



Commonwealth of Kentucky CONTRACT

Document Number: PON2 729 2600003586 **Version:** 1
Record Date:
Document Description: Quick Response Team (QRT) (C6258)
Cited Authority: FAP111-44-00
 Memorandum of Agreement
Reason for Modification:

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Effective From: 07/01/2026 **Effective To:** 06/30/2027

Line Item	Delivery Date	Quantity	Unit	Description	Unit Price	Contract Amount	Total Price
1		0.00000		KORE SOR IV QRT (TNBU)	\$0.000000	\$150,000.00	\$150,000.00

Extended Description:

Lexington Fayette Urban County Government (LFUCG) shall maintain a Quick Response Team (QRT). The QRT is a coordinated, multidisciplinary approach that leverages partnerships between public safety and behavioral health providers to engage individuals who have experienced a nonfatal overdose or are at elevated risk for overdose. By conducting timely, assertive outreach following an overdose event, the QRT seeks to reduce the risk and severity of future overdoses by connecting individuals and their social networks to evidence-based opioid use disorder treatment, overdose prevention strategies, and recovery support services.

100% Federal Funds.

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TOTAL CONTRACT AMOUNT	\$150,000.00
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Memorandum of Agreement Terms and Conditions

Regular (Government/Quasi-Governmental) (PON2)

This Memorandum of Agreement (MOA) is issued by the Commonwealth of Kentucky, Cabinet for Health and Family Services, Division of Procurement and Grant Oversight, on behalf of the Department for Behavioral Health, Developmental and Intellectual Disabilities (“the Commonwealth”) with Lexington Fayette Urban Co Government (“the Contractor”). The initial MOA is effective from 07/01/2026 through 06/30/2027.

SECTION 1 – ADMINISTRATIVE OVERVIEW

1.00 Purpose and Background

DBHDID Guiding Principles

The mission of the Kentucky Department for Behavioral Health, Developmental and Intellectual Disabilities (“Department” or “DBHDID”) is to promote health, well-being, and resilience for all, facilitate recovery for people affected by mental illness and substance use, and support people with intellectual or other developmental disabilities. As the State Behavioral Health and Developmental and Intellectual Disabilities Authority, the Department is committed to leading and supporting the development, implementation, and sustainability of an integrated system of care that identifies, engages, and effectively serves individuals and families with multiple, intersecting health and social needs. This system promotes coordination across providers and sectors, addresses the whole person, and strengthens recovery and resilience through continuous quality improvement of co-occurring, person-centered, and trauma-informed services.

The Kentucky Overdose Response Effort (KORE) is funded through the Substance Abuse and Mental Health Administration (SAMHSA) State Opioid Response (SOR) grant. KORE focuses on expanding and sustaining a comprehensive, recovery-oriented system of care to reduce overdose deaths across the state. KORE and its partners commit to implementing a trauma- and resilience-oriented care approach to address opioid use disorder (OUD) and stimulant use disorder (StimUD). KORE aims to increase access to evidence-based and community-defined prevention, treatment, and recovery support services for all Kentuckians, including those with co-occurring mental health concerns. Informed by data on populations most in need, KORE’s priority populations include, but are not limited to, individuals with OUD and/or StimUD who are overdose survivors, criminal-legal system-involved, pregnant and postpartum, and transition-age youth.

The Department intends to purchase services in accordance with applicable Federal and State laws and regulations and specifically in alignment with the Department’s mission to mitigate the overdose epidemic by expanding access to treatment and recovery resources.

Services will be provided by the Lexington Fayette Urban County Government (LFUCG), which shall maintain a Quick Response Team (QRT). The QRT is a coordinated, multidisciplinary approach that leverages partnerships between public safety and behavioral health providers to engage individuals who have experienced a nonfatal overdose or are at elevated risk for overdose. By conducting timely, assertive outreach following an overdose event, the QRT seeks to reduce the risk and severity of future overdoses by connecting individuals and their social networks to evidence-based opioid use disorder treatment, overdose prevention strategies, and recovery support services.

Disclaimers

DBHDID funding shall serve as a payer of last resort. Contractors must ensure that all individuals receiving services have applied for other eligible funding sources, such as Medicaid or private insurance, before using DBHDID funds.

Contractors are prohibited from using federal funds to purchase, prescribe, or provide marijuana or treatment using marijuana. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to ensure that Federal funding is expended in full accordance with U.S. statutory and public policy requirements); 21 U.S.C. 812(c)(10) and 841 (prohibiting the possession, manufacture, sale, purchase, or distribution of marijuana).

Contractors and subcontractors are prohibited from denying any eligible client, patient, or individual access to their program because of their use of FDA-approved MOUD (e.g., methadone, buprenorphine products including buprenorphine/naloxone combination formulations and buprenorphine monoproduct formulations, naltrexone

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products including extended-release injections, and oral formulations of naltrexone). Patients must be allowed to participate in methadone treatment rendered in accordance with current federal and state methadone dispensing regulations from an opioid treatment program and ordered by a physician who has evaluated the client and determined that methadone is an appropriate medication treatment for the individual's OUD. Similarly, medications available by prescription must be permitted if a licensed prescriber or provider prescribes them. In all cases, MOUD must be permitted to be continued for as long as the prescriber determines that the medication is clinically beneficial. Contractors must assure that clients will not be compelled to no longer use medications for opioid use disorder as part of the conditions of any programming if stopping is inconsistent with a licensed prescriber's recommendation or valid prescription. As such, a policy of mandatory medication taper for all clients after a fixed duration of time would preclude program eligibility. Medically managed withdrawal, when done in isolation, is not an evidence-based practice for OUD. Medically managed withdrawal services must be accompanied by the offer and provision of injectable extended-release naltrexone.

Contractors and their sub-recipients must promptly disclose in writing to DBHDID any known or suspected violations of federal criminal law involving fraud, bribery, or gratuities that could affect the use of federal- or state-funded awards.

The Contractor will notify DBHDID prior to media communications and acknowledge federal and state funding in all communications activities using the following tag line: "This project is supported, in part, by the Kentucky Overdose Response Effort (KORE) through a Substance Abuse and Mental Health Services Administration (SAMHSA) Grant [1H79TI087770]."

1.01 Terminology

For this Contract, the following terms may be used interchangeably:

Vendor: Contractor, Offeror, The Second Party, Proposer

Issuer of Contract: Buyer

Commonwealth of Kentucky: Commonwealth, State

Cabinet for Health and Family Services: Cabinet, the Agency, the Department, CHFS

Fiscal Year: July 1 through June 30

Biennium: July 1 of each even-numbered year through June 30 of the next even-numbered year.

SECTION 2 – SCOPE OF SERVICES

2.00 Services Required

The time following a nonfatal overdose is an essential intervention opportunity to identify individuals at high risk for a subsequent overdose and provide services to reduce their future overdose risk. The goal of a Quick Response Team (QRT) is to mitigate the risk and severity of drug-related overdoses by providing assertive outreach and engagement to overdose survivors and their social networks within 24-72 hours of the incident. QRTs reduce the risk of overdose by (1) providing life-saving interventions and connecting individuals to local treatment and recovery services, (2) offering education on overdose prevention, safer drug use practices, and treatment and recovery support options, (3) providing referrals to infectious disease, mental health and substance use treatment (including medications for opioid use disorder), and (4) offering case management for recovery support services, including housing, food, healthcare, and transportation.

The Lexington Fayette Urban Co Government shall provide the following:

1. Maintain a QRT comprised of a collaborative, interdisciplinary partnership between any of the following community partners: first responders, law enforcement officers, behavioral health clinicians, public health officials, case managers, peer support specialists, and individuals from community organizations (e.g., faith-based groups).

2. Have the capacity to provide the following:

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- a. Engage with individuals who have experienced an overdose or complications related to opioid and/or stimulant use in a variety of settings.
 - b. Provide assertive linkages to overdose prevention resources, evidence-based treatment interventions, and recovery services, which support multiple pathways to recovery, including the use of Food and Drug Administration (FDA) approved medications for opioid use disorder (e.g., methadone, buprenorphine, naltrexone).
 - c. Provide assertive outreach and relationship building to educate individuals, family members, and the larger community about addiction, available evidence-based resources for prevention, treatment, and recovery, and how the QRT can assist individuals and families.
3. Maintain and facilitate an ongoing training plan focused on the following key competencies:
- a. Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations and practices,
 - b. Overdose prevention education and life-saving interventions (e.g., naloxone and drug test strips),
 - c. Casey's Law education,
 - d. Motivational Interviewing,
 - e. Trauma-informed care, and
 - f. Data-driven decision making
4. Develop and/or review the following documents at least annually and update as needed:
- a. Standard Operating Policies and Procedures, addressing:
 - i. Processes for obtaining overdose-related information, maintaining HIPAA compliance, conducting visits (including participants and expectations), professional behavior standards, data collection, safety and risk management, and naloxone distribution.
 - ii. Operation of the QRT, including partner roles and responsibilities, and hours of availability designed to meet community needs beyond standard weekday business hours.
 - b. Uniform Resources, including a standardized resource packet, visit script, and structured visit plan, to be communicated clearly to all participating partners.
 - c. Action Plan for Immediate Treatment Linkage, detailing:
 - i. Initial steps for engagement,
 - ii. Transportation procedures,
 - iii. Referrals to treatment and other resources, and
 - iv. Completion of intake and assessment forms.
5. Maintain a steering committee, advisory board, Board of Directors, or comparable governance body, with at least one-third of voting members comprised of individuals in recovery and/or family members of individuals in recovery. Membership should also include key community partners such as law enforcement, emergency responders, jails, courts, elected officials, city governments, health departments, community and faith-based organizations, and treatment and recovery providers. This body must be committed to continuous improvement and shall actively design, implement, and oversee a coordinated plan for timely response, outreach, and education to individuals who have experienced an opioid and/or stimulant-related overdose.

2.01 Deliverables

The Lexington Fayette Urban Co Government shall:

1. Sustain a comprehensive resource network to reduce gaps and barriers to service engagement and retention by:

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- a. Identifying and meeting with at least five (5) potential referral partners annually.
 - b. Establishing formal referral relationships with at least three (3) new partners annually.
 - c. Engaging monthly with at least three (3) programs serving individuals at risk of overdose (e.g., jails/prisons, emergency departments, syringe service programs).
 - d. Maintaining a referral resource packet for QRT service recipients, including local prevention, treatment, and recovery support services.
 - e. Adding at least three (3) new resources to the referral list annually.
2. Provide in-person rapid response within 24-72 hours to individuals experiencing an overdose or related opioid/stimulant complication, and to their families or close social networks, by employing overdose prevention strategies, including distributing naloxone and drug test strips, during rapid response and/or follow-up visits.
 3. Engage in ongoing follow-up with persons served to monitor and support service access and engagement by:
 - a. Maintaining a referral tracking process accessible to all QRT members.
 - b. Conducting follow-up with at least forty percent (40%) of clients within thirty (30) days of initial contact to confirm service connection and provide additional linkages as needed.
 4. Increase engagement with individuals disproportionately impacted by the overdose epidemic by:
 - a. Canvassing and offering QRT services in at least one (1) community disproportionately impacted by the overdose epidemic annually.
 - b. Initiating and maintaining informal partnerships with communities disproportionately impacted by the overdose epidemic through regular communication and relationship building.
 - c. Consulting with individuals disproportionately impacted by the overdose epidemic to inform services and address racial/ethnic, social, emotional, and cognitive needs.
 - d. Expanding trauma-informed outreach through in-person and virtual engagement, social media, collaborative partnerships, and traditional advertising.
 5. Ensure QRT partners are trained in overdose prevention, response, and cross-sector collaboration by:
 - a. Conducting at least one (1) training with partner agencies on overdose prevention and rapid response strategies annually.
 - b. Ensuring partner awareness of naloxone leave-behind programs and other overdose prevention services.
 6. Participate in KORE learning and resource-sharing community through digital and in-person meetings.
 7. Leverage diverse funding streams and resources to sustain and maximize the impact of the QRT by maintaining a robust sustainability plan that includes, at a minimum, three (3) specific strategies for long-term sustainability of the program.
 8. Convene governance meetings (e.g., steering committee, advisory board, Board of Directors, or other governance body) at least four (4) times per year to ensure ongoing development and improvement of QRT services.

2.02 Reporting Requirements

Lexington Fayette Urban Co Government shall:

Collect and report client demographics and services rendered for all persons with OUD and/or StimUD enrolled in KORE-funded programs. Data shall be submitted monthly, at a minimum, by the 15th day following the reporting period to a DBHDID-approved data portal.

Service providers are required to complete the SAMHSA Unified Performance Reporting Tools—Administrative (SUPPoRT-A) instrument for all individuals enrolled in KORE-funded programs. KORE-funded service recipients

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shall be offered the opportunity to complete the SUPRT–Client or Caregiver (SUPpoRT-C) instrument. Data shall be submitted to a DBHDID-approved data portal.

If applicable, submit quarterly reports on any trainings conducted as a part of KORE-funded activities. Reports shall be submitted by January 15th, April 15th, July 15th, and October 15th to KOREReporting@ky.gov. Reports shall include, but not be limited to, the following information:

1. Date of training;
2. Type of training/Content focus;
3. Number of individuals attending training; and
4. Professional type for each trainee (physician, social worker, etc.).

2.03 Subcontractors

In accordance with 2 CFR 200.331, this agreement has been determined to be of a contractual relationship. Therefore, funding from this Agreement distributed through subsequent agreements with other entities shall not be issued as a subaward, also known as a “subrecipient agreement”, of federal financial assistance.

Before engaging or replacing a Subcontractor, the Contractor will notify CHFS and provide information regarding the proposed Subcontractor, including but not limited to the proposed Subcontractor’s relevant qualifications, experience, and key personnel. CHFS reserves the right to approve or disapprove any proposed Subcontractor. The Contractor shall be solely responsible for the performance of the entire Contract, whether or not subcontractors are used.

2.03.01 Responsibility for Subcontractor Contract Requirements

All references to the Contractor shall be construed to encompass both the Contractor and any Subcontractors. The Contractor’s contract with any Subcontractor related to this Contract shall specify that all requirements of this Contract are applicable and binding on the Subcontractor. If requested, the Subcontractor must provide the Contractor and CHFS documentation of compliance with this Contract.

When possible, the Contractor will comply with 2 CFR Part 200.321 when selecting Subcontractors.

2.03.02 Subcontractor Monitoring Requirements

The Contractor shall monitor Subcontractors for compliance with this Contract and the specific provisions of the Contractor’s contract with the Subcontractor.

2.04 CHFS/Department for Behavioral Health, Developmental and Intellectual Disabilities Responsibilities

DBHDID ensures providing technical assistance, oversight, and coordination for the provision of services under this contract.

2.05 Monitoring Requirements

DBHDID may conduct an annual program performance and compliance site review of Lexington Fayette Urban County Government. Monitoring may consist of an off-site review of data and documentation as well as an on-site review of operations and documentation. A summary report will be provided to LFUCG and may require submission of a corrective action plan.

SECTION 3 – PRICING/INVOICING

An indirect rate of 10% has been approved and included in the budget.

The contractor shall submit a monthly invoice for expense reimbursement, which shall include a detailed accounting of expenditures by activities, including personnel/fringe, travel, and other operating expenses. The current approved budget is attached to this contract (Attachment A), with understanding that individual line items within the budget are subject to change, as appropriate, but not to exceed the total contract amount of \$150,000.

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Payment is conditioned upon receipt of appropriate, accurate, and timely invoices. Invoices for payment shall be submitted electronically to KOREinvoice@ky.gov. The Contractor shall submit monthly invoices. Invoices must be submitted no later than fifteen (15) calendar days after completion of the service period.

The invoice must include at a minimum:

1. Contractor's name and address.
2. Document number that invoice(s) are using for funding.
3. Clearly listed dates of service (from and to).
4. Date of Invoice (date invoice is prepared).
5. Total amount due for the current billing cycle.
6. Cumulative total for all invoices to date.
7. Detailed description of services provided.

Invoices that do not contain the above requirements will be rejected and returned to the Contractor for re-invoicing.

SECTION 4 – CHFS GENERAL TERMS AND CONDITIONS

Incorporated by Reference

Finance & Administration Cabinet Policy FAP 111-44-00

Memorandum of Agreement

4.00 Memorandum of Agreement Standard Terms and Conditions

4.00.01 Contract Components and Order of Precedence

In the event of any conflict or ambiguity between the provisions in the Agreement or any attached documents, the order of precedence shall be:

1. Procurement statutes, regulations, and policies;
2. This written Agreement; and
3. Any attachments, schedules, exhibits, or appendices to this Agreement.

4.00.02 Changes and Modifications to the Contract

Pursuant to 200 KAR 5:311, no modification or change of any provision in the Contract shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the Contractor and the Commonwealth and incorporated as a written amendment by the Cabinet prior to the effective date of such modification or change. Any modification shall be subject to prior approval from the Secretary of the Finance and Administration Cabinet, or authorized designee, and the LRC Government Contract Review Committee. Memoranda of Understanding, written clarification, and/or correspondence shall not be construed as amendments to the Contract.

If the Contractor believes contract modification is necessary, it shall promptly report such matters to the Issuer identified on page 1 for consideration and decision.

The Contractor shall not request a revision within the last sixty (60) days of the Contract.

4.01 General Provisions

4.01.01 Headings

The section headings in this Contract are for reference and convenience only, and shall not affect the interpretation or legal effect of this Contract.

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4.01.02 Notices

Unless otherwise instructed, all notices, consents, and other communications required and/or permitted by the Contract shall be in writing. After the award of the Contract, all contractual communications are to be made to the Agency Contact.

4.01.03 No Required Use of Contract

This Contract does not guarantee any minimum use of services. The Cabinet reserves the right to leave all, or any portion, of the contract unused. The Cabinet may establish or award other contracts for additional or related work, services, supplies, or commodities, and the Contractor shall fully cooperate with any such other contractors and Commonwealth employees. The Contractor shall not commit or permit any act that interferes with the work performed by any other contractor or by Commonwealth employees.

4.01.04 Severability

If any part of this Contract is held by a court of competent jurisdiction to be illegal or in conflict with any law of the Commonwealth or the United States of America, the validity of the remaining parts shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the particular part held to be invalid, if the remainder of the Contract is capable of performance.

4.01.05 Indemnification

The Contractor shall indemnify and hold harmless CHFS and its agents, representatives, officers, directors, employees, insurers, successors, and assigns from and against any and all expenses, costs (including attorneys' fees), causes of action, liabilities, losses, and/or damages suffered or incurred that results from or arises out of (a) the Contractor's performance under the terms of this Contract; (b) the Contractor's or any of its employees' or subcontractor's negligent acts, omissions, intentional misconduct, or any dishonest, fraudulent, or criminal, acts, errors, or omissions; (c) the policies and procedures of the Contractor, including all Contractor employment practices during the term of this or any prior Contract with CHFS; (d) the unauthorized publication, translation, reproduction, delivery, use, or disposition of any CHFS data; or (e) the Contractor's failure to comply with any applicable state or federal laws or regulations.

If the Contractor is an agency of the Commonwealth of Kentucky, liability shall be governed by KRS 49.010 through KRS 49.180 and limited to any award from the Board of Claims up to the jurisdictional amount.

4.01.06 Sovereign Immunity

No provision of this Contract constitutes a waiver by the Contractor, CHFS or the Commonwealth of Kentucky of any immunities from suit or liability that CHFS or the Commonwealth of Kentucky may have by operation of law.

4.01.07 Force Majeure

Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement if such failure or delay is due to events or causes beyond the reasonable control of either Party. Events or conditions beyond the Parties' reasonable control include, but are not limited to, natural or man-made disasters, weather events, transportation crashes, labor strikes or shortages, war, riots, or other civil unrest, state or national declared emergencies, pandemics, or public utility failures. However, CHFS retains the right to obtain any services elsewhere in the event of the Contractor's non-performance. In this event, the Parties shall negotiate in good faith any appropriate offset to the compensation payable under this Contract. The Contractor shall cooperate and shall require that any Subcontractor cooperate with CHFS in such event. The existence of such causes of delay or failure will extend the period of performance in the exercise of reasonable diligence until after the causes of delay or failure have been removed. Each Party must inform the other as soon as possible of the existence of a force majeure event. To preserve this right as a defense, each Party must inform the other in writing, with confirmation of receipt, within twenty (20) business days of the force majeure event or otherwise waive this right as a defense to other Party's claim of non-performance.

4.01.08 Maintenance of Insurance

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During this Contract, the Contractor shall maintain and shall require any Subcontractor to maintain their directors and officers liability insurance, Workers' Compensation insurance, employer liability insurance, and such other liability insurance as reasonably necessary in the Contractor's business judgment to provide adequate coverage against losses and liabilities attributable to the acts or omissions of the Contractor and the Subcontractor(s) in the performance of this Contract. The Contractor shall provide and shall require any Subcontractor to provide evidence of such coverage upon request.

If the Contractor and any Subcontractor are not self-insured, each shall name CHFS as an additional insured on any policy of coverage, except the Workers' Compensation and any reinsurance. The Contractor and any Subcontractor shall provide proof of coverage within five (5) business days of coverage upon request.

CHFS shall not be responsible for any premiums or assessments on policy(ies) held by the Contractor or any subcontractor under this Contract. CHFS may, at its sole discretion, pay one or more premiums, if doing so would be in the Cabinet's best interest. Should CHFS exercise this option, the Contractor shall fully reimburse CHFS, either directly or by an offset against future payments.

The Certificate of Insurance for any policy other than self-insurance or any reinsurance must require that the insurer cannot cancel the coverage without thirty (30) days prior written notice to CHFS. The Contractor shall notify CHFS within five (5) business days of any cancellation or interruption of the Contractor's or Subcontractor's insurance coverage. In any subcontract, the Contractor shall require that any Subcontractor also provide such notice to the Contractor and CHFS. Any insurance must remain in effect at all times during this Contract. If any insurance coverage expires during this Contract, the Contractor and any Subcontractor shall provide a new Certificate of Insurance evidencing coverage for not less than the remainder of the Contract at least thirty (30) calendar days prior to the expiration date.

4.01.09 Compliance with Licensure, Permits, and Tax Obligations

The Contractor shall ensure that all licenses, certifications, registrations, and permits required for performance under this Contract are obtained, kept in good standing, and maintained throughout the term of the Contract. These documents shall be readily accessible and available for inspection upon request.

To the extent required by law, the Contractor shall be solely responsible for the payment of any taxes associated with this Contract, including but not limited to sales, use, personal property, income, and other applicable taxes. The Contractor shall also be responsible for all required federal (including FICA), state, and local tax withholdings.

4.01.10 Legal Proceedings

Except as specifically disclosed in writing to CHFS prior to the date of this Contract, the Contractor certifies it is not aware of any there are no suits, investigations, or other proceedings pending or threatened against the Contractor or any Subcontractor that would have a material effect on this Contract or, if applicable, any subcontracts. The Contractor shall use reasonable efforts to notify CHFS within one (1) business day, and in writing within three (3) business days, of any suits, investigations, or other proceedings involving the Contractor related to this Contract.

4.01.11 No Grant of Employment or Agency

Nothing in this Contract shall be construed as granting any individual providing services under the Contract any of the claims, privileges, or rights under KRS Chapter 18A or KAR Title 101. No individual providing services under this Contract shall be considered a full-time or part-time employee of CHFS, for any purpose, including but not limited to unemployment, taxes, withholding, health insurance, liability, retirement, Workers' Compensation, vacation, sick or other leave, the Family Medical Leave Act, accrued benefits, or evaluations. At all times, any such individual shall be an employee, volunteer, or independent contractor of the Contractor. No employee, volunteer, or independent contractor of the Contractor shall be a third-party beneficiary of this Contract.

4.01.12 CHFS Discrimination Prohibited

1. The Contractor will not discriminate against any employee or applicant for employment or any individual requesting or receiving services from the Contractor on the grounds of race, color, religion, sex, national origin, age, disability, veteran status, or any other protected class identified in federal, state, or local laws. The Contractor will not retaliate for prior civil rights activity. The Contractor agrees to comply with, as applicable, the Kentucky Civil

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Rights Act, the Americans with Disabilities Act of 1990 (ADA) as Amended, Section 1557 of the Patient Protection and Affordable Care Act, the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and all other applicable federal, state, and local laws prohibiting discrimination.

2. The Contractor agrees to post in conspicuous places, available to program or service applicants or recipients, notices setting forth the provisions of this non-discrimination clause.

3. In all program or service solicitations or advertisements related to this Contract, the Contractor will set forth the provisions of this non-discrimination section.

4. The Contractor agrees to provide, free of charge, appropriate accommodations and reasonable modifications for applicants or recipients with disabilities. The Contractor agrees to post a notice in a conspicuous place, in an accessible format, informing individuals with disabilities about the availability of and the process for requesting free, reasonable accommodations and modifications.

5. The Contractor agrees to provide meaningful access and language assistance measures free of charge to program or service applicants or recipients with limited English proficiency. The Contractor agrees to post a notice in a conspicuous place informing individuals with limited English proficiency about the availability of free language assistance services in a language they can understand.

4.01.13 Staffing

Any individual providing services under this Contract must not be prohibited or debarred from providing services or participating in any state or federal governmental program, including but not limited to the Medicare and Medicaid programs. In the event of any such prohibition or debarment, the Contractor shall immediately notify CHFS.

CHFS expressly reserves the right to immediately disqualify or prohibit the continued use of any Contractor staff that has been provided to perform Contract services, if, in CHFS's discretion, it is determined that their continued use is not in CHFS's best interests, that such staff fails to meet any Contract requirements, or that such staff has violated any state or federal law or violated any policies and procedures of CHFS.

4.02 Contract Performance

4.02.01 Service Delivery Requirements

All Contract services provided by the Contractor shall comply with all applicable federal and state statutes and regulations.

4.02.02 Total Amount of Funds and Budget Revisions

CHFS shall have the right to recoup any overpayment, regardless of the reason. Any reconciliation or settlement of fund balances contained in the Summary Line-Item Section of this Contract shall be negotiated between CHFS and the Contractor and determined as soon as possible before the end of this Contract.

4.02.03 Financial Record Retention

Unless otherwise specified in this Contract, the Contractor agrees to maintain all Contract records for not less than three (3) years after all Contract matters (e.g., audit, settlement of audit exceptions, disputes) are resolved and in accordance with applicable federal and/or state laws, regulations, and policies.

4.02.04 Confidential Information

The Contractor shall comply with applicable state and federal law, policies, and procedures governing access to and use of information and data provided by CHFS or collected by the Contractor under the Contract. The Contractor shall use such information or data only for purposes expressly authorized in this Contract and will maintain strict confidentiality in accordance with CHFS security and privacy standards. The Contractor shall ensure that all employees, agents, and subcontractors adhere to these requirements and shall maintain signed confidentiality agreements or equivalent binding policies with all personnel who may access CHFS data.

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Any dissemination of information about projects funded and the scope of work of this Contract must be fully documented, reviewed, and approved by the Cabinet’s project manager and the Chief Information and Security Officer (CISO) before any representation of projects, their funding sources, use of data, or data analyses may be posted to a web page or otherwise published.

Prohibited Activities

The Contractor and its personnel are expressly prohibited from:

1. Uploading, sharing, or transmitting any CHFS information—including de-identified, aggregated, or anonymized data—into any non-CHFS-approved external artificial intelligence (AI) tools, platforms, or extensions (e.g., ChatGPT, Bard, Traciq AI, Read AI, or similar).
2. Transferring CHFS information to personal devices, removable media (e.g., USB drives), or unapproved storage locations.
3. Sending CHFS information through unsecured email or unapproved collaboration tools.
4. Using CHFS information for testing, demonstration, or non-contractual research purposes without written approval from CHFS.

Monitoring and Enforcement

CHFS reserves the right to monitor, audit, and investigate any suspected or actual unauthorized access, use, or disclosure of information. Violations of this section may result in:

- Immediate contract termination;
- Disciplinary or legal action against responsible individuals; and
- Reporting to regulatory or law enforcement authorities as applicable.

Exceptions

The foregoing will not apply to:

1. Information that the Commonwealth has released in writing from confidentiality;
2. Information already in the public domain through lawful publication; or
3. Information that, after disclosure, becomes part of the public domain as defined above, through no act of the Contractor; or
4. Information required by law to be disclosed, provided that prior written notice is given to CHFS to allow for protective action.

4.02.05 HIPAA Confidentiality Compliance

If applicable, the Contractor agrees to comply with the “HIPAA Privacy Rule,” 45 CFR Parts 160 and 164 established under the Health Insurance Portability and Accountability Act, Public Law 104-191 (42 USC 1320d).

4.02.06 Response/Compliance with Audit Findings

The Contractor shall comply with and require any Subcontractor to comply with any findings of noncompliance with any law, regulation, audit, inspection, or generally accepted accounting principle related to this Contract. Within thirty (30) calendar days of the Contractor’s notification of noncompliance, the Contractor will provide CHFS, for CHFS’ approval, a Corrective Action Plan that addresses the identified deficiencies. The Contractor shall bear the expense of compliance with any noncompliance finding that impacts or is related to the Contractor’s work under this Contract. Noncompliance may also result in penalties as described in Section 4.02.08-Performance-Based Penalties.

4.02.07 Research Project Approval and Institutional Review Board Requirements

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If applicable, any proposed research project under this Contract shall comply with 920 KAR 1:060, which provides for the Cabinet's review of research projects supported or funded in whole or in part through CHFS. If the proposed research project involves human subjects, it shall comply with 45 CFR 46 and the Cabinet's Institutional Review Board for the Protection of Human Subjects (IRB) requirements. The CHFS project manager will provide all documentation and protocols for review and approval by the CHFS IRB. No research may begin until the IRB approves the project.

4.02.08 Performance-Based Penalties

Upon a determination of failure to perform services outlined in Section 2-Scope of Services, the Cabinet may issue penalties up to five percent (5%) of the total amount of the contract for each instance of non-performance.

If the Cabinet elects not to exercise a penalty clause this shall not be construed as a waiver of the Cabinet's right to pursue the future assessment of any performance standard requirement and associated penalties.

The Cabinet will work with the Contractor to resolve performance issues at all times.

1. Requirement of Corrective Action:

A. Letter of Concern

Should the Agency determine that the Contractor or any Subcontractor is in violation of any requirement of this Contract, the Agency shall notify the Contractor of the deficiency through a "Letter of Concern." The Contractor shall contact the designated Agency Contact within two (2) business days of receipt of the Letter of Concern and shall indicate how such concern is unfounded or how it will be addressed. If the Contractor fails to timely contact the designated representative, the Agency may proceed to the additional remedies.

B. Corrective Action Plan

Should the Cabinet determine that the Contractor or any Subcontractor is not in substantial compliance with any material provision of this Contract, the Cabinet shall issue a written deficiency notice and require a corrective action plan be filed by the Contractor within ten (10) business days following the date of the notice.

A corrective action plan shall describe the time and manner in which each deficiency is to be corrected. The plan shall be subject to approval by the Finance and Administration Cabinet or the Cabinet, which may accept the plan as submitted, accept the plan with specified modifications, or reject the plan within ten (10) business days of receipt. The Cabinet may reduce the time allowed for corrective action depending on the nature of the deficiency.

C. Failure to Respond to Letter of Concern or Corrective Action Plan Notice

Failure of the Contractor to respond to a Letter of Concern within two (2) business days of receipt may result in up to a \$500.00 per day penalty for each day until the response is received. Failure of the Contractor to submit a Corrective Action Plan within ten (10) business days following the date of the written deficiency notice may result in up to a \$1,000.00 per day penalty for each day until the Corrective Action Plan is received.

D. Request for Extension

Upon request, CHFS may extend the time allowed for both a response to the Letter of Concern and a Corrective Action Plan depending upon the deficiency. The Contractor shall request an extension of time in writing from the designated representative and state. The request shall contain a justification and proposed extension period. If an extension is granted, the penalty per day for both a late Letter of Concern or a late Corrective Action Plan would begin after the expiration of the extension period.

2. Failure to Correct any identified deficiency may result in an action pursuant to Finance Terms - Cancellation of this Contract.

3. Upon timely resolution of all performance-based issues outlined in the Corrective Action Plan, the Contractor shall receive reimbursement of a percentage of the penalty withheld based on the following tier schedule:

A. Resolution within 30 days: at least 75% will be reimbursed to the Contractor.

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B. Resolution within 60 days: at least 50% will be reimbursed to the Contractor.

C. Resolution within 90 days: at least 25% will be reimbursed to the Contractor.

D. Resolution after 90 days: total penalty withholdings are forfeited.

4.02.09 Performance and Evaluation

CHFS may complete a Performance Evaluation (PE) twice a year to document contract performance. PE documents will be entered into the Commonwealth's electronic financial system (eMARS). Performance documented by PE may be considered when making future awards. To obtain a copy of the PE documents completed for this Contract, contact the Issuer identified on page 1.

4.02.10 Business Continuity, Disaster Recovery, and Information Security Requirements

The Contractor shall maintain and implement a Business Continuity Plan, Disaster Recovery Plan, and Information Security Plan, which shall detail the steps the Contractor will take in the event of an outage or failure of either the Contractor's or CHFS' data, communication, or technical support system. Such plans shall enable the Contractor to continue to meet all contractual requirements. The Contractor shall provide a copy of its plans upon request. All costs associated with activating and sustaining the execution of all plans shall be borne by the Contractor.

4.02.11 Protection of Personal Information Security and Breach Investigation Procedures and Practices Act

When applicable, contractors that receive Personal Information, as defined by KRS 61.931, shall secure and protect the Personal Information by complying with all applicable requirements of the Personal Information Security and Breach Requirements contained in KRS 61.931- KRS 61.934. In accordance with KRS 61.932(2)(a), the Contractor shall implement, maintain, and update security and breach investigation procedures that are appropriate to the nature of the information disclosed and that are at least as stringent as the security and breach investigation procedures and practices established by the Commonwealth Office of Technology:

See:

<http://technology.ky.gov/ociso/Pages/InformationSecurityPolicies,StandardsandProcedures.aspx>

The Contractor shall comply with all applicable notification provisions in KRS 61.932 and KRS 61.933. The Contractor agrees to undertake a prompt and reasonable investigation of any security breach, as defined in KRS 61.931, as required by KRS 61.933. Upon conclusion of an investigation of a security breach of Personal Information, the Contractor agrees to an apportionment of the costs of the notification, investigation, and mitigation of the security breach. The Contractor agrees that the Commonwealth may withhold payment(s) owed to the Contractor for any violation of the requirements contained in KRS 61.931- KRS 61.934. The Contractor agrees to cooperate with the Commonwealth in complying with any response, mitigation, correction, investigation, and notification requirements of KRS 61.931- KRS 61.934.

The Contractor shall comply with the Commonwealth's policy on the use of Artificial Intelligence (AI).

4.03 Breach and Contract Termination

4.03.01 Remedies for Breach

In the event of a breach of contract by the Contractor, CHFS may pursue any remedy available to it under this Contract, KRS Chapter 45A, or by law. The remedies may be invoked without regard to the existence of any other available remedy and may include the enforcement of any holdback provision or payment of any specified liquidated damages.

4.03.02 Transition/Turnover/Closure

The Contractor shall give the Commonwealth at least thirty (30) days written notice of any insolvency, bankruptcy, dissolution, or the closure of business operations related to this Contract.

Upon receipt of the notice of non-renewal or termination or the Contractor's closure of business operations, the Contractor shall provide any turnover assistance reasonably necessary to enable CHFS (or its designee) to

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effectively close out the Contract and transition to another Contractor or to perform the work in-house. The Contractor is responsible for the orderly transition of work and the accuracy of data in coordination with CHFS and any new Contractor.

Within three (3) business days of CHFS's determination to initiate transition activities, the Agency Contract Manager will provide written instructions to the Contractor regarding the required activities.

Activities may include, but are not limited to:

1. Submission of a detailed Transition Plan within three (3) business days of receipt of CHFS communication. Upon receipt, CHFS will review and, if acceptable, approve the Transition Plan within three (3) business days. If CHFS determines that the Transition Plan is missing necessary information, CHFS shall provide the Contractor with written instructions for the required information, and the Contractor shall amend the Transition Plan to include the necessary information.
2. If the Commonwealth determines the Contractor was providing necessary, direct public services, notification to any individual receiving such services of the non-renewal, termination, or closure of business operations, advising the individual of reasonable, alternative service options. Prior to distribution, the notification shall be sent to the Issuer for CHFS approval. The Contractor shall provide written certification to the Commonwealth once all individuals have been notified.
3. Deliver all documents, records, and appropriate reference materials, including data models and file documentation, by the date approved in the Transition Plan.
4. Deliver a final report on the status of contracted services. This report shall be provided to CHFS by the close of business on the date of termination.
5. Deliver a complete accounting report to CHFS within ninety (90) calendar days of the effective date of termination.
6. Provide reasonable and appropriate assistance to CHFS and its designee(s) regarding the contents of such documents and records submitted. This assistance shall be provided to CHFS for a minimum of ninety (90) calendar days following the effective date of termination.

The Contractor shall be responsible for paying any additional costs incurred by CHFS that are the result of the Contractor's failure to provide the requested records, documents, data, or materials within the agreed time frames in the Transition Plan.

4.03.03 Disputes

The Parties agree to take reasonable steps to resolve any disputes under this Contract.

4.04 Miscellaneous Provisions

4.04.01 Advertising Award Prohibition

The Contractor shall not reference the Award of Contract in commercial advertising in such a manner as to state or imply that the Contractor or its services are endorsed or preferred by the Commonwealth of Kentucky.

4.04.02 Bankruptcy

In the event the Contractor becomes the subject debtor in a case pending under the Federal Bankruptcy Code, the Commonwealth's right to terminate this Contract may be subject to the rights of a trustee or a debtor-in-possession in bankruptcy to assume or assign this Contract. Subject to any US laws, the trustee or debtor-in-possession shall not have the right to assume or assign this Contract unless:

1. All defaults under this Contract are promptly cured;
2. The Commonwealth is promptly compensated for the monetary damages incurred as a result of such default; and
3. Adequate assurance of future performance, as determined by the Commonwealth, is provided.

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4.04.03 Code of Ethics

The Contractor and all personnel who may provide services under this Contract or any subcontract with the Contractor shall abide by any applicable codes of ethics or conduct. Failure to do so may result in the immediate termination of the Contract.

4.04.04 Notices and Pamphlets

All notices, advertisements, information pamphlets, research reports, and similar public notices prepared and released by the Contractor pursuant to this Contract shall be pre-approved by CHFS and include a statement identifying the appropriate source of funds for the project or service, including, but not limited to, identifying whether the funding is in whole or in part from federal, CHFS, or other state funds.

4.04.05 Scientific Misconduct

If applicable, the Contractor shall establish a procedure for the investigation, appeal, and disposition of complaints alleging misconduct in research projects funded by federal funds or Public Health Services research grants. Such policies and procedures shall comply with 42 CFR Part 93 and shall be made available, upon request, to CHFS. The Contractor shall immediately notify CHFS of any activity reported to the Contractor under this section.

4.04.06 Intellectual Property

Any formulae, methodology, or other reports and compilations of data provided by CHFS to the Contractor under this Contract shall be the exclusive property of CHFS. Any other use of these materials must be reviewed and approved in advance by CHFS. Any intellectual property owned by the Contractor prior to this Contract shall remain the exclusive property of the Contractor.

Any formulae, methodology, other reports, or compilations of data prepared or produced by the Contractor pursuant to this Contract shall, upon request, be made available for use by CHFS without charge. The Cabinet reserves a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use the formulae, methodology, or other reports and compilations of data prepared or produced under this Contract.

4.04.07 Business Associate Agreement

The Contractor shall execute and comply with the attached Business Associate Agreement (BAA).

For the purposes of the BAA, the following entities are defined:

Covered Entity:

Cabinet for Health and Family Services

275 East Main Street

Frankfort, KY 40621

Business Associate:

Lexington Fayette Urban Co Government

200 East Main St.

Lexington, KY 40507

SECTION 5 – FEDERAL REQUIREMENTS

If federal funds are utilized, the Contractor is responsible for complying with all applicable provisions of 2 CFR Part 200, including Appendix II.

5.00 Certain Provisions Contained Within 2 CFR, Part 200, Appendix II

5.00.01 Clean Air Act and Federal Water Pollution Control Act

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The Contractor and Subcontractors shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq., and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq. Violations shall be reported to the U.S. Department of Health and Human Services (HHS) and the appropriate Regional Office of the Environmental Protection Agency.

5.00.02 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion, Lower Tier Covered Transactions

In accordance with Federal Acquisition Regulation 52.209-5, 2 CFR 180.300, 2 CFR 200.318, 2 CFR 200.303, and FAP 111-59-00, the Contractor certifies by signing the Contract, that to the best of its knowledge and belief, the Contractor and/or its Principals is (are) not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency. If debarred during the life of the contract, the vendor shall notify the Commonwealth buyer of record within seventy-two (72) hours of the federal debarment. For this certification, "Principals" means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity.

5.00.03 Certification of Lobbying Activities

The Contractor shall disclose any lobbying activities in accordance with 31 USC Section 1352. The Contractor certifies, to the best of its knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Contractors/Subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

5.00.04 Equipment

For reimbursement-type contracts, the Contractor shall not purchase equipment or property with contract funds without prior written approval from the Agency.

5.00.05 Telecommunications and Video Surveillance Services or Equipment

In accordance with 2 CFR 200.216, Contractors and subrecipients are prohibited from obligating or expending loan or grant funds to:

- (1) Procure or obtain;
- (2) Extend or renew a contract to procure or obtain; or
- (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered

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telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

5.00.06 Domestic Preferences for Procurements

In accordance with 2 CFR § 200.322:

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.

5.00.07 Procurement of Recovered Materials

In accordance with 2 CFR 200.323, a non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

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Memorandum of Agreement Standard Terms and Conditions
Revised February 2026

1.00 Effective Date

All Memorandum of Agreements are not effective until the Secretary of the Finance and Administration Cabinet or his authorized designee has approved the agreement and until the agreement has been submitted to the government contract review committee. However, in accordance with KRS 45A.700, memoranda of agreement in aggregate amounts of \$50,000 or less are exempt from review by the committee and need only be filed with the committee within 30 days of their effective date for informational purposes.

KRS 45A.695(7) provides that payments on personal service contracts and memoranda of agreement shall not be authorized for services rendered after government contract review committee disapproval, unless the decision of the committee is overridden by the Secretary of the Finance and Administration Cabinet or agency head if the agency has been granted delegation authority by the Secretary.

The Commonwealth will make payment within thirty (30) working days of receipt of contractor and/or subrecipient's invoice or of acceptance of goods and/or services in accordance with KRS 45.453 and KRS 45.454.

Payments are predicated upon successful completion and acceptance of the described work, services, supplies, or commodities, and delivery of the required documentation. Invoices for payment shall be submitted to the agency contact person or its representative.

2.00 Cancellation Clause

Both parties shall have the right to terminate and cancel this contract at any time not to exceed thirty (30) days' written notice served on the Contractor and/or subrecipient by registered or certified mail.

3.00 Funding Out Provision

The state agency may terminate this agreement if funds are not appropriated to the contracting agency or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the agreement. The state agency shall provide the Contractor and/or subrecipient thirty (30) calendar day's written notice of termination of the agreement due to lack of available funding.

4.00 Reduction in Contract Worker Hours

The Kentucky General Assembly may allow for a reduction in contract worker hours in conjunction with a budget balancing measure for some professional and non-professional service contracts.

If under such authority the agency is required by Executive Order or otherwise to reduce contract hours, the agreement will be reduced by the amount specified in that document. If the contract funding is reduced, then the scope of work related to the contract may also be reduced

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commensurate with the reduction in funding. This reduction of the scope shall be agreeable to both parties and shall not be considered a breach of contract.

5.00 Access to Records

The state agency certifies that it is in compliance with the provisions of KRS 45A.150, "Access to contractor and/or subrecipient's books, documents, papers, records, or other evidence directly pertinent to the contract." The Contractor and/or subrecipient, as defined in KRS 45A.030, agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor and/or subrecipient also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

6.00 Violation of tax and employment laws

KRS 45A.485 requires the Contractor and/or subrecipient and all subcontractors performing work under the contract to reveal to the Commonwealth any final determination of a violation by the Contractor and/or subrecipient within the previous five (5) year period of the provisions of KRS chapters 136, 139, 141, 337, 338, 341, and 342. These statutes relate to corporate and utility tax, sales and use tax, income tax, wages and hours laws, occupational safety and health laws, unemployment insurance laws, and workers compensation insurance laws, respectively. Disclosure of any violations is required prior to the award of any state contract and throughout the duration of the contract.

Failure to disclose violations shall be grounds for the Commonwealth's disqualification of a contractor and/or subrecipient or subcontractor from eligibility for future state contracts for a period of two (2) years.

To comply with KRS 45A.485, the Contractor and/or subrecipient and all subcontractors performing work under this contract shall report any such final determination(s) of any violation(s) within the previous five (5) years to the Commonwealth by providing a list of the following information regarding any violation(s): (1) specific KRS violated, (2) date of any final determination of a violation, and (3) state agency which issued the final determination.

A list of any disclosures made prior to award of a contract shall be attached to the contract. The Contractor and/or subrecipient affirms that it has not violated any of the provisions of the above statutes within the previous five (5) year period, aside from violations explicitly disclosed and attached to this contract. Contractor and/or subrecipient further affirms that it will (1) communicate the above KRS 45A.485 disclosure requirements to any subcontractors and (2) disclose any subcontractor violations it becomes aware of to the Commonwealth.

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7.00 Nondiscrimination

The Equal Employment Opportunity Act of 1978 (the “Act”), KRS 45.560 to 45.640, applies to all State government contracts or subcontracts in an amount exceeding \$500,000. The contractor and/or subrecipient shall comply with all terms and conditions of the Act.

During the performance of this contract, the Contractor and/or subrecipient agrees as follows:

- (a) The Contractor and/or subrecipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age forty (40) and over, disability, veteran status, or national origin or.
- (b) The Contractor and/or subrecipient shall take affirmative action in regard to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination rates of pay or other forms of compensation, and selection for training, so as to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, age forty (40) and over, disability, veteran status, and national origin.
- (c) The Contractor and/or subrecipient shall state in all solicitations or advertisements for employees placed by or on behalf of the Contractor and/or subrecipient that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age forty (40) and over, disability, veteran status, or national origin.
- (d) The Contractor and/or subrecipient shall post notices in conspicuous places, available to employees and applicants for employment, setting forth the provisions of this non-discrimination clause.

The Contractor and/or subrecipient shall send a notice to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding advising the said labor union or workers' representative of the Contractor and/or subrecipient's commitments under this nondiscrimination clause.

The Contractor and/or subrecipient's noncompliance with the nondiscrimination clauses of this contract shall constitute a material breach of the contract.

Each Contractor and/or subrecipient shall, for the length of the contract or at the point at which the contract is covered by this Act and until its conclusion, furnish such information as required by the Act and any rules, regulations and orders issued pursuant thereto and permit access to all books and records pertaining to his employment practices and work sites by the contracting agency and the Cabinet to ascertain compliance with the Act.

This section applies to agreements disbursing federal funds, in whole or part, only when the terms for receiving those funds mandate its inclusion.

8.0 Artificial Intelligence (AI)

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Vendor agrees to adhere to [CIO-126 Artificial Intelligence Policy.pdf](#), which includes but is not limited to, the required written disclosure, in advance, of every use of generative AI and/or integrations with generative AI system. Vendor agrees to disclose all parts of contracted work that is expected to be or will be performed with the assistance of AI. Further, Vendor understands and agrees to take appropriate measures to ensure Generative AI shall not be used for any activities that are illegal or in violation of state policy, COT policy, or agency policy per CIO-126. Vendors may not use Commonwealth confidential or internal data in generative AI queries or for building or training proprietary generative AI programs unless explicitly approved in writing by the agency head with consultation from the COT Chief Information Officer. Vendor agrees to provide reasonable written notice of any issue of noncompliance with these requirements.

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Approvals

This contract is subject to the terms and conditions stated herein. By affixing signatures below, the parties verify that they are authorized to enter into this contract and that they accept and consent to be bound by the terms and conditions stated herein. In addition, the parties agree that (i) electronic approvals may serve as electronic signatures, and (ii) this contract may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single contract.

CHFS Cabinet Approval:

Signature

Title

Printed Name

Date

Lexington Fayette Urban Co Government:

Signature

Title

Printed Name

Date

CHFS Department Review:

Signature

Title

Printed Name

Date

Approved as to form and legality:

Attorney

Date