

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

CONTRACT AWARD COVERPAGE

| | | |
|--------------------------------------|-----------------|--------------------------------|
| TO: ETHICAL ADVOCATE, INC. | DATE ISSUED: | 7/21/2020 |
| 1818 MLK JR. BOULEVARD #258 | CONTRACT NO: | 21-DMF-SFA-213 |
| CHAPEL HILL, NORTH CAROLINA 27514 | CONTRACT TITLE: | ANONYMOUS REPORTING HOTLINE |

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. 21-DMF-SFA-213 including any attachments or amendments thereto.

EFFECTIVE DATE:8/20/2020
EXPIRES: 8/19/2023
RENEWALS: TWO RENEWALS
COMMODITY CODE(S): 83932
LIVING WAGE: N

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

| | | |
|--|-------------------------|-----------------------|
| <u>VENDOR CONTACT:</u> JACOB BLASS | <u>VENDOR TEL. NO.:</u> | <u>(919) 968-0596</u> |
| <u>EMAIL ADDRESS:</u> JBLASS@ETHADV.COM | | |
| <u>COUNTY CONTACT:</u> KENNETH SACCOCCIA (DMF) | <u>COUNTY TEL. NO.:</u> | <u>(703) 228-3580</u> |
| <u>COUNTY CONTACT EMAIL:</u> KSACCOCCIA@ARLINGTONVA.US | | |

PURCHASING DIVISION AUTHORIZATION

Lucas Alexander Title PROCUREMENT OFFICER Date 7/21/2020

ARLINGTON COUNTY, VIRGINIA

STANDARD FORM AGREEMENT No. 21-DMF-SFA-213

THIS AGREEMENT ("Agreement") is made on the date of execution by the County between the COUNTY BOARD OF ARLINGTON COUNTY, VIRGINIA ("County") and Ethical Advocate, Inc., with a principal place of business located at 1818 MLK Jr. Boulevard, #258, Chapel Hill, North Carolina 27514 ("Contractor").

1. The Contractor agrees to provide the following goods or services:

Operate a Financial Fraud Waste and Abuse Hotline that would provide a confidential and secure tool for Arlington County employees and the public at large to file complaints of suspected Financial Fraud, Waste and Abuse

2. The County will have no obligation to the Contractor if no goods or services are required.
3. The Contractor's provision of these goods or services is subject to review and approval by the County's Project Officer.
4. Time is of the essence. The Work will commence on August 20, 2020 and must be completed no later than August 19, 2023 ("Initial Contract Term"), subject to any modifications provided in the Contract Documents. Upon satisfactory performance by the Contractor the County may, through issuance of a unilateral Notice of Award, authorize continuation of the Agreement for not more than two (2) additional 12-month periods, from August 20, 2023 to August 19, 2025 (each a "Subsequent Contract Term"). The Initial Contract Term and any Subsequent Contract Term(s) are together the "Contract Term".

The County will pay the Contractor, for services or goods that the Project Officer accepts at the rates included in Exhibit B – Pricing Sheet. The Contract Amount/unit price(s) will remain firm until August 19, 2023 ("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 90 days before the Price Adjustment Date. Adjustments to 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 May 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.

5. Each invoice must certify that the invoice submitted is a true and accurate accounting of the work performed and goods and/or services provided and must be signed and attested to by the Contractor or authorized designee. The County will pay the Contractor net 45 days from receipt of an invoice that the Project Officer approves for payment.
6. The Contractor is an independent contractor, and the County will not withhold from the Contractor's compensation any federal or Virginia unemployment taxes, federal or Virginia income taxes, Social Security tax or any other amounts for benefits to the Contractor or its agents or employees.

7. The Contractor is obligated to take one of the two following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by any subcontractor under this Agreement:
 - 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 Agreement; 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 any subcontractor on all amounts owed by the Contractor to the subcontractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Agreement, except for amounts withheld as allowed in section b., above. Unless otherwise provided under the terms of this Agreement, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements as those contained in this Agreement with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to the above provisions 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.

8. The County may terminate this Agreement by 30 days' written notice whenever the Purchasing Agent determines that termination is in the County's best interest. The Contractor will be entitled to receive compensation for all goods or services that the County accepted before the termination notice.
9. The County may terminate this Agreement by 48 hours' written notice if the Contractor fails to provide satisfactory goods or services, in the determination of the Project Officer. The notice will be effective upon receipt by the Contractor or three days after the County mails the notice, whichever is sooner. The Contractor will be entitled to receive compensation only for goods or services that the County accepted before the County mailed the notice. The Contractor will be liable to the County for all costs that the County incurs after the termination takes effect to complete the Work covered by the Contract, including delay costs and costs to repair or replace any unsatisfactory work. The County may deduct these costs from any amount that it owes the Contractor or require that the Contractor pay the costs on demand.
10. Time is of the essence and the Contractor agrees that failure to provide timely service will render this Agreement null and void.
11. The Contractor must provide a certificate of proof of the insurance coverages before the start of work:
 - Workers Compensation - Standard North Carolina Workers Compensation Policy.
 - Commercial General Liability (CGL)- \$500,000 combined single limit with \$1,000,000 aggregate coverage to include Personal Injury, Completed Operations, Contractual Liability

and, where applicable to the services, Products and Independent Contractors. "The County Board of Arlington County, Virginia, and its officers, employees and agents" must be additional named insureds on the CGL policy.

- The Contractor shall carry Professional Liability/Miscellaneous Errors and Omissions insurance which will pay for claim incidents arising out of errors or omissions in the rendering, or failure to render professional services under the contract at \$1,000,000 per claim.
- Data Compromise Coverage - up to \$50,000.

12. The Contractor agrees as follows:

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, national origin, age, disability or on any other basis prohibited by Virginia or federal law and must post in this nondiscrimination clause in conspicuous places, available to employees and applicants for employment.
- b. The Contractor must state that it is an Equal Opportunity Employer in all solicitations or advertisements for employees that it places or causes to be placed.
- c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall meet the requirements of this section.
- d. The Contractor must include the provisions of the foregoing paragraphs a), b), and c) in every subcontract or Purchase Order in excess of \$10,000.00, so that the provisions will be binding upon each subcontractor and/or supplier.

13. The Contractor must comply with the provisions of the Americans with Disabilities Act of 1990, which prohibits discrimination against individuals with disabilities in employment and mandates their full participation in publicly- and privately-provided services and activities.

14. The Contractor must (i) provide a drug-free workplace for the Contractor's 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 marijuana or any other controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of 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 in excess of \$10,000.00, so that the provisions will be binding upon each subcontractor or supplier. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with this Agreement.

15. The Contractor acknowledges that it does not, and will not during the performance of this Agreement, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

16. This Agreement is governed by the Arlington County Purchasing Resolution, which is incorporated by reference. The time limit for decision by the County Manager in Contractual Disputes, as that term is used in the Purchasing Resolution, is thirty (30) days.
17. This Agreement is not effective until the County issues a valid County Purchase Order covering the amount of the Agreement.
18. 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.
19. 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.
20. 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
21. The County does not discriminate against faith-based organizations.
22. The Contractor and its employees, agents and subcontractors will hold as confidential all County Information that they obtain under this Agreement. Confidential Information includes, but is not limited to, nonpublic personal information; personally, identifiable health information; security numbers; addresses; dates of birth; information pertaining to products, operations, systems, customers, prospective customers, techniques, intentions, processes, plans and expertise. The Contractor must take reasonable measures to ensure that all of its employees, agents, and subcontractors are informed of and abide by this requirement.
23. The Contractor must comply with the provisions of Chapter 11 of the Arlington County Code covering business licenses as applicable.
24. The Contractor must remain authorized to transact business in the Commonwealth of Virginia during the term of this Agreement.
25. This Agreement is governed in all respects by the laws of the Commonwealth of Virginia, and the

jurisdiction and venue for any litigation is in the Circuit Court for Arlington County, Virginia, and in no other court.

26. 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 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.
27. Notices will be effective when made in writing and either (a) delivered in person, (b) delivered to an overnight delivery service or (c) deposited in the United States mail, certified or registered. Notices should be addressed as follows:

Contact Information for the Contractor:

Jacob Blass, President
Ethical Advocate, Inc.
1818 MLK Jr. Boulevard
Chapel Hill, NC 27514

Contact Information for the Department (DMF)

Kenneth Saccoccia, Project Officer
2100 Clarendon Boulevard, suite 500
Arlington, VA 22201

Contact Information for Arlington County (Legal Authorization):

Office of the Purchasing Agent
2100 Clarendon Boulevard, Suite 500
Arlington, VA 22201
Attn: Lucas Alexander

28. The Contractor must retain all books, records and other documents related to this Contract for at least five years after the final payment and must allow the County or its authorized agents to examine the documents during this period and during the Contract Term. The Contractor must provide any requested documents to the County for examination within 15 days of the request, 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 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 firm 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.

- 29. The Contractor shall not assign or transfer this Agreement, or any of its rights or interests, without the County's prior written consent.
- 30. This Agreement may be modified only by written amendment.
- 31. All remedies available to the County under this Agreement are cumulative, and no remedy is exclusive of any other that is available to the County at law or in equity.
- 32. The sections, paragraphs, sentences, clauses and phrases of this Agreement are severable; and if any part is held to be invalid, the rest of the Agreement will remain in effect.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE AFFIXED THEIR SIGNATURES.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

ETHICAL ADVOCATE, INC.

AUTHORIZED
SIGNATURE: Lucas Alexander

AUTHORIZED
SIGNATURE: Janet Hankins

NAME AND
TITLE: LUCAS ALEXANDER
PROCUREMENT OFFICER

NAME AND
TITLE: Janet Hankins, President

DATE: 7/21/2020

DATE: July 21, 2020

Exhibit A - Scope of Services

1.1 Toll Free Hotline

- 1.1.1 The Contractor should utilize the County's toll-free hotline number 866-565-9206 that is unique to the County. The County would like to retain this number after completion or termination of the contracted service.
- 1.1.2 Calls to the hotline should be answered by a live intake representative 24 hours a day, 7 days a week, 365(6) days a year. The Contractor should have sufficient staffing and technical capacity to answer multiple calls simultaneously.
- 1.1.3 The Contractor should provide representatives who are fluent in a variety of languages, including English and Spanish.
- 1.1.4 Complainants shall be given the option to remain anonymous. Where this option is selected, the anonymity of hotline complainants shall be protected. Calls will not be recorded and caller identification information will not be maintained.
- 1.1.5 The complainant should be provided with an option to receive follow-up communication regarding his or her complaint.
- 1.1.6 The County should be entitled to an unlimited number of calls to the toll free hotline.
- 1.1.7 All hotline complaints should be entered into the Contractor's case management system within two (2) hours of its receipt of the complaint.
- 1.1.8 Complainants should be provided a unique identifier to be able to call in with follow up information or to receive information on the case.

1.2 Internet Based Complaint Reporting System

- 1.2.1 The Contractor should provide an internet-based reporting system through a secure website, customized for the County.
- 1.2.2 The website should include a standardized web form allowing the complainant to submit allegations through the website.
- 1.2.3 Allegations submitted via the website should be appropriately routed to the designated County contact(s) by the Contractor within thirty (30) minutes of the submission.
- 1.2.4 Complainants should be provided with the ability to receive follow-up communication regarding his or her complaint.
- 1.2.5 Complainants shall be given the option to remain anonymous. Where this option is selected, the anonymity of online complainants shall be protected. IP addresses will not be tracked for complaints submitted via the website.
- 1.2.6 The County should be entitled to an unlimited number of complaint submissions to the website.
 - 1.2.7 The website should be accessible to persons with disabilities.
- 1.2.8 The website should be available in English and in Spanish.
- 1.2.9 The website should have the capability to accept ~~attachments~~
- 1.2.10 The system should have the ability to route notifications of a report to multiple contacts either

named or by type of allegation.

- 1.2.11 The notice of a new report should not include the report itself but a notice to log into the system to see the report.

1.3 Staff

- 1.3.1 Intake representatives should be trained to capture required information from complainants upon which to potentially initiate a review as deemed appropriate into the complaints and to ask questions as appropriate to solicit this information.
- 1.3.2 Intake representatives should be trained customer service and should maintain a courteous and professional demeanor with complainants at all time.
- 1.3.3 Intake representatives should be trained in recognizing when a hotline or online complaint is a life-threatening emergency and should inform the complainant to contact 911.
- 1.3.4 The Contractor should provide a dedicated account representative as the single point of contact for any Contract issues. The representative should be a senior staff member.

1.4 Integrated Case Management System

All complaints should be tracked in an integrated case management system. The Contractor should provide an integrated Case Management System (“system”) with the following specifications:

- 1.4.1 The system should generate and deliver an electronic notification to the County of all new complaints, including a complaint summary, no later than one (1) hour of a new case being created in the system.
- 1.4.2 At a minimum, the complaint summary should include the date and time the complaint was submitted, the method the complaint was reported (via hotline or online), a detailed description of the nature of the complaint, and whether the complainant has selected the option for follow-up communication.
- 1.4.3 If so requested by the complainant, the complaint summary will be anonymous as to the identity of the complainant.
- 1.4.4 The system should generate and deliver an electronic notification to the County of all subsequent and follow up communication between the Contractor and the complainant within one (1) hours of said communication being entered into the system.
- 1.4.5 The system should track initial complaints and any subsequent follow-up contact with complainants on the same allegations.
- 1.4.6 The system should allow a designation of a broad case type including but not limited to fraud, waste, and abuse.
- 1.4.7 The system should allow the County to input and track complaints received directly by the County into the system.
- 1.4.8 The system should automatically assign a unique case number to each new complaint. Case numbers should be assigned in a systematic and serialized manner.
- 1.4.9 The system should allow a system administrator from the County to assign specific cases to other users within the system for investigation.
- 1.4.10 The system should allow the assigned County investigator to input investigative notes into the

system.

- 1.4.11 The system should allow the County to have a minimum of one (1) system administrator with full system access and rights to the County's data and the ability to add new users and assign access rights and ten (10) end users with varying levels of system access and rights.
- 1.4.12 The system should provide for the indefinite storage of the County's complaint and investigative data. The system should provide a method for the County to communicate with intake representatives regarding specific cases, including providing follow-up information and questions to be shared with the complainants by the intake representative.
- 1.4.13 The system should include the ability to reflect the status of a particular case, at a minimum allowing the case to be reflected as open or closed.
- 1.4.14 The system should allow for the creation and downloading of monthly, annual, and year to date reports of program activity. These reports should be easily sortable by a variety of fields including date, nature of the complaint, and length of time from the initial complaint intake to when the case was reflected as closed in the system. These reports may be provided by the Contractor to the County electronically or run and downloaded by the County's system administrator.
 - 1.4.15 The system should be searchable.
- 1.4.16 The County's data should not be comingled with any other of the Offer's customer's data.
 - 1.4.17 The system should allow the County to post instructions to complainants.
- 1.4.18 Complainants should be provided a unique identifier when they log a report on the website to provide follow up information or to receive information on the case.

1.5 Marketing and Educational Materials

- 1.5.1 The Contractor should provide the County with communication tools and other materials to promote and advertise the hotline including posters, business cards and brochures customized to the County for both employees and residents of the County.

1.6 Technical Support and Requirements

- 1.6.1 The Contractor should provide dedicated support from the client services team for program set up, system training, and on-going system maintenance.
- 1.6.2 The toll-free hotline should be accessible to persons with disabilities, including but not limited to individuals who use Text Telephone (TTY) and the Telecommunications Relay Service (TRS).
- 1.6.3 The Contractor should ensure the network security of all County data maintained in the system.
- 1.6.4 The Contractor should maintain adequate capacity on its network during the Contract term to meet the County's usage needs.

1.7 Annual Meeting

- 1.7.1 The Contractor should meet with the County a minimum of one time annually to provide a program overview, including trends, benchmarking against the Contractor's book of business, new program or system features, and any recommendations the Contractor believes the County should consider moving forward.

Exhibit B – Pricing Sheet

| <u>DESCRIPTION</u> | <u>PROPOSED PRICING</u> |
|---|--|
| Annual Fee for Online and Phone Financial Fraud, Waste and Abuse Hotline System | \$5,900/year invoiced at the start of the year, due Net 45 |
| One-time implementation fee, including training administrators | None |

| <u>MARKETING MATERIALS</u> | <u>PROPOSED PRICE PER UNIT</u> |
|---|--------------------------------|
| Customized 11X17 full color poster PDF ready for the County to Print | None |
| Single-sided (English) wallet cards PDF ready for County to Print | None |
| Double-sided wallet cards (additional language) PDF ready for the County to Print | None |