation or provision controls.

At the conclusion of the Project, the Contractor agrees to return all County information to the County Project Officer. These obligations remain in full force and effect throughout the Project and shall survive any termination of the Main Agreement.

Authorized Signature:



Printed Name and Title:

Daniel J. Wheeler / Partner

Date:

4-11-18

ATTACHMENT DNONDISCLOSURE AND DATA SECURITY AGREEMENT
(INDIVIDUAL)

I, the undersigned, agree that I will hold County-provided information, documents, data, images, records and the like confidential and secure and protect it against loss, misuse, alteration, destruction or disclosure. This includes, but is not limited to, the information of the County, its employees, contractors, residents, clients, patients, taxpayers, and property as well as information that the County shares with my employer or prime contractor for testing, support, conversion or the provision of other services under Arlington County Agreement No. 17-025-RFP (the "Project" or "Main Agreement") or which may be accessed through County-owned or -controlled databases (all of the above collectively referred to as "County Information" or "Information").

I agree that I will maintain the privacy and security of County Information and will not divulge or allow or facilitate access to County Information for any purpose or by anyone unless expressly authorized to do so by the County Project Officer. This includes, but is not limited to, any County Information that in any manner describes, locates or indexes anything about an individual including, but not limited to, his/her ("his") Personal Health Information, treatment, disability, services eligibility, services provided, investigations, real or personal property holdings, education, financial transactions, medical history, ancestry, religion, political ideology, criminal or employment record, social security number, tax status or payments, date of birth, or that otherwise affords a basis for inferring personal characteristics, such as finger and voice prints, photographs, or things done by or to such individual, or the record of his presence, registration, or membership in an organization or activity, or admission to an institution.

I agree that I will not directly or indirectly use or facilitate the use or dissemination of information (whether intentionally or by inadvertence, negligence or omission and whether verbally, electronically, through paper transmission or otherwise) for any purpose other than that directly authorized and associated with my designated duties on the Project. I understand and agree that any unauthorized use, dissemination or disclosure of County Information is prohibited and may also constitute a violation of Virginia or federal law/s, subjecting me and/or my employer to civil and/or criminal penalties.

I also agree that I will not divulge or otherwise facilitate the disclosure, dissemination or access to or by any unauthorized person for any purpose of the Information obtained directly, or indirectly, as a result of my work on the Project. I agree to view, retrieve or access County Information only to the extent concomitant with my assigned duties on the Project and only in accordance with the County's and my employer's access and security policies or protocols.

I agree that I will take strict security measures to ensure that County Information is kept secure; is properly stored in accordance with industry best practices, and if stored is encrypted as appropriate; and is otherwise protected from retrieval or access by unauthorized persons or for unauthorized purposes. I will also ensure that any device or media on which County Information is stored, even temporarily, will have strict security and access control and that I will not remove, facilitate the removal of or cause any Information to be removed from my employer's worksite or the County's physical facility without written authorization of the County Project Officer. If so authorized, I understand that I am responsible for the security of the electronic equipment or paper files on which the Information is stored and agree to promptly return such Information upon request.

I will not use any devices, laptops, PDAs, netbooks, tablets, thumb drives or other media storage devices ("Device") during my work on the Project without pre-approval. I will ensure that any Device connected to the County network is running the latest version of an industry-standard virus protection program. I will also ensure that my password, if any, is robust, protected and not shared. I will not download any County Information except as authorized by the County Project Officer and then only onto a County-approved Device. I understand that downloading onto a personally-owned Device or service, such as personal e-mail, Dropbox etc., is prohibited.

I agree that I, or the appropriate Contractor personnel, will notify the County Project Officer immediately but in any event within 48 hours, of the discovery of any confirmed unauthorized disclosure of County Information, security breach, hacking or other breach of this agreement, the County's or Contractor's security policies, or any other breach of Project protocols concerning data security or County Information. I will fully cooperate with the County to help regain possession of any County Information and to prevent its further disclosure, use or dissemination.

It is the intent of this *NonDisclosure and Data Security Agreement* to ensure that the industry standard administrative safeguards and best practices are in place to ensure confidentiality, protection, privacy and security of County Information and County-networked resources and to ensure compliance with all applicable local, state and federal laws or regulatory requirements. Therefore, to the extent that this *NonDisclosure and Data Security Agreement* conflicts with the underlying Main Agreement or any local, state or federal law, regulation or provision, the more stringent requirement, law, regulation or provision controls.

Upon completion or termination of my work on the Project, I agree to return all County Information to the County Project Officer. I understand that this agreement remains in full force and effect throughout my work on the Project and shall survive my reassignment from the Project, termination of the above referenced Project or my departure from my current employer.

Signed: _____

Printed Name: _____

Date: _____

Witnessed:

Contractor's Project Manager: _____

Printed Name: _____

Date: _____

TO BE COMPLETED PRIOR TO BEGINNING WORK ON THE PROJECT

ATTACHMENT EBUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement is hereby entered into between RSM US LLP (hereafter referred to as "Business Associate") and the County Board of Arlington County, Virginia (hereafter referred to as "Covered Entity" or "County") (collectively "the parties") and is hereby made a part of any Underlying Agreement for goods or services entered into between the parties.

Recitals

The County provides services to its residents and employees which may cause it or others under its direction or control to serve as covered entities for purposes of the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The County, in its capacity as a covered entity, may provide Business Associate with certain information that may include Protected Health Information (PHI), so that Business Associate may perform its responsibilities pursuant to its Underlying Agreement(s) with and on behalf of County.

Covered Entity and Business Associate intend to protect the privacy of PHI and provide for the security of any electronic PHI received by Business Associate from Covered Entity, or created or received by Business Associate on behalf of Covered Entity in compliance with HIPAA; in compliance with regulations promulgated pursuant to HIPAA, at 45 CFR Parts 160 and Part 164; and in compliance with applicable provisions of the Health Information Technology for Economic and Clinical Health Act, as incorporated in the American Recovery and Reinvestment Act of 2009 (the "HITECH Act") and any applicable regulations and/or guidance issued by the U.S. Department of Health and Human Services ("DHHS") with respect to the HITECH Act (collectively "federal law").

WHEREAS, federal law and the specific regulations promulgated pursuant to HIPAA at 45 CFR § 164.314, 45 CFR § 164-502(e) and 45 CFR § 164.504(e) require a Covered Entity to enter into written agreements with all Business Associates (hereinafter "Business Associate Agreement");

WHEREAS, the parties desire to comply with HIPAA and desire to secure and protect such PHI from unauthorized disclosure;

THEREFORE, Business Associate and Covered Entity, intending to be legally bound, agree as follows. The obligations, responsibilities and definitions may be changed from time to time as determined by federal law and such changes are incorporated herein as if set forth in full text:

1) Definitions

The capitalized terms used in this Business Associate Agreement shall have the meaning set out below:

- a. **Accounting.** "Accounting" means a record of disclosures of protected health information made by the Business Associate.
- b. **Breach.** "Breach" means the acquisition, access, use, or disclosure of protected health information in a manner not permitted by this Business Associate Agreement and/or by HIPAA,

which compromises the security or privacy of the protected health information. For purposes of this Business Associate Agreement, any unauthorized acquisition, access, use, or disclosure of protected health information shall be presumed to be a breach.

- c. **Business Associate**. "Business Associate" means a person who creates, receives, maintains, or transmits protected health information on behalf of a Covered Entity to accomplish a task regulated by HIPAA and not as a member of the Covered Entity's workforce. A Business Associate shall include, but is not limited to, a non-workforce person/entity who performs data processing/analysis/transmission, billing, benefit management, quality assurance, legal, actuarial, accounting, administrative and/or financial services on behalf of the Covered Entity involving protected health information. A Business Associate also includes a subcontractor.
- d. **Covered Entity**. "Covered Entity" means a health plan, a health care clearinghouse, and/or a health care provider who transmits any health information in electronic form in connection with an activity regulated by HIPAA.
- e. **Data Aggregation**. "Data Aggregation" means, with respect to PHI created or received by Business Associate in its capacity as the Business Associate of Covered Entity, the combining of such PHI by the Business Associate with the PHI received by the Business Associate in its capacity as a Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.
- f. **Designated Record Set**. "Designated Record Set" means all records, including medical, enrollment, billing, payment, claims, and/or case management maintained by and/or for a Covered Entity.
- g. **Discovery**. "Discovery" shall mean the first day an unauthorized use or disclosure is known to the Business Associate or its contractors, or reasonably should have been known by Business Associate or its contractors, including when it is or should have been known by any person other than the person who engaged in the unauthorized use/disclosure who is an employee, officer, or agent of Business Associate.
- h. **Electronic Protected Health Information**. "Electronic Protected Health Information" means individually identifiable health information that is transmitted by or maintained in electronic media.
- i. **HIPAA**. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 as in effect and/or as amended.
- j. **HITECH Act**. "HITECH Act" means the portions of the Health Information Technology for Economic and Clinical Health Act which serve as amendments to HIPAA. HITECH is included within the definition of HIPAA unless stated separately.
- k. **Individual**. "Individual" means the person who is the subject of protected health information and/or a person who would qualify as a personal representative of the person who is the subject of protected health information.

- l. **Protected Health Information.** "Protected Health Information" or "PHI" means individually identifiable health information transmitted and/or maintained in any form.
- m. **Remuneration.** "Remuneration" means direct or indirect payment from or on behalf of a third party.
- n. **Required By Law.** "Required By Law" has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- o. **Secretary.** "Secretary" means the Secretary of the Department of Health and Human Services or the Secretary's designee.
- p. **Security Incident.** "Security Incident" means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with the system operations in an information system.
- q. **Underlying Agreement.** "Underlying Agreement" means the County contract for goods or services made through the County's procurement office which the parties have entered into and which the County has determined requires the execution of this Business Associate Agreement.
- r. **Unsecured Protected Health Information.** "Unsecured Protected Health Information" means protected health information that is not rendered unusable, unreadable, or indecipherable to unauthorized persons through the use of a technology or methodology approved by the Secretary.

2) **Obligations and Activities of Business Associate**

- b. Business Associate acknowledges and agrees that it is obligated by law (or upon the effective date of any portion thereof shall be obligated) to meet the applicable provisions of HIPAA and such provisions are incorporated herein and made a part of this Business Associate Agreement. Covered Entity and Business Associate agree that any regulations and/or guidance issued by DHHS with respect to HIPAA that relate to the obligations of business associates shall be deemed incorporated into and made a part of this Business Associate Agreement.
- c. In accordance with 45 CFR §164.502(a)(3), Business Associate agrees not to use or disclose PHI other than as permitted or required by this Business Associate Agreement or as Required by Law.
- d. Business Associate agrees to develop, implement, maintain and use appropriate administrative, technical, and physical safeguards that reasonably prevent the use or disclosure of PHI other than as provided for by this Business Associate Agreement, in accordance with 45 CFR §§164.306, 310 and 312. Business Associate agrees to develop, implement, maintain and use administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic PHI, in accordance with 45 CFR §§164.306, 308, 310, and 312. In accordance with 45 CFR §164.316, Business Associate

shall also develop and implement policies and procedures and meet the documentation requirements as and at such time as may be required by HIPAA.

- e. Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate, of a use or disclosure of PHI by Business Associate in violation of the requirements of this Business Associate Agreement.
- f. In accordance with 45 CFR §§164.308, 314 and 502, Business Associate will ensure that any workforce member or agent, including a vendor or subcontractor, whom Business Associate engages to create, receive, maintain, or transmit PHI on Business Associate's behalf, agrees to the same restrictions and conditions that apply through this Business Associate Agreement to Business Associate with respect to such information, including minimum necessary limitations. Business Associate will ensure that any workforce member or agent, including a vendor or subcontractor, whom Business Associate engages to create, receive, maintain, or transmit PHI on Business Associate's behalf, agrees to implement reasonable and appropriate safeguards to ensure the confidentiality, integrity, and availability of the PHI.
- g. At the request of Covered Entity, Business Associate will provide Covered Entity, or as directed by Covered Entity, an Individual, access to PHI maintained in a Designated Record Set in a time and manner that is sufficient to meet the requirements of 45 CFR § 164.524, and, where required by HIPAA, shall make such information available in an electronic format where directed by the Covered Entity.
- h. At the written request of Covered Entity, (or if so directed by Covered Entity, at the written request of an Individual), Business Associate agrees to make any amendment to PHI in a Designated Record Set, in a time and manner that is sufficient to meet the requirements of 45 CFR § 164.526.
- i. In accordance with 45 CFR §164.504(e)(2)(ii)(I), Business Associate agrees to make its internal practices, books, and records, including policies and procedures, and any PHI, relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of Covered Entity, timely available to the Secretary, or, if directed by the Secretary, to Covered Entity, for purposes of determining Business Associate's or Covered Entity's compliance with applicable law. To the extent permitted by law, said disclosures shall be held in strictest confidence by the Covered Entity. Business Associate will provide such access in a time and manner that is sufficient to meet any applicable requirements of applicable law.
- j. Business Associate agrees to document and maintain a record of disclosures of PHI and information related to such disclosures, including the date, recipient and purpose of such disclosures, in a manner that is sufficient for Covered Entity or Business Associate to respond to a request by Covered Entity or an Individual for an Accounting of disclosures of PHI and in accordance with 45 CFR § 164.528. Business Associate further shall provide any additional information where required by HIPAA and any implementing regulations. Unless otherwise provided under HIPAA, Business Associate will maintain the Accounting with respect to each disclosure for at least six years following the date of the disclosure.
- k. Business Associate agrees to provide to Covered Entity upon written request, or, as directed by Covered Entity, to an Individual, an Accounting of disclosures in a time and manner that is

sufficient to meet the requirements of HIPAA, in accordance with 45 CFR §164.528. In addition, where Business Associate is contacted directly by an Individual based upon information provided to the Individual by Covered Entity and where so required by HIPAA and/or any implementing regulations, Business Associate shall make such Accounting available directly to the Individual.

- i. In accordance with 45 CFR §164.502(b), Business Associate agrees to make reasonable efforts to limit use, disclosure, and/or requests for PHI to the minimum necessary to accomplish the intended purpose of the use, disclosure, or request. Where required by HIPAA, Business Associate shall determine (in its reasonable judgment) what constitutes the minimum necessary to accomplish the intended purpose of a disclosure.
- m. In accordance with 45 CFR §502(a)(5), Business Associate shall not directly or indirectly receive remuneration in exchange for any PHI of an Individual, except with the express written pre-approval of Covered Entity.
- n. To the extent Business Associate is to carry out one or more obligation(s) of the Covered Entity's under Subpart E of 45 CFR Part 164, Business Associate shall comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s).
- o. In accordance with 45 CFR §164.314(a)(1)(i)(C), Business Associate agrees to promptly report to Covered Entity any Security Incident of which it becomes aware, including breaches of Covered Entity's Unsecured Protected Health Information as required by §164.420. .
- p. In accordance with 45 CFR §164.410 and the provisions of this Business Associate Agreement, Business Associate will report to Covered Entity, following Discovery and without unreasonable delay, but in no event later than five business days following Discovery, any Breach of Covered Entity's Unsecured Protected Health Information. Business Associate shall cooperate with Covered Entity in investigating the Breach and in meeting Covered Entity's obligations under HIPAA and any other applicable security breach notification laws, including, but not limited to, providing Covered Entity with such information in addition to Business Associate's report as Covered Entity may reasonably request, e.g., for purposes of Covered Entity making an assessment as to whether/what Breach Notification is required.

Business Associate's report under this subsection shall, to the extent available at the time the initial report is required, or as promptly thereafter as such information becomes available but no later than 30 days from discovery, include:

- i. The identification (if known) of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach;
- ii. A description of the nature of the unauthorized acquisition, access, use, or disclosure, including the date of the Breach and the date of discovery of the Breach;
- iii. A description of the type of Unsecured PHI acquired, accessed, used or disclosed in the Breach (e.g., full name, Social Security number, date of birth, etc.);

- iv. The identity of the individual(s) who made and who received the unauthorized acquisition, access, use or disclosure;
 - v. A description of what Business Associate is doing to investigate the Breach, to mitigate losses, and to protect against any further breaches; and
 - vi. Contact information for Business Associate's representatives knowledgeable about the Breach.
- q. Business Associate shall maintain for a period of six years all information required to be reported under paragraph "o". This records retention requirement does not in any manner change the obligation to timely disclose all required information relating to a non-permitted acquisition, access, use or disclosure of Protected Health Information to the County Privacy Officer and the County Project Officer five business days following Discovery.

3) Permitted Uses and Disclosures by Business Associate

Except as otherwise limited in this Business Associate Agreement, Business Associate may use or disclose PHI, consistent with HIPAA, as follows:

- a. Business Associate may use or disclose PHI as necessary to perform functions, activities, or services to or on behalf of Covered Entity under any service agreement(s) with Covered Entity, including Data Aggregation services related to the health care operations of Covered Entity, if called for in the Underlying Agreement, if Business Associate's use or disclosure of PHI would not violate HIPAA if done by Covered Entity.
- b. Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
- c. Business Associate may disclose PHI for the proper management and administration of Business Associate if:
 - 1. Disclosure is Required by Law;
 - 2. Business Associate obtains reasonable assurances from the person to whom the PHI is disclosed that the PHI will remain confidential, and will be used or further disclosed only as Required By Law or for the purpose for which it was disclosed, and the person agrees to promptly notify Business Associate of any known breaches of the PHI's confidentiality; or
 - 3. Disclosure is pursuant to an order of a Court or Agency having jurisdiction over said information.
- d. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 45 CFR § 164.502(j)(1).

4) Obligations of Covered Entity

1. Covered Entity will notify Business Associate of any limitations on uses or disclosures described in its Notice of Privacy Practices (NOPP).
 - r. Covered Entity will notify Business Associate of any changes in, or revocation of, permission by an Individual to use or disclose PHI, to the extent that such changes or revocation may affect Business Associate's use or disclosure of PHI.
 - s. Covered Entity will notify Business Associate of any restriction of the use or disclosure of PHI, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
 - t. Covered Entity will notify Business Associate of any alternative means or locations for receipt of communications by an Individual which must be accommodated or permitted by Covered Entity, to the extent that such alternative means or locations may affect Business Associate's use or disclosure of PHI.
 - u. Except as otherwise provided in this Business Associate Agreement, Covered Entity will not ask Business Associate to use or disclose PHI in any manner that would not be permissible under HIPAA if such use and/or disclosure was made by Covered Entity.
 - v. It is the Business Associate's responsibility to communicate to the County the type of data required to perform its duties under the Contract. Within those parameters, the Covered Entity shall use reasonable efforts to disclose PHI and/or Electronic Protected Health Information to Business Associate only to the extent minimally necessary for Business Associate to perform its services for Covered Entity.

5) Term, Termination and Breach

1. This Business Associate Agreement is effective when fully executed and will terminate when all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, including any material provided to subcontractors.
2. Upon Covered Entity's determination that Business Associate has committed a violation or material breach of this Business Associate Agreement, and in Covered Entity's sole discretion, Covered Entity may take any one or more of the following steps:
 1. Provide an opportunity for Business Associate to cure the breach or end the violation, and if Business Associate does not cure the Breach or end the violation within a reasonable time specified by Covered Entity, terminate this Business Associate Agreement;
 2. Immediately terminate this Business Associate Agreement if Business Associate has committed a material breach of this Business Associate Agreement and cure of the material breach is not feasible; or,

3. If neither termination nor cure is feasible, elect to continue this Business Associate Agreement and report the violation or material breach to the Secretary.
3. If Business Associate believes Covered Entity has failed to fulfill any of its duties under this Business Associate Agreement, Business Associate will promptly notify Covered Entity as to same and Covered Entity shall promptly address the matter with Business Associate.
4. Except as provided herein upon termination of this Business Associate Agreement for any reason, Business Associate will return or destroy, at the discretion of Covered Entity, all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity. This provision will also apply to PHI that is in the possession of workforce members, subcontractors, or agents of Business Associate. Neither Business Associate, nor any workforce member, subcontractor, or agent of Business Associate, will retain copies of the PHI, except in cases of actual or threatened litigation, if required by Law or as otherwise set forth below.
5. If Business Associate determines that returning or destroying all or part of the PHI received or created by and/or on behalf of Covered Entity is not feasible, Business Associate will notify Covered Entity of the circumstances making return or destruction infeasible. If Covered Entity agrees that return or destruction is infeasible, then Business Associate will extend the protections of this Business Associate Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. With respect to PHI that is communicated to Business Associate through email or that has been scanned or otherwise stored electronically by Business Associate, Business Associate will make commercially reasonable efforts to delete such information from its active storage medium. Notwithstanding the preceding, the parties acknowledge that Business Associate's deletion of (a) email messages from individual mailboxes or (b) documents from network or individual hard drives will not result in the removal of all copies of such information from Business Associate's back-up or archival systems. Further, for a period not to exceed seven (7) years (the audit period) the Business Associate will maintain a copy of any PHI necessary to support its work product generated in connection with the performance of its services, solely for reference and archive purposes and in accordance with all applicable professional standards. All such retained information remains subject to the provisions of this Business Associate Agreement. Neither Business Associate's retention of archival copies nor its failure to remove copies from its back-up or archival systems will be deemed a breach of this Business Associate Agreement. Archival materials must be maintained in a secure fashion and protected against breaches. Any breaches of archival materials must be disclosed to the Covered Entity in the time and manner outlined in this Business Associate Agreement. Business Associate further agrees to retain the minimum necessary PHI to accomplish those tasks/responsibilities which make return and/or destruction infeasible.

6) Miscellaneous

- a. Covered Entity and Business Associate agree to take any action necessary to amend this Business Associate Agreement from time to time as may be necessary for Covered Entity or Business Associate to comply with the requirements of HIPAA, and/or any other implementing regulations or guidance.
- b. Notwithstanding the expiration or termination of this Business Associate Agreement or any Underlying Agreement, it is acknowledged and agreed that those rights and obligations of Business Associate which by their nature are intended to survive such expiration or termination shall survive.

- c. In the event the terms of this Business Associate Agreement conflict with the terms of any other agreement between Covered Entity and Business Associate or the Underlying Agreement, then the terms of this Business Associate Agreement shall control.
- d. Notices and requests provided for under this Business Associate Agreement will be made in writing to Covered Entity, delivered by hand-delivery, overnight mail or first class mail, postage prepaid at:

Marcy Foster,
Arlington County Privacy Officer
2100 Clarendon Blvd., Suite 511
Arlington, Virginia 22201

Stephen MacIsaac
County Attorney
2100 Clarendon Blvd., Suite 511
Arlington, Virginia 22201

Maria Meredith
County Project Officer
2100 Clarendon Blvd., Suite 500
Arlington, Virginia 22201

Notice and requests provided for under this Business Associate Agreement will be made in writing in the manner described above to Business Associate at:

RSM US LLP
Attn: Clara Ewing
7351 Office Park Place
Melbourne, FL 32940

With a copy to:
Attn: Office of the General Counsel
RSM US LLP
200 South Wacker Drive, Suite 3900
Chicago, IL 60606

- e. Upon Covered Entity's written request, but not more than annually, Business Associate will deliver to Covered Entity a copy of its CyberTrust Certification evidencing the operating and compliance effectiveness of Business Associate's IT control environment. Business Associate will also provide summaries of its IT security and disaster recovery policies and make its senior IT personnel available for discussion upon request. This provision does not preclude the Covered Entity from exercising any other inspection or audit rights prescribed by law or the underlying Contract (17-0025).
- f. Nothing in this Business Associate Agreement shall be construed to create a partnership, joint venture, or other joint business relationship between the parties or any of their affiliates, or a relationship of employer and employee between the parties. Rather, it is the intention of the parties that Business Associate shall be an independent contractor.

- g. Nothing in this Business Associate Agreement provides or is intended to provide any benefit to any third party.
- h. The Business Associate will indemnify and hold harmless Arlington County, its elected officials, officers, directors, employees and/or agents from and against any employee, federal administrative action or third party claim or liability, including reasonable attorneys' fees and costs, arising out of or in connection with the Business Associate's violation (or alleged violation) and/or any violation and/or alleged violation by Business Associate's workforce, agent/s, or subcontractor/s of the terms of this Business Associate Agreement, federal law, HIPAA, the HITECH Act in connection with the obligations arising under this Business Associate Agreement, and/or other applicable implementing regulations or guidance.

The obligation to provide indemnification under this Business Associate Agreement shall be contingent upon the party seeking indemnification providing the indemnifying party with written notice of any claim for which indemnification is sought. Any limitation of liability provisions contained in the Underlying Agreement do not supersede, pre-empt, or nullify this provision or the Business Associate Agreement generally. Business Associate's total liability relating to this Business Associate Agreement and the Underlying Agreement shall be limited as set forth in the Underlying Agreement.

This indemnification shall survive the expiration or termination of this Business Associate Agreement or the Underlying Agreement.

- i. Any ambiguity in this Business Associate Agreement shall be resolved to permit the parties to comply with HIPAA, its implementing regulations, and associated guidance. The sections, paragraphs, sentences, clauses and phrases of this Business Associate agreement are severable. If any phrase, clause, sentence, paragraph or section of this Business Associate Agreement is declared invalid by a court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences and sections of this Business Associate Agreement.
- j. If any dispute or claim arises between the parties with respect to this Business Associate Agreement, the parties will make a good faith effort to resolve such matters informally, it being the intention of the parties to reasonably cooperate with each other in the performance of the obligations set forth in this Business Associate Agreement. The Dispute Resolution clause of the Underlying Agreement ultimately governs if good faith efforts are unsuccessful.
- k. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any other right or remedy as to any subsequent events.
- l. Neither party may assign any of its rights or obligations under this Business Associate Agreement without the prior written consent of the other party.
- m. This Business Associate Agreement and the rights and obligations of the parties hereunder shall be construed, interpreted, and enforced with, and shall be governed by, the laws of the Commonwealth of Virginia and the United States of America.
- n. This Business Associate Agreement shall remain in effect for the duration of the Underlying Agreement between the parties, any renewals, extension or continuations thereof, and until such

time as all PHI in the possession or control of the Business Associate has been returned to the Covered Entity and/or destroyed. If such return or destruction is not feasible, the Business Associate shall use such PHI only for such limited purposes that make such return or destruction not feasible and the provision of this Business Associate Agreement shall survive with respect to such PHI.

- o. The Business Associate shall be deemed to be in violation of this Business Associate Agreement if it knew of, or with the exercise of reasonable diligence or oversight should have known of, a pattern of activity or practice of any subcontractor, subsidiary, affiliate, agent or workforce member that constitutes a material violation of that entity's obligations in regard to PHI unless the Business Associate took prompt and reasonable steps to cure the breach or end the violation, as applicable, and if such steps were unsuccessful, terminated the contract or arrangement with such entity, if feasible.
- p. Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or any change in applicable federal law including revisions to HIPAA; upon publication of any decision of a court of the United States or of the Commonwealth of Virginia, relating to PHI or applicable federal law; upon the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of PHI disclosures or applicable federal law, the County reserves the right, upon written notice to the Business Associate, to amend this Business Associate Agreement as the County determines is necessary to comply with such change, law or regulation. If the Business Associate disagrees with any such amendment, it shall so notify the County in writing within thirty (30) days of the County's notice. In case of disagreement, the parties agree to negotiate in good faith the appropriate amendment(s) to give effect to such revised obligation. In the County's discretion, the failure to enter into an amendment shall be deemed to be a default and good cause for termination of the Underlying Agreement.
- q. The County makes no warranty or representation that compliance by the Business Associate with this Business Associate Agreement, HIPAA, the HITECH Act, federal law or the regulations promulgated thereunder will be adequate or satisfactory for the Business Associate's own purposes or to ensure its compliance with the above. The Business Associate is solely responsible for all decisions made by it, its workforce members, agents, employees, subsidiaries and subcontractors regarding the safeguarding of PHI and compliance with federal law.
- r. The Business Associate agrees that its workforce members, agents, employees, subsidiaries and subcontractors providing services on Business Associate's behalf pursuant to the Underlying Agreement shall be made aware of the confidentiality requirements herein and their obligation to comply with the same. See also 45 CFR §164.504.
- s. This Business Associate Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.
- t. This Business Associate Agreement shall replace and supersede any prior Business Associate Agreement entered between the parties.

IN WITNESS WHEREOF, each party hereto has executed this Business Associate Agreement in duplicate originals on the date below written:

Arlington County, Virginia

By:

Marcy Foster
(Signature)

Name:

Marcy Foster

Title:

County Privacy Officer

Date:

10/30/2020

RSM US LLP ("Business Associate")

By:

[Signature]
(Signature)

Name:

DAVID J. WHELAN

Title:

PARTNER

Date:

4-11-18

ATTACHMENT F**ARLINGTON COUNTY DEPARTMENT OF MANAGEMENT AND FINANCE**
TRAVEL POLICY

This policy is to be used for the planning, submission and approval of travel expenses incurred by County employees while traveling on official County business.

This policy is to be strictly adhered to. County employees are expected to use prudent judgment and fiscal restraint when incurring travel expenses on the County's behalf. Travel expenses are paid for with public funds and employees should exercise due care when incurring travel expenses. Each Department Director is responsible for the travel expenses incurred by his/her staff. Department Directors have the right to restrict this policy further but may not make it more lenient.

This policy should be used in conjunction with the County's Travel Guidelines Administrative Regulation, Professional Membership Guidelines Administrative Regulation and Purchasing Card Program Guidelines.

TYPES OF TRAVEL

Local Travel – Travel within Washington Metro Area as defined by COG (www.mwcog.org/about/jurisdiction) is considered a day trip and should not require an overnight stay. Transportation expenses will be reimbursed following the Transportation section below. Pre-approval is not required.

Overnight Travel – Trips outside COG may require an overnight stay. For overnight travel, the employee MUST obtain prior written approval following the tiered approval process outlined below. ALL INTERNATIONAL TRAVEL MUST BE PRE APPROVED BY THE COUNTY MANAGER. Approval of travel for staff at any level of the organization is contingent on budgeted funds being available in the employee's department.

PRE-APPROVAL PROCESS – OVERNIGHT TRAVEL

Deputy County and Assistant County Managers – Requests by Deputy County and Assistant County Managers must be made to the County Manager for review and written approval prior to travel.

Department Directors – Requests must be made by a Department Director to the Deputy County Manager for review and written approval prior to travel.

All other staff – Requests by all other staff must be made to their supervisor and Department Director for review and written approval prior to travel.

The written approval must include the purpose of the travel, location, length of stay and approximate costs including per diem allowance for the intended destination. This written approval can be contained in an email and must be attached to the General Reimbursement and/or the P-Card Reconciliation report submitted through Internet Expense Reports in PRISM.

If prior written approval is not received, County funds cannot be used to support the travel. If County funds were charged, the employee may be required to reimburse the County from his/her personal funds. If the employee has paid for the travel personally, then he/she will not be reimbursed.

REIMBURSEMENT PROCESS

Employee reimbursements for expenditures for County Business must be made through PRISM utilizing the Internet Expense Reports function and the General Reimbursement Template. Authorized expenditures via an employee's County Purchase Card must be reconciled via Internet Expense Reports in PRISM using the P-Card Reconciliation Template. All reimbursement requests **MUST** be made using PRISM'S Internet Expense Reports function. Detailed Prism instructions for entering Internet Expense Reports (FIN iExpense) can be found here.

All expenses should be coded in iExpense based on what the expense is and not based on the purpose of the trip; for example, lodging should always be charged to lodging; it should not be charged to conference fees when attending a conference.

ONLY expenses paid for by the employee should be included on an Internet Expense Reports General Reimbursement in PRISM. Any authorized expenses paid using the County Purchase Card should never be included in an Internet Expense Reports General Reimbursement in PRISM. Inclusion of charges from a County P-card in an Internet Expense Reports General Reimbursement constitutes fraud.

All Internet Expense Reports for reimbursement **MUST** be submitted no more than 14 business days from the travel end date. Any Internet Expense Reports with a submission date more than 14 calendar days after the travel end date will be rejected except where good cause is demonstrated to the Comptroller. All Internet Expense Reports **MUST** be submitted for payment in the same fiscal year the expenses were incurred. Internet Expense Reports are electronically routed to the Department/Division Budget Analyst and the traveler's Supervisor for approval.

By submitting an Internet Expense Report, the traveler is certifying the accuracy of all information and the legitimacy of the travel. The approval of the Internet Expense Report by the traveler's supervisor certifies that the supervisor agrees that the travel was necessary and the requested reimbursements are appropriate and adhere to this policy. Payments (prepayments or reimbursements) for travel and training are **ONLY** available to Arlington County employees. Individuals not currently employed by Arlington County are prohibited from receiving travel and training paid for by the County, unless an exemption is given by the DMF Director or except where specified by contract.

County issued Purchase Cards may be used by the cardholder to make **PREAPPROVED** travel (see Approval Process under Overnight Travel) arrangements and related expenses. At the end of the month, the reconciler (Card Manager or Cardholder) must clearly identify in the description – who, what, why and where for each of these transactions. There must be a copy of a prior authorization for travel (given **BEFORE** any travel arrangements are made and the travel occurs) attached to the Internet Expense Reports P-Card Reconciliation. For more information on PCard policies, see Appendix G to the Purchasing Manual.

REQUIRED DOCUMENTATION

County employees are required to submit itemized receipts for their travel expenses. All receipts, conference and training schedules, details of expenses, explanations, any necessary approvals and approvals for exceptions to the Travel Policy must be electronically attached to the Internet Expense Report. Receipts are not required for items included in a per diem (meals and incidentals). The employee must submit proof of payment such as a copy of cancelled check or their own credit card statement that clearly shows a requested reimbursement was paid for by the employee and not by the County P-card. All associated receipts must be attached to the Internet Expense Report for both General Reimbursement and

P-Card Reconciliation. The traveler must retain all receipts until they validate a legible electronic copy is available in PRISM.

Expenses in foreign currency must be converted and entered in Internet Expense Report as U.S. dollars. Items purchased with foreign funds require currency conversion. Acceptable methods of conversion include your credit card statement or calculating the conversion using Oanda. The traveler may use the date of purchase or last date of trip to calculate the exchange amounts.

Internet Expense Reports are electronically routed to the Department/Division Budget Analyst and the traveler's Supervisor for approval. DMF will conduct periodic audits of travel reimbursements to ensure their compliance with County policies.

PREPAYMENTS/ADVANCES

An advance for known travel expenses can be processed upon request. Advances should be greater than \$100 and limited to items such as meal per diem, ground transportation and incidental per diem. We strongly encourage the use of the County purchasing card to secure room accommodations as well as prepayments to vendors when required, such as conferences and training fees. If the County employee travelling is not a Purchase Card holder, then he/she is required to work with a designated Purchase Card holder in the employee's division/department for prepayments to vendors and/or airlines as required. Backup documentation is required for advanced funds for all expenses except meal and incidental per diem. The employee is required to contract the per diem amount in advance by using the GSA web site as indicated in the Meals & Incidental Expenses Section of this policy. Requests for travel advances should not be made more than twenty (20) days in advance of the actual travel date.

- a. Cash advances for travel are not allowed to individuals with a previous travel advance outstanding more than 14 calendar days after returning from a prior travel assignment.
- b. All advances require Supervisor AND Department Director approval through the PRISM Payables Invoice Approval Process. Departmental AP personnel should enter the employee advance request into PRISM as an invoice, using the prepayment invoice type. Detailed Prism instructions for entering Prepayments/Advances (FIN Accounts Payable) can be found here.
- c. In situations where the advanced amount is more than the actual expenditure total, the employee must reimburse the County WITHIN 14 BUSINESS DAYS of returning from travel. All travel receipts and expenses, including those paid by an advance, MUST be entered and reconciled using PRISM Internet Expense Reports.
- d. Failure to enter and reconcile an advance within 14 business days of returning from travel may result in disciplinary action and the advance may be recovered through payroll deduction. If the advance is recovered through payroll deduction, the employee may complete an Internet Expense Report to obtain reimbursement for out-of-pocket travel expenditures.

TRAVEL EXPENSES – REIMBURSABLE

Transportation

- a. Mileage Reimbursement – Employees using his/her own personal vehicle when traveling for County business are eligible for mileage reimbursement. Travelers will not be reimbursed for mileage to and from their homes; mileage will be reimbursed based on the employee's regular work location as a starting point. Personal mileage unrelated to business may not be claimed. Mileage reimbursement does not apply to those employees using a County vehicle.

The mileage reimbursement rate will equal the IRS mileage reimbursement rate. The Department of Management and Finance will monitor the IRS rate and make adjustments as necessary. The most recent mileage reimbursement rate in effect for Arlington County can be found in PRISM's Internet Expense Reports Module.

The IRS mileage reimbursement rate represents the total payment for the use of private vehicles to include such items as depreciation, insurance, repairs, tires, maintenance, gas and oil. For those travelers who receive a car allowance, no mileage reimbursement is allowed for travel in the Washington Metro Area as defined by COG (www.mwcog.org/about/jurisdiction). For travel that is beyond this area, it is permissible to request mileage reimbursement.

For mileage reimbursement, the minimum requirement for documentation is a street name and city/state for both the destination and arrival. The Approvers (budget analyst and supervisor) shall certify that the reasonableness of mileage was verified using a mapping tool (such as Mapquest) or odometer reading provided by the employee seeking reimbursement or through other approved department methods.

- b. Vehicle Rentals – Leasing of non-County vehicles is discouraged. However, if the employee can justify a cost savings by renting a car and obtains approval (before travel begins, using the Approval Process defined in Overnight Travel) the employee will be reimbursed for rental, insurance (only as required in b and c below) and fuel fees. Receipts are required for reimbursement. The following regulations should be adhered to when renting a car:
 - a. County vehicles are to be used whenever possible for short trips, especially within the Commonwealth of Virginia and the Washington, DC metro area (Montgomery & Prince George's County, MD and the District of Columbia).
 - b. When business reasons dictate that a rental vehicle is justified in the Commonwealth of Virginia, the employee is required to purchase a minimum of \$100K, single limit collision/comprehensive insurance from the rental company. No additional liability insurance is required when renting a vehicle in Virginia because it is covered by Arlington County's insurance policy. If the traveler chooses to purchase insurance beyond what is required, it will be at the traveler's own expense.
 - c. For trips outside of the Commonwealth, where a rental car is needed, the employee is required to purchase a minimum of \$100K, single limit liability insurance and collision/comprehensive insurance from the rental company.
 - d. For car sharing plans such as FlexCar and ZipCar, no additional insurance is required as the respective companies provide their own coverage.
 - e. Each Department's Director or their designee, as the approving authority, has the right to restrict this policy further by requiring the purchase of insurance for all rental car drivers or denying requests for rental car use.
- c. Rail, bus, Metro, taxi, parking – Receipts are required for all of these transportation expenses. If receipts are not provided (i.e., ART, WMATA), include information showing starting/end points and the fare paid. Taxi expenses should include a maximum 15% gratuity. Transportation expenses to and from the airport to the hotel and any travel necessitated for work will be reimbursed. If a restaurant is not on-site or within walking distance of the hotel, reimbursement for a taxi will be provided.

- d. **Airfare** – Airfare will be reimbursed at the lowest available fare at time of booking. First class travel is not reimbursable. The only exception to this policy occurs when the coach fare is unavailable on a NECESSARY last minute travel arrangement. Documentation and prior approval using Overnight Travel Approval Process must be provided before the County will reimburse at the business or first class fare. ALL INTERNATIONAL TRAVEL MUST BE PRE APPROVED BY THE COUNTY MANAGER.
- e. **Checked Baggage** – The County will reimburse the cost incurred for checking one (1) bag for each direction of air or railway travel. A “carry on” bag is typically without charge. Reimbursement will only be made with the appropriate receipts as supporting documentation. Charges for additional checked baggage or any checked bag that exceeds the standard size and weight limit shall be borne by the traveler. Exceptions may be approved by the approver(s) following the Overnight Travel Approval Process. Such determination shall be based on a fair and reasonable approach to consider length of stay, destination, special materials and equipment, etc. required for the official travel.

Hotel/Motel Accommodations

Employees will be reimbursed up to the per diem lodging rate for the specified dates as provided the Federal Government U.S. General Services Administration (GSA). [Click here for the lodging rates by destination.](#) If a specific destination is not listed, use the "Standard" rate. The GSA per diem lodging rate excludes taxes, fees and surcharges. Travelers will be reimbursed for taxes and should include this calculation in their travel approval request. Please print the appropriate backup from GSA and attach to the reimbursement request. A government rate is not necessarily the same as the GSA lodging per diem rate.

Check, request and conContractor GSA rates both at the time reservations are made and during check-in. The County requires all hotel stays to be charged to the County Purchase Card. If the County employee travelling is not a Purchase Card holder, then he/she is required to work with a designated Purchase Card holder in the employee's division/department for prepayments to vendors and/or airlines as required. However, in a situation where that is not possible, the employee will be reimbursed for overnight accommodations.

Travelers may be reimbursed for expenses above the GSA lodging per diem rate with prior written approval from the appropriate approver. The approval must be attached with the Internet Expense Report. Examples of why travelers may be reimbursed for expenses greater than the GSA per diem rate include, but are not limited to, the following:

- s. Lodging is procured at a prearranged place such as a hotel where a meeting, conference, trade show or training session is held;
- t. Costs have escalated because of special events at the destination (e.g., sporting events, conventions, natural or manmade disasters); lodging and meal expenses within prescribed allowances cannot be obtained nearby and costs to commute to/from the nearby location consume most or all of the savings achieved from occupying less expensive lodging.

An itemized receipt showing all lodging fees and taxes charged during the stay must be submitted with the Internet Expense Report. The County will not reimburse the employee for room service charges. Meals will be reimbursed at the daily per diem rate.

In situations where the travel begins the day before the start of business (see examples below) the employee will be reimbursed for no more than one overnight stay, before and/or after the approved conference or class. However, if the price of a total package, including the airfare and lodging accommodation is cheaper, but require an additional night stay, then the additional night accommodation may be approved.

Ex. A: Seminar begins Monday at 8 a.m. – traveler would be reimbursed for Sunday night (not Saturday, except as noted above).

Ex. B: Seminar ends Friday after 5 p.m. – traveler could be reimbursed for Friday night (not Saturday, except as noted above).

Room upgrades are not reimbursable. Personal expenses such as gratuities for maid or room service, valet services, self-entertainment expenses, etc., are not reimbursable above the \$5 per day incidental per diem.

Since hotels may charge for non-canceled reservations, these charges will not be reimbursed if the traveler is negligent in canceling those reservations.

Meals and Incidental Travel Expenses (M&IE)

Travelers on overnight travel will be reimbursed for meals and incidental expenses up to the per diem rate as provided by the Federal Government. The IRS considers meal reimbursements for employees on daily travel a taxable fringe benefit. Therefore, the County will not reimburse for meals when the travel does not include an overnight stay. The daily per diem amount is intended to cover the cost of meals including tax and tip. For domestic travel, the reimbursed rates for M&IE will be provided by the U.S. General Services Administration. Click [here](#) for the M&IE rates by destination. If a specific destination is not listed, use the "Standard" rate.

The most recent M&IE per diem rates by destination have been loaded into PRISM's Internet Expense Reports module. When entering an Internet Expense Report chose the destination for your trip and the correct M&IE per diem rate will populate.

The following table shows the breakdown of continental breakfast/breakfast, lunch, and dinner components of the maximum daily reimbursement (per diem) rates for M&IE while on domestic travel. The M&IE per diem must correspond to the location specified for the overnight lodging. View the per diem rate for your destination to determine which M&IE rates apply.

\$51	\$11	\$12	\$23	\$5
\$54	\$12	\$13	\$24	\$5
\$59	\$13	\$15	\$26	\$5
\$64	\$15	\$16	\$28	\$5
\$69	\$16	\$17	\$31	\$5
\$74	\$17	\$18	\$34	\$5

Travelers are not required to obtain receipts for per diem meals or incidental expenses. Amounts over the per diem rate will not be reimbursed.

Regardless of destination, a flat \$5 per diem amount is paid for each day of overnight travel for incidental expenses such as bellhop/maid tips, personal telephone calls, and laundry.

For International Travel, the reimbursed rates for M&IE will be provided by the U.S. Department of State. Click [here](#) for the per diem rates by destination. If a specific destination is not listed, use the "Other" rate for that country. The M&IE portion of the maximum per diem rate covers the cost of meals as well as incidental expenses. International per diem rates are not listed in PRISM. Please use receipt based transaction tab and attach a print out of the appropriate per diem rate table for the relevant international destination to the Internet Expense Report.

Adjustments to Reimbursable Meals

A traveler will not be eligible for per diem or reimbursement at the maximum daily allowance for meals when any or all meals are furnished. If all meals are provided on a given day(s), the traveler will not receive the full per diem for that day. If less than three meals are furnished the traveler should request a reduced per diem based upon the meals provided.

Non reimbursable meals are defined as:

- a. Meals included as part of a conference fee.
- b. Any meal furnished at no cost to the traveler by a school or vendor while attending a course of instruction if the cost of the meal is ultimately paid for by the County as part of the cost of instruction.
- c. Any meal furnished by an airline where the cost of the ticket is paid for by the County.
- d. Any meal furnished by a private individual or Contractor that serves to replace a meal that would normally be funded as part of the per diem.

In situations where the conference meals do not fit traveler's dietary/religious needs, traveler should contact the hotel to request substitute meals. If the conference does not honor the request, the traveler is not required to deduct the applicable meal allowance from the per diem. However, the traveler must include a note or other documentation with the Internet Expense Report documenting this information when requesting full per diem reimbursement.

Internet Access/Telephone/FAX/Printing The County will reimburse employees with receipts for Internet Access/Telephone/FAX/Printing charges that are BUSINESS RELATED. Additionally, the County will also reimburse the traveler for reasonable telephone charges to inform a family member of their safe arrival or upcoming departure. If the employee has a County issued cell phone, it is expected that the employee will use this phone for phone calls within the US rather than a hotel phone.

TRAVEL EXPENSES – NOT REIMBURSABLE

County resources (including credit cards) are not to be used to process personal and non-allowable travel arrangements and expenditures. The employee must personally pay for these expenses at the time of checkout or through direct billing to the employee's residence. Personal and non-allowable travel expenses include:

- a. Costs of alcoholic beverages, even during meals;
- b. Costs of any substance or material that violates policies, laws and/or regulations
- c. Personal expenses of any form, such as laundry, haircuts, valet service, gym usage or personal calls beyond what is allowed in the Internet Access/Telephone/FAX/Printing section;

- d. Any illegal activity, such as traffic tickets;
- e. Gambling;
- f. Expenses for any social or recreational activities, such as golf, tours, movies, etc.;
- g. Insurance premiums, including traveler's insurance, paid by the traveler beyond what is allowed in the Vehicle Rental section;
- h. Any funds or personal belongings lost or stolen;
- i. Expenses incurred if travel stay has been extended due to personal choice or if an additional personal side trip accompanies the County's business travel;
- j. Expenses related to guests;
- k. Damage to personal vehicles, clothing or other items;
- l. Service to gain entry to a locked vehicle;
- m. Towing charges related to improper parking;
- n. EZ Pass transponder.

OTHER NON REIMBURSABLE EXPENSES

- a. Goods (commodities) or services that are under County contracts and agreements. These must be purchased from the contracted suppliers using a purchase order.
- b. Purchases from Office Max, Grainger or Federal Express;
- c. Purchase of furniture;
- d. Purchase of computer equipment.