



SERVICES CONTRACT

BHA VR Video Services

DSHS Contract Number:
Resulting From Procurement Number:

This Contract is between the state of Washington Department of Social and Health Services (DSHS) and the Contractor identified below, and is governed by chapter 39.26 RCW.

Program Contract Number:
Contractor Contract Number:

CONTRACTOR NAME		CONTRACTOR doing business as (DBA)	
CONTRACTOR ADDRESS		WASHINGTON UNIFORM BUSINESS IDENTIFIER (UBI)	DSHS INDEX NUMBER
CONTRACTOR CONTACT	CONTRACTOR TELEPHONE	CONTRACTOR FAX	CONTRACTOR E-MAIL ADDRESS
DSHS ADMINISTRATION	DSHS DIVISION		DSHS CONTRACT CODE 8000PC-34
DSHS CONTACT NAME AND TITLE		DSHS CONTACT ADDRESS	
DSHS CONTACT TELEPHONE	DSHS CONTACT FAX	DSHS CONTACT E-MAIL ADDRESS	
IS THE CONTRACTOR A SUBRECIPIENT FOR PURPOSES OF THIS CONTRACT? No		CFDA NUMBER(S)	
CONTRACT START DATE 11/01/2019	CONTRACT END DATE 06/30/2020	CONTRACT MAXIMUM AMOUNT	

EXHIBITS. The following Exhibits are attached and are incorporated into this Contract by reference:
 Exhibits (specify): No Data Security Exhibit
 No Exhibits.

The terms and conditions of this Contract are an integration and representation of the final, entire and exclusive understanding between the parties superseding and merging all previous agreements, writings, and communications, oral or otherwise, regarding the subject matter of this Contract. The parties signing below represent that they have read and understand this Contract, and have the authority to execute this Contract. This Contract shall be binding on DSHS only upon signature by DSHS.

CONTRACTOR SIGNATURE Draft - Please Do Not Sign	PRINTED NAME AND TITLE	DATE SIGNED
DSHS SIGNATURE Draft - Please Do Not Sign	PRINTED NAME AND TITLE	DATE SIGNED

DSHS General Terms and Conditions

1. **Definitions.** The words and phrases listed below, as used in this Contract, shall each have the following definitions:
- a. "Central Contracts and Legal Services" means the DSHS central headquarters contracting office, or successor section or office.
 - b. "Confidential Information" or "Data" means information that is exempt from disclosure to the public or other unauthorized persons under RCW 42.56 or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information.
 - c. "Contract" or "Agreement" means the entire written agreement between DSHS and the Contractor, including any Exhibits, documents, or materials incorporated by reference. The parties may execute this contract in multiple counterparts, each of which is deemed an original and all of which constitute only one agreement. E-mail or Facsimile transmission of a signed copy of this contract shall be the same as delivery of an original.
 - d. "CCLS Chief" means the manager, or successor, of Central Contracts and Legal Services or successor section or office.
 - e. "Contractor" means the individual or entity performing services pursuant to this Contract and includes the Contractor's owners, members, officers, directors, partners, employees, and/or agents, unless otherwise stated in this Contract. For purposes of any permitted Subcontract, "Contractor" includes any Subcontractor and its owners, members, officers, directors, partners, employees, and/or agents.
 - f. "Debarment" means an action taken by a Federal agency or official to exclude a person or business entity from participating in transactions involving certain federal funds.
 - g. "DSHS" or the "Department" means the state of Washington Department of Social and Health Services and its employees and authorized agents.
 - h. "Encrypt" means to encode Confidential Information into a format that can only be read by those possessing a "key;" a password, digital certificate or other mechanism available only to authorized users. Encryption must use a key length of at least 256 bits for symmetric keys, or 2048 bits for asymmetric keys. When a symmetric key is used, the Advanced Encryption Standard (AES) must be used if available.
 - i. "Personal Information" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, Social Security Numbers, driver license numbers, other identifying numbers, and any financial identifiers.
 - j. "Physically Secure" means that access is restricted through physical means to authorized individuals only.
 - k. "Program Agreement" means an agreement between the Contractor and DSHS containing special terms and conditions, including a statement of work to be performed by the Contractor and payment to be made by DSHS.
 - l. "RCW" means the Revised Code of Washington. All references in this Contract to RCW chapters or sections shall include any successor, amended, or replacement statute. Pertinent RCW chapters can be accessed at <http://apps.leg.wa.gov/rcw/>.

DSHS General Terms and Conditions

- m. "Regulation" means any federal, state, or local regulation, rule, or ordinance.
 - n. "Secured Area" means an area to which only authorized representatives of the entity possessing the Confidential Information have access. Secured Areas may include buildings, rooms or locked storage containers (such as a filing cabinet) within a room, as long as access to the Confidential Information is not available to unauthorized personnel.
 - o. "Subcontract" means any separate agreement or contract between the Contractor and an individual or entity ("Subcontractor") to perform all or a portion of the duties and obligations that the Contractor is obligated to perform pursuant to this Contract.
 - p. "Tracking" means a record keeping system that identifies when the sender begins delivery of Confidential Information to the authorized and intended recipient, and when the sender receives confirmation of delivery from the authorized and intended recipient of Confidential Information.
 - q. "Trusted Systems" include only the following methods of physical delivery: (1) hand-delivery by a person authorized to have access to the Confidential Information with written acknowledgement of receipt; (2) United States Postal Service ("USPS") first class mail, or USPS delivery services that include Tracking, such as Certified Mail, Express Mail or Registered Mail; (3) commercial delivery services (e.g. FedEx, UPS, DHL) which offer tracking and receipt confirmation; and (4) the Washington State Campus mail system. For electronic transmission, the Washington State Governmental Network (SGN) is a Trusted System for communications within that Network.
 - r. "WAC" means the Washington Administrative Code. All references in this Contract to WAC chapters or sections shall include any successor, amended, or replacement regulation. Pertinent WAC chapters or sections can be accessed at <http://apps.leg.wa.gov/wac/>.
- 2. Amendment.** This Contract may only be modified by a written amendment signed by both parties. Only personnel authorized to bind each of the parties may sign an amendment.
- 3. Assignment.** The Contractor shall not assign this Contract or any Program Agreement to a third party without the prior written consent of DSHS.
- 4. Billing Limitations.**
- a. DSHS shall pay the Contractor only for authorized services provided in accordance with this Contract.
 - b. DSHS shall not pay any claims for payment for services submitted more than twelve (12) months after the calendar month in which the services were performed.
 - c. The Contractor shall not bill and DSHS shall not pay for services performed under this Contract, if the Contractor has charged or will charge another agency of the state of Washington or any other party for the same services.
- 5. Compliance with Applicable Law.** At all times during the term of this Contract, the Contractor shall comply with all applicable federal, state, and local laws and regulations, including but not limited to, nondiscrimination laws and regulations.
- 6. Confidentiality.**
- a. The Contractor shall not use, publish, transfer, sell or otherwise disclose any Confidential

DSHS General Terms and Conditions

Information gained by reason of this Contract for any purpose that is not directly connected with Contractor's performance of the services contemplated hereunder, except:

- (1) as provided by law; or,
 - (2) in the case of Personal Information, with the prior written consent of the person or personal representative of the person who is the subject of the Personal Information.
- b. The Contractor shall protect and maintain all Confidential Information gained by reason of this Contract against unauthorized use, access, disclosure, modification or loss. This duty requires the Contractor to employ reasonable security measures, which include restricting access to the Confidential Information by:
- (1) Allowing access only to staff that have an authorized business requirement to view the Confidential Information.
 - (2) Physically Securing any computers, documents, or other media containing the Confidential Information.
 - (3) Ensure the security of Confidential Information transmitted via fax (facsimile) by:
 - (a) Verifying the recipient phone number to prevent accidental transmittal of Confidential Information to unauthorized persons.
 - (b) Communicating with the intended recipient before transmission to ensure that the fax will be received only by an authorized person.
 - (c) Verifying after transmittal that the fax was received by the intended recipient.
 - (4) When transporting six (6) or more records containing Confidential Information, outside a Secured Area, do one or more of the following as appropriate:
 - (a) Use a Trusted System.
 - (b) Encrypt the Confidential Information, including:
 - i. Encrypting email and/or email attachments which contain the Confidential Information.
 - ii. Encrypting Confidential Information when it is stored on portable devices or media, including but not limited to laptop computers and flash memory devices.
 - (5) Send paper documents containing Confidential Information via a Trusted System.
 - (6) Following the requirements of the DSHS Data Security Requirements Exhibit, if attached to this contract.
- c. Upon request by DSHS, at the end of the Contract term, or when no longer needed, Confidential Information shall be returned to DSHS or Contractor shall certify in writing that they employed a DSHS approved method to destroy the information. Contractor may obtain information regarding approved destruction methods from the DSHS contact identified on the cover page of this Contract.

Note: If the DSHS Data Security Requirements Exhibit is attached to this contract, this item, 6.b.(4), is superseded by the language contained in the Exhibit.

DSHS General Terms and Conditions

- d. Paper documents with Confidential Information may be recycled through a contracted firm, provided the contract with the recycler specifies that the confidentiality of information will be protected, and the information destroyed through the recycling process. Paper documents containing Confidential Information requiring special handling (e.g. protected health information) must be destroyed on-site through shredding, pulping, or incineration.
- e. Notification of Compromise or Potential Compromise. The compromise or potential compromise of Confidential Information must be reported to the DSHS Contact designated on the contract within one (1) business day of discovery. Contractor must also take actions to mitigate the risk of loss and comply with any notification or other requirements imposed by law or DSHS.
7. **Debarment Certification.** The Contractor, by signature to this Contract, certifies that the Contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency from participating in transactions (Debarred). The Contractor also agrees to include the above requirement in any and all Subcontracts into which it enters. The Contractor shall immediately notify DSHS if, during the term of this Contract, Contractor becomes Debarred. DSHS may immediately terminate this Contract by providing Contractor written notice if Contractor becomes Debarred during the term hereof.
8. **Governing Law and Venue.** This Contract shall be construed and interpreted in accordance with the laws of the state of Washington and the venue of any action brought hereunder shall be in Superior Court for Thurston County.
9. **Independent Contractor.** The parties intend that an independent contractor relationship will be created by this Contract. The Contractor and his or her employees or agents performing under this Contract are not employees or agents of the Department. The Contractor, his or her employees, or agents performing under this Contract will not hold himself/herself out as, nor claim to be, an officer or employee of the Department by reason hereof, nor will the Contractor, his or her employees, or agent make any claim of right, privilege or benefit that would accrue to such officer or employee.
10. **Inspection.** The Contractor shall, at no cost, provide DSHS and the Office of the State Auditor with reasonable access to Contractor's place of business, Contractor's records, and DSHS client records, wherever located. These inspection rights are intended to allow DSHS and the Office of the State Auditor to monitor, audit, and evaluate the Contractor's performance and compliance with applicable laws, regulations, and these Contract terms. These inspection rights shall survive for six (6) years following this Contract's termination or expiration.
11. **Maintenance of Records.** The Contractor shall maintain records relating to this Contract and the performance of the services described herein. The records include, but are not limited to, accounting procedures and practices, which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Contract. All records and other material relevant to this Contract shall be retained for six (6) years after expiration or termination of this Contract.
- Without agreeing that litigation or claims are legally authorized, if any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
12. **Order of Precedence.** In the event of any inconsistency or conflict between the General Terms and Conditions and the Special Terms and Conditions of this Contract or any Program Agreement, the inconsistency or conflict shall be resolved by giving precedence to these General Terms and Conditions. Terms or conditions that are more restrictive, specific, or particular than those contained in the General Terms and Conditions shall not be construed as being inconsistent or in conflict.

DSHS General Terms and Conditions

13. **Severability.** If any term or condition of this Contract is held invalid by any court, the remainder of the Contract remains valid and in full force and effect.

14. **Survivability.** The terms and conditions contained in this Contract or any Program Agreement which, by their sense and context, are intended to survive the expiration or termination of the particular agreement shall survive. Surviving terms include, but are not limited to: Billing Limitations; Confidentiality, Disputes; Indemnification and Hold Harmless, Inspection, Maintenance of Records, Notice of Overpayment, Ownership of Material, Termination for Default, Termination Procedure, and Treatment of Property.

15. **Contract Renegotiation, Suspension, or Termination Due to Change in Funding.**

If the funds DSHS relied upon to establish this Contract or Program Agreement are withdrawn, reduced or limited, or if additional or modified conditions are placed on such funding, after the effective date of this contract but prior to the normal completion of this Contract or Program Agreement:

- a. At DSHS's discretion, the Contract or Program Agreement may be renegotiated under the revised funding conditions.
- b. At DSHS's discretion, DSHS may give notice to Contractor to suspend performance when DSHS determines that there is reasonable likelihood that the funding insufficiency may be resolved in a timeframe that would allow Contractor's performance to be resumed prior to the normal completion date of this contract.
 - (1) During the period of suspension of performance, each party will inform the other of any conditions that may reasonably affect the potential for resumption of performance.
 - (2) When DSHS determines that the funding insufficiency is resolved, it will give Contractor written notice to resume performance. Upon the receipt of this notice, Contractor will provide written notice to DSHS informing DSHS whether it can resume performance and, if so, the date of resumption. For purposes of this subsection, "written notice" may include email.
 - (3) If the Contractor's proposed resumption date is not acceptable to DSHS and an acceptable date cannot be negotiated, DSHS may terminate the contract by giving written notice to Contractor. The parties agree that the Contract will be terminated retroactive to the date of the notice of suspension. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the retroactive date of termination.
- c. DSHS may immediately terminate this Contract by providing written notice to the Contractor. The termination shall be effective on the date specified in the termination notice. DSHS shall be liable only for payment in accordance with the terms of this Contract for services rendered prior to the effective date of termination. No penalty shall accrue to DSHS in the event the termination option in this section is exercised.

16. **Waiver.** Waiver of any breach or default on any occasion shall not be deemed to be a waiver of any subsequent breach or default. Any waiver shall not be construed to be a modification of the terms and conditions of this Contract. Only the CCLS Chief or designee has the authority to waive any term or condition of this Contract on behalf of DSHS.

Additional General Terms and Conditions – Professional Service Contracts:

DSHS General Terms and Conditions

17. **Advance Payment.** DSHS shall not make any payments in advance or anticipation of the delivery of services to be provided pursuant to this Contract.
18. **Construction.** The language in this Contract shall be interpreted as to its fair meaning and not strictly for or against any party. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Contract.
19. **Indemnification and Hold Harmless.**
- a. The Contractor shall be responsible for and shall indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines, of whatsoever kind of nature, arising out of or relating to a) the Contractor's or any Subcontractor's performance or failure to perform this Contract, or b) the acts or omissions of the Contractor or any Subcontractor.
 - b. The Contractor's duty to indemnify, defend, and hold DSHS harmless from any and all claims, costs, charges, penalties, demands, losses, liabilities, damages, judgments, or fines shall include DSHS' personnel-related costs, reasonable attorney's fees, court costs, and all related expenses.
 - c. The Contractor waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees.
 - d. Nothing in this term shall be construed as a modification or limitation on the Contractor's obligation to procure insurance in accordance with this Contract or the scope of said insurance.
20. **Industrial Insurance Coverage.** The Contractor shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, Agency may collect from the Contractor the full amount payable to the Industrial Insurance accident fund. The Agency may deduct the amount owed by the Contractor to the accident fund from the amount payable to the Contractor by the Agency under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from the Contractor.
21. **Notice of Overpayment.** If the Contractor receives a vendor overpayment notice or a letter communicating the existence of an overpayment from DSHS, the Contractor may protest the overpayment determination by requesting an adjudicative proceeding. The Contractor's request for an adjudicative proceeding must:
- a. Be *received* by the Office of Financial Recovery (OFR) at Post Office Box 9501, Olympia, Washington 98507-9501, within twenty-eight (28) calendar days of service of the notice;
 - b. Be sent by certified mail (return receipt) or other manner that proves OFR received the request;
 - c. Include a statement as to why the Contractor thinks the notice is incorrect; and
 - d. Include a copy of the overpayment notice.

Timely and complete requests will be scheduled for a formal hearing by the Office of Administrative Hearings. The Contractor may be offered a pre-hearing or alternative dispute resolution conference in an attempt to resolve the overpayment dispute prior to the hearing.

DSHS General Terms and Conditions

Failure to provide OFR with a written request for a hearing within twenty-eight (28) days of service of a vendor overpayment notice or other overpayment letter will result in an overpayment debt against the Contractor. DSHS may charge the Contractor interest and any costs associated with the collection of this overpayment. DSHS may collect an overpayment debt through lien, foreclosure, seizure and sale of the Contractor's real or personal property; order to withhold and deliver; or any other collection action available to DSHS to satisfy the overpayment debt.

- 22. DES Filing Requirement.** Under RCW 39.26, sole source contracts and amendments must be filed with the State of Washington Department of Enterprise Services (DES). If this Contract is one that must be filed, it shall not be effective nor shall work commence or payment be made until the tenth (10th) working day following the date of filing subject to DES approval. In the event DES fails to approve the Contract or any amendment hereto, the Contract or amendment shall be null and void.
- 23. Subcontracting.** Except as otherwise provided in this Contract, the Contractor shall not Subcontract any of the contracted services without the prior written approval of DSHS. Contractor is responsible to ensure that all terms, conditions, assurances and certifications set forth in this Contract are included in any and all Subcontracts. Any failure of Contractor or its Subcontractors to perform the obligations of this Contract shall not discharge the Contractor from its obligations hereunder or diminish DSHS' rights or remedies available under this Contract.
- 24. Subrecipients.**
- a. General. If the Contractor is a subrecipient of federal awards as defined by 2 CFR Part 200 and this Agreement, the Contractor shall:
- (1) Maintain records that identify, in its accounts, all federal awards received and expended and the federal programs under which they were received, by Catalog of Federal Domestic Assistance (CFDA) title and number, award number and year, name of the federal agency, and name of the pass-through entity;
 - (2) Maintain internal controls that provide reasonable assurance that the Contractor is managing federal awards in compliance with laws, regulations, and provisions of contracts or grant agreements that could have a material effect on each of its federal programs;
 - (3) Prepare appropriate financial statements, including a schedule of expenditures of federal awards;
 - (4) Incorporate 2 CFR Part 200, Subpart F audit requirements into all agreements between the Contractor and its Subcontractors who are subrecipients;
 - (5) Comply with the applicable requirements of 2 CFR Part 200, including any future amendments to 2 CFR Part 200, and any successor or replacement Office of Management and Budget (OMB) Circular or regulation; and
 - (6) Comply with the Omnibus Crime Control and Safe streets Act of 1968, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, Title IX of the Education Amendments of 1972, The Age Discrimination Act of 1975, and The Department of Justice Non-Discrimination Regulations, 28 C.F.R. Part 42, Subparts C.D.E. and G, and 28 C.F.R. Part 35 and 39. (Go to <https://ojp.gov/about/offices/ocr.htm> for additional information and access to the aforementioned Federal laws and regulations.)
- b. Single Audit Act Compliance. If the Contractor is a subrecipient and expends \$750,000 or more in

DSHS General Terms and Conditions

federal awards from any and/or all sources in any fiscal year, the Contractor shall procure and pay for a single audit or a program-specific audit for that fiscal year. Upon completion of each audit, the Contractor shall:

- (1) Submit to the DSHS contact person the data collection form and reporting package specified in 2 CFR Part 200, Subpart F, reports required by the program-specific audit guide (if applicable), and a copy of any management letters issued by the auditor;
- (2) Follow-up and develop corrective action for all audit findings; in accordance with 2 CFR Part 200, Subpart F; prepare a "Summary Schedule of Prior Audit Findings" reporting the status of all audit findings included in the prior audit's schedule of findings and questioned costs.

c. Overpayments. If it is determined by DSHS, or during the course of a required audit, that the Contractor has been paid unallowable costs under this or any Program Agreement, DSHS may require the Contractor to reimburse DSHS in accordance with 2 CFR Part 200.

25. Termination for Convenience. DSHS may terminate this Contract in whole or in part when it is in the best interest of DSHS by giving the Contractor at least thirty (30) calendar days' written notice.

26. Termination for Default. The CCLS Chief may immediately terminate this Contract for default, in whole or in part, by written notice to the Contractor if DSHS has a reasonable basis to believe that the Contractor has:

- a. Failed to meet or maintain any requirement for contracting with DSHS;
- b. Failed to protect the health or safety of any DSHS client;
- c. Failed to perform under, or otherwise breached, any term or condition of this Contract; and/or
- d. Violated any applicable law or regulation.
- e. If it is later determined that the Contractor was not in default, the termination shall be considered a termination for convenience.

27. Termination or Expiration Procedure. The following terms and conditions apply upon Contract termination or expiration:

- a. The Contractor shall cease to perform any services required by this Contract as of the effective date of termination or expiration.
- b. If the Contract is terminated, the Contractor shall comply with all instructions contained in the termination notice.
- c. The Contractor shall immediately deliver to the DSHS contact named on page one of this Contract, or to his or her successor, all DSHS property in the Contractor's possession. The Contractor grants DSHS the right to enter upon the Contractor's premises for the sole purpose of recovering any DSHS property that the Contractor fails to return within ten (10) calendar days of the effective date of termination or expiration of this Contract. Upon failure to return DSHS property within ten (10) calendar days, the Contractor shall be charged with all reasonable costs of recovery, including transportation.
- d. DSHS shall be liable only for payment required under the terms of this Contract for service

DSHS General Terms and Conditions

rendered up to the effective date of termination or expiration.

- e. DSHS may withhold a sum from the final payment to the Contractor that DSHS determines necessary to protect DSHS against loss or additional liability.
- f. The rights and remedies provided to DSHS in this Section are in addition to any other rights and remedies provided at law, in equity, and/or under this Contract, including consequential and incidental damages.

28. Treatment of Property. All property purchased or furnished by DSHS for use by the Contractor during this Contract term shall remain with DSHS. Title to all property purchased or furnished by the Contractor for which the Contractor is entitled to reimbursement by DSHS under this Contract shall pass to and vest in DSHS. The Contractor shall protect, maintain, and insure all DSHS property in its possession against loss or damage and shall return DSHS property to DSHS upon Contract termination or expiration.

29. Taxes.

- a. Where required by statute or regulation, Contractor shall pay for and maintain in current status all taxes that are necessary for Contract performance. DSHS will pay sales or use taxes, if any, imposed on the services and materials acquired hereunder. Contractor must pay all other taxes including without limitation Washington Business and Occupation Tax, other taxes based on Contractor's income or gross receipts, or personal property taxes levied or assessed on Contractor's personal property. DSHS, as an agency of Washington State government, is exempt from property tax.
- b. Contractor shall complete registration with the Washington State Department of Revenue and be responsible for payment of all taxes due on payments made under this Contract in accordance with the requirements of [Title 82 RCW](#) and [Title 458 WAC](#). Out-of-state Contractors must contact the Department of Revenue to determine whether they meet criteria to register and establish an account with the Department of Revenue. Refer to WAC 458-20-101 (Tax registration and tax reporting) and call the Department of Revenue at 800-647-7706 for additional information. When out-of-state Contractors are not required to collect and remit sales tax, DSHS shall be responsible for paying use tax, if applicable, directly to the Department of Revenue.
- c. All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for Contractor or Contractor's staff shall be Contractor's sole responsibility.

Special Terms and Conditions

1. Definitions Specific to Special Terms.

The words and phrases listed below, as used in this Contract, shall each have the following definitions:

- a. "BHA" means the Behavioral Health Administration of the Washington Department of Social and Health Services which is responsible for operating Western State Hospital.
- b. "Coordinator" means the principal point of contact for DSHS under this Contract. The Coordinator will serve as the primary point of contact for business matters, performance matters, and administrative activities under this Contract and will provide oversight of Contractor activities conducted hereunder.
- c. "Facility" means Western State Hospital or may also include another facility designated by BHA and operated by, or pursuant to a contract with, the state of Washington.
- d. "Patient" or "Client" means an individual who is admitted to a Facility.
- e. "Services" means the complete range of services and resources that leads to the production of virtual reality video deliverables under this Contract including, but not limited to, identification of training objectives and approach, screenwriting, engagement of actors, rehearsing, VR360 videography, formatting and editing, and presentation to BHA for feedback and approval.
- f. "Staff" means state employees, contractors and volunteers who perform duties as assigned by the state or its contractors within the Facilities.
- g. "Task Order" means the contractual document issued by DSHS and, with the exception of Task Order 1 which is incorporated herein, executed by DSHS and the Contractor. A Task Order describes a specific set of Services to be performed by Contractor, the time periods within which these Services and related deliverables will be completed, the performance measures/outcomes associated with the Services and deliverables, and the maximum amounts payable to Contractor for satisfactory completion of the Services under the Task Order.
- h. "Task Order Manager" means the DSHS principal point of contact for the initiation, approval and implementation of a Task Order, and any amendments thereto.
- i. "Training" means the activities conducted by the state of Washington to educate its Staff regarding the performance of their responsibilities including policies they must follow.
- j. "VR360 Video" or "Video" refers to a short film with VR 360 features that is developed for the purpose of providing effective, engaging training to assist Staff to understand and develop skills in using a person-centered approach to interactions with others, particularly Patients.
- k. "Virtual Reality 360" or "VR 360" refers to a Video that is capable of being stored, edited and processed using a VR 360 platform and of being displayed through the use of VR 360 equipment. The video has the ability to provide an "in the round" experience to viewers, augmenting what is on the viewing screen by projecting filmed video footage, cartoons, graphics and text within the viewing area and providing the viewer with a perception that the projected items are moving within areas in the viewing area.
- l. "Western State Hospital", "WSH" or "the Facility" means the adult inpatient psychiatric hospital owned and operated by the Washington Department of Social and Health Services, through its BHA, located in Lakewood, Washington.

Special Terms and Conditions

2. Purpose.

The purpose of this Contract is to support the safe operation of the Facilities operated by BHA, particularly Western State Hospital, and to support the delivery of person-centered care, through the production of VR360 Videos that will be included in training provided to Staff. Outcome goals for this project include:

- a. Staff will support patients as a whole person.
 - (1) Patients have a meaningful life.
 - (2) Mental illness is just a small part of who they are.
 - (3) Mental illness may be cyclic or fluctuate, but with good treatment recovery often results.
- b. Staff will engage patients with sensitivity to their internal state.
 - (1) Patients may have an internal experience that is radically different from what is visible.
 - (2) Patients experience a loss of Agency, or loss of control over many of their life choices when they are receive inpatient mental health care (even when they are receiving excellent support).
 - (3) What seems small from the outside may be overwhelming on the inside.
- c. Staff will adopt a therapeutic approach.
 - (1) Staff will model consistent positive regard and appropriate options for people.
 - (2) Staff will create a safe, therapeutic environment within which people can recover.
 - (3) Staff will develop self-care skills and tools to process difficult encounters, with the goal of not internalizing which leads to high stress levels.

3. Task Orders.

- a. **Initial Task Order.** Initial Services shall be provided as described in Task Order 1, which is attached hereto and incorporated herein and which shall be in full force and effect upon execution of this Contract. [*Note to Bidders: Task Order 1 will be developed following the selection of the successful bidder and shall outline the implementation schedule, performance measures and fees applicable to some or all of the ten (10) to twelve (12) VR360 Videos to be produced during the Contract period, based on information from the Proposal of the successful Bidder and the negotiations of the parties.]
- b. **Additional Services.** Services in addition to those set forth in Task Order 1 shall be set forth in one or more subsequent Task Orders executed by the parties. These Services may describe the production of some or all of the remaining portion of the ten (10) to twelve (12) VR360 Videos to be produced during the initial Contract period, if all of these Videos are not described in Task Order 1. Alternatively, the Services described in subsequent Task Orders may relate to additional volume(s) of Services within the scope of this RFP for VR360 Videos for training purposes, requested by DSHS and performed by Contractor during Contract extension periods, if this option is exercised and agreed upon by the parties.
- c. **Task Order Contents.** Each Task Order shall specify, among other matters, the Services to be

Special Terms and Conditions

performed, the due dates and other implementation dates for completion of items such as securing of resources, delivery of proposed screenplay, stakeholder collaboration, initial rehearsals, filming dates, first cut delivery to DSHS, delivery of edited VR360 Videos to DSHS), the deliverables to be provided, performance or quality measures, points of approval by DSHS, and a maximum amount payable for satisfactory completion of the deliverables set forth in the Task Order. No work shall be performed by the Contractor until a Task Order is executed by both the Contractor and DSHS.

- d. **Subject to Contract Terms.** Each Task Order issued subsequent to the execution of this Contract shall be subject to the terms of this Contract, including the maximum rates set forth in Section 5, Consideration, and shall be incorporated into and made a part of this Contract. The performance dates of each Task Order shall fall within the term of this Contract, including any extensions.

4. Statement of Work.

The Contractor shall provide and do all things necessary for or incidental to the performance of the Services as set forth below and in the applicable Task Order. Contractor's Services shall include, but may not be limited to, the following, with implementation details to be set forth in a Task Order:

- a. General. Contractor's responsibilities shall include:

- (1) Provision of subject matter expertise and collaboration with BHA-identified stakeholders to identify the approach, objectives and duration of each Training VR Video.
- (2) Preparation of a screen play for each Training VR Video.
- (3) Engagement of actors to perform the screen play for each Training VR Video.
- (4) Engagement of a location, materials, equipment and resources required to rehearse and film each Training VR Video.
- (5) Filming, formatting and editing each Training VR Video including incorporation of any animation and text features and presentation of a first cut to the Project Manager and DSHS representatives for feedback.

Re-filming, if needed, and additional formatting and editing of each Training VR Video until the Video is satisfactory to DSHS.

- b. **Overall project management:** The contractor will be responsible for project tracking and updates, coordination between all stakeholders and production members, hiring of crew members and actors, taking the lead on all scheduling for meetings and production shoots, keeping the production on a scheduled timeline, providing regular status updates to DSHS and answering questions.
- c. **Pre-production:** Due to the sensitive nature of mental health content and the desire to produce high-quality and true-to-life storytelling, the contractor must be willing to heavily invest in pre-production of the VR360 content. This will include concept ideation and brainstorming with stakeholders and subject matter experts, storyboarding, script-writing and gathering and incorporating feedback into the video treatment. The contractor will coordinate and deliver a clear video treatment package that will be reviewed and approved by DSHS before moving into production. The contractor will also be responsible for hiring and organizing all production crew members and actors, scouting and arranging for the use of premises for filming and utilizing professional-grade 360 video rigs, audio and lighting equipment. Non-patient occupied areas at WSH may be used for VR360 Videos that take place in a hospital setting at no charge to contractor. In addition to the hospital setting, it is expected that filming will also occur in a home setting which

Special Terms and Conditions

Contractor will be responsible for scouting and renting, securing all rights to film there.

- d. **Production:** The contractor shall coordinate, schedule and execute to a high-quality production of 10-12 VR360 videos of a duration between 2-5 minutes in length per video. This will include script rehearsals, scheduling video shoots (coordinating with DSHS staff, actors, crew and stakeholders as needed and on set), ensuring all filming done on Western State Hospital grounds first receives proper clearance and involves minimal disruption to staff and no involvement or recordings of patients, and taking the lead on all production shoots to execute filming. All videos produced under this contract must include subtitles.
 - e. **Review and focus group testing:** The contractor shall provide and coordinate multiple rounds of reviews with stakeholders and subject matter experts for each VR360 video produced. Ideally this is conducted with Vimeo video review and markup features.
 - (1) The contractor shall provide coordination and support for a focus group test of the VR360 content with Western staff.
 - (2) The contractor must be responsive and open to multiple perspectives and work with DSHS to ensure that the final product achieves the clearly identified video treatment developed in pre-production.
 - f. **Reshoots:** If required by DSHS after review cycles or focus group testing, the contractor shall provide and organize additional shoots to correct or supplement content to align with the video treatment.
 - g. **Final content delivery:** The contractor shall provide all original media and project files on a secured hard drive. The contractor should also provide finalized and approved VR360 videos in a high-quality export that is compatible with the classroom VR delivery platform selected by DSHS.
 - h. **Evaluation and Adaptation for Use in Other Training Settings; Editable VR360 Videos.** After an initial period of use, BHA will evaluate the effectiveness of the VR360 Videos and the responses of employees to the VR360 Videos, and will determine whether it wishes to use the VR360 Videos as part of additional training activities. Contractor's VR360 Videos must be provided in a format that is editable for use in future training that is carried out by or with the permission of any Washington state agency. The state of Washington shall be entitled to edit further the final VR360 Videos produced by Contractor to permit their adaptation for use in different training environments beyond the new employee orientation at WSH, or may request Contractor to do so as an additional, post-production service under the Contract.
 - i. **Use of VR360 Videos on BHA VR Platform.** BHA will identify and procure a VR platform and VR hardware and software for use in displaying the VR360 Videos, which may include tools for learner feedback. Learner Feedback will be used to evaluate the quality of the experience in real time.
5. **Rights in VR360 Video Deliverables.** In providing the Training VR Videos to BHA, Contractor grants to the state of Washington all rights to use, edit and display the Training VR Videos to any audience, in whatever manner and for whatever purpose the state shall deem appropriate. Contractor shall secure releases from all persons or entities whose work product, intellectual property, image, voice, animation or other property has been used in producing, or incorporated into, the Videos, in order to confer full and clear ownership, perpetual and royalty-free, to the state of Washington.
6. **Contractor Personnel.** Contractor shall use best efforts to ensure that all personnel (including subcontractors) assigned by the Contractor to provide Services under a Task Order are available until the completion of the deliverables identified in the Task Order. Any proposal by Contractor for

Special Terms and Conditions

changes, replacement, or substitution of Contractor personnel during the term of a Task Order shall be submitted to the Project Coordinator in writing. The Coordinator shall have the sole discretion to accept or reject requested changes. If requested changes are rejected and Contractor is unable to propose acceptable alternate Contractor personnel within a reasonable time period as determined solely by DSHS, DSHS may terminate the Task Order and/or Contract for convenience.

7. Consideration; Amendments.

- a. **Total Maximum Amount Payable.** The maximum consideration payable to Contractor for satisfactory performance of the work under all Task Orders entered into during the initial term of this Contract is _____ Dollars (\$_____), including any and all expenses and any applicable taxes. This maximum amount may be increased by written amendment agreed to by the parties for additional volumes of Services. DSHS does not guarantee any minimum payment to the Contractor.
- b. **Task Order Amounts.** Task Orders shall include the maximum amount payable for completion of the VR360 Videos described therein. The cumulative amounts of all Task Orders issued pursuant to this Contract shall not exceed the maximum consideration payable as set forth in subparagraph a., above.
- c. **Charges for Video Production.** Contractor agrees that the maximum amount that will be charged for all aspects of production and delivery of ten to twelve VR360 Videos with an average duration of three to five minutes shall not exceed _____.
- d. **Contract Extensions.** DSHS may, at its option, agree to extend the Contract for up to three (3) additional 1-year periods and may increase the maximum consideration payable to Contractor in order to cover additional production of VR360 Videos for training purposes during those extension periods. In the event the parties agree upon an amendment increasing the volume of VR360 Videos to be produced by Contractor, the rates charged by Contractor shall be commensurate with this amount for a similar volume of Services provided, however, that the parties shall take into consideration that the pricing for a smaller number of videos may be marginally lower than the pricing for a larger number, because some costs are incurred that are independent of the quantity of VR360 Videos to be produced.

8. Billing and Payment.

- a. **Invoice System.** The Contractor shall submit invoices using State Form A-19 Invoice Voucher, or such other form as designated by DSHS. Consideration for services rendered shall be payable upon receipt of properly completed invoices which shall be submitted to the Project Coordinator at the following address:

Department of Social and Health Services
Behavioral Health Administration
PO Box 45530 (US mail)
Olympia, WA 98504-5330
4500 10th Avenue SE (express mail)
Lacey, WA 98503
- b. A completed A-19 Invoice shall be submitted to the BHA Contract Manager by the Contractor following completion and acceptance of Task Order deliverables by the Coordinator. The invoices shall describe and document to DSHS' satisfaction a description of the work performed, activities accomplished, the progress of the project and fees. The rates shall be in accordance with those set forth in Section 6, Consideration, of this Contract.

Special Terms and Conditions

- c. Invoices shall provide the following information:
 - (1) DSHS Contract Number and the Task Order Number
 - (2) Contractor name, address, phone number and Federal Tax Identification Number
 - (3) Description of the completed deliverable(s) identified in the Task Order
 - (4) Performance Measures and/or Outcomes Met
 - (5) Task Order agreed-to price for each service or deliverable and total of all invoiced deliverables.
 - (6) Taxes or other applicable charges.
 - (7) Total invoice Price.
- d. Payment. Payment shall be considered timely if made by DSHS within thirty (30) days after receipt and acceptance by the Contract Manager of the properly completed invoices. Payment shall be sent to the address designated by the Contractor on page one (1) of this Contract. DSHS may, at its sole discretion and in good faith, withhold payment claimed by the Contractor for services rendered if Contractor fails to satisfactorily comply with any term or condition of this Contract.

9. Insurance

The Contractor shall at all times comply with the following insurance requirements.

- a. General Liability Insurance

The Contractor shall maintain Commercial General Liability Insurance or Business Liability Insurance, including coverage for bodily injury, property damage, and contractual liability, with the following minimum limits: Each Occurrence - \$1,000,000; General Aggregate - \$2,000,000. The policy shall include liability arising out of the parties' performance under this Contract, including but not limited to premises, operations, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The State of Washington, Department of Social & Health Services (DSHS), its elected and appointed officials, agents, and employees of the state, shall be named as additional insureds.

- b. Professional Liability Insurance (PL)

The Contractor shall maintain Professional Liability Insurance or Errors & Omissions insurance, including coverage for losses caused by errors and omissions, with the following minimum limits: Each Occurrence - \$1,000,000; Aggregate - \$2,000,000.

- c. Worker's Compensation

The Contractor shall comply with all applicable Worker's Compensation, occupational disease, and occupational health and safety laws and regulations. The State of Washington and DSHS shall not be held responsible for claims filed for Worker's Compensation under RCW 51 by the Contractor or its employees under such laws and regulations.

- d. Employees and Volunteers

Insurance required of the Contractor under the Contract shall include coverage for the acts and

Special Terms and Conditions

omissions of the Contractor's employees and volunteers. In addition, the Contractor shall ensure that all employees and volunteers who use vehicles to transport clients or deliver services have personal automobile insurance and current driver's licenses.

e. Subcontractors

The Contractor shall ensure that all subcontractors have and maintain insurance with the same types and limits of coverage as required of the Contractor under the Contract.

f. Separation of Insureds

All insurance policies shall include coverage for cross liability and contain a "Separation of Insureds" provision.

g. Insurers

The Contractor shall obtain insurance from insurance companies identified as an admitted insurer/carrier in the State of Washington, with a Best's Reports' rating of B++, Class VII, or better. Surplus Lines insurance companies will have a rating of A-, Class VII, or better.

h. Evidence of Coverage

The Contractor shall, upon request by DSHS, submit a copy of the Certificate of Insurance, policy, and additional insured endorsement for each coverage required of the Contractor under this Contract. The Certificate of Insurance shall identify the Washington State Department of Social and Health Services as the Certificate Holder. A duly authorized representative of each insurer, showing compliance with the insurance requirements specified in this Contract, shall execute each Certificate of Insurance.

The Contractor shall maintain copies of Certificates of Insurance, policies, and additional insured endorsements for each subcontractor as evidence that each subcontractor maintains insurance as required by the Contract.

i. Material Changes

The insurer shall give the DSHS point of contact listed on page one of this Contract 45 days advance written notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the insurer shall give DSHS 10 days advance written notice of cancellation.

j. General

By requiring insurance, the State of Washington and DSHS do not represent that the coverage and limits specified will be adequate to protect the Contractor. Such coverage and limits shall not be construed to relieve the Contractor from liability in excess of the required coverage and limits and shall not limit the Contractor's liability under the indemnities and reimbursements granted to the State and DSHS in this Contract. All insurance provided in compliance with this Contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

k. Waiver

The Contractor waives all rights, claims and causes of action against the State of Washington and DSHS for the recovery of damages to the extent said damages are covered by insurance

Special Terms and Conditions

maintained by Contractor.