GRANT AGREEMENT
BETWEEN
Physicians for a Healthy California and
CalMedForce Awardee

THIS GRANT AGREEMENT ("Grant Agreement" or "Agreement") is deemed effective {DATE} ("Effective Date") by and between Physicians For A Healthy California, a 501(c)(3) public benefit corporation whose principal place of business is 1201 K Street, Suite 970, Sacramento, California 95814 ("PHC") and ________________, a ("Grantee"). (each a "Party" or collectively the "Parties").

WHEREAS, PHC is authorized by the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 (Proposition 56) and the University of California to issue grants for the purpose of increasing the number of primary care and emergency physicians trained in California ("Purpose"). The goal of this grant funding is to sustain, retain, and expand graduate medical education programs to achieve the Purpose based on demonstrated workforce needs and priorities.

WHEREAS Grantee applied to participate in the CalMedForce Grant Program by submitting a proposal in response to the 20XX CalMedForce Application ("Grantee's Application").

WHEREAS Grantee was selected by PHC to receive grant funds to be utilized by Grantee solely in furtherance of the Purpose.

NOW THEREFORE, PHC and Grantee, for the consideration and under the conditions hereinafter set forth, agree as follows:

A. Definitions:
1. "Eligible" / "Eligibility" means that a Program and Sponsoring Institution meet the eligibility criteria to receive funding set forth in the Grant Guidelines and applicable law and regulations.
2. "Grantee's Application" means the grant application/proposal submitted by Grantee.
3. "Grant Agreement Number" means the Grant Number assigned to Grantee.
4. "Grant Guidelines" mean those guidelines attached hereto as Exhibit A and incorporated herein by reference as though fully set forth.
5. "Grant Funds" means the grant money awarded by PHC to Grantee based on Grantee's Application.
6. "Other Sources of Funds" means all other financial resources, including but not limited to revenue, cash, donations, in-kind contributions, federal, state, or local funding, and other grant proceeds beyond the Grant Funds provided by this Grant Agreement, that are required or used to administer and sustain Grantee's Program.
7. "Program(s)" means the Grantee's graduate medical education training program(s) listed in the Grant Application.
8. "Program Director" means the Director of Grantee's Program(s)
9. "Sponsoring Institution and/or Program(s)" means the Grantee.

B. Term of the Agreement: This Agreement shall be effective from the Effective Date through {DATE} if Grantee's Program is three (3) years, or {DATE} if Grantee's Program is four (4) years, at which time this Agreement shall terminate automatically by its own terms ("Term").
C. **Scope of Work**: Grantee agrees to the Scope of Work as set forth herein ("Scope of Work"). In the event of a conflict between the provisions of this section and the Grantee’s Application, the provisions of this Scope of Work Section shall prevail. Grantee hereby agrees to:

1. Serve as the sponsoring fiscally responsible entity in charge of administering the Grant Funds in support of the Program for the Purpose.
2. Comply with all requirements set forth in the CalMedForce Application.
3. Comply with all requirements set forth in the Grant Guidelines.
4. Maintain an Eligible training Program throughout the Term.
5. Maintain Grantee’s Eligibility to receive Grant Funds throughout the Term.
6. Utilize the Grant Funds to support training of {##} residents in the Program.
7. Promptly update PHC by written or electronic communication if there are any changes to any information included in Grantee's Application, including but not limited to any changes in the Designated Institutional Official ("DIO"), Grantee's GME Directors, or accreditation status of the sponsoring fiscally responsible entity as reported in Grantee’s Application.
8. Promptly respond to all requests for data by PHC during the term of the Grant Agreement and as follow up in response to Grantee’s Final Report.
9. Promptly respond to requests for information and feedback about the CalMedForce Grant process and program.
10. Continue the training Program(s) for residents funded by Grant Funds awarded through the entire Term of the Grant Agreement.
11. Not discontinue, temporarily halt, interrupt, or delay its resident training Program(s) in anticipation of receipt of Grant Funds awarded through the Grant Agreement.

D. **Program Reports and Site Visits**

1. Grantee shall submit bi-annual progress reports to PHC no later than {DATE} and {DATE} each year for the preceding six-month period that ended {DATE} or {DATE}, respectively ("Progress Report") using a form provided by PHC. Progress Reports shall include, among other information:
   a. Information on residents and graduates in the Program, including, but not limited to demographics, where residents practice after graduation, residents who leave the Program prior to graduation.
   b. Any changes to accreditation status of the Grantee/Sponsoring Institution or the residency Program receiving Grant Funds.
   c. Any citations issued by an accrediting body against the Grantee/Sponsoring Institution, or its residency Program receiving Grant Funds.
   d. Demographics of the patient population treated by the residents in Grantee's Program.
   e. Information regarding faculty development and training in the Program.
   f. Information regarding how the Grantee's residency Program is assessing and caring for the well-being of the residents in the Program.
   g. Information regarding the professional development training opportunities Grantee makes available to residents in the Program.
   h. Information on Program expenditures using Grant Funds.
2. Grantee shall submit a complete final report to PHC no later than {DATE} or {DATE}, or of Payment Year 4 (if applicable), but no later than {DATE} ("Final Report") using a form to be provided by PHC. The Final Report shall include, but not be limited to, all information required in the Progress Reports and any additional data, information, or feedback requested by PHC during the Term of the Grant Agreement and/or upon reviewing the Final Report.
3. Upon the request of PHC, Grantee shall facilitate an annual site visit by PHC staff and comply with all requests for information and documentation.
E. **Grant Funding and Invoicing:**

1. For services satisfactorily rendered in accordance with the Scope of Work, and upon receipt and approval of the certifications specified in subsection (3) hereunder, PHC agrees to reimburse Grantee in accordance with the rates and budget detail specified herein.

2. The total amount of Grant Funds to be disbursed to Grantee during the Term of this Agreement shall not exceed a total of $__________.

3. Bi-annually during the Term, Grantee shall submit a certification setting forth the Grant Agreement Number, the names of the resident(s)/student(s) trained using the Grant Funds provided under this Grant Agreement, an attestation that each resident(s)/student(s) was engaged in activities authorized by this Grant Agreement, signed by the Program Director, and submitted electronically for payment on a bi-annual basis in arrears to: CalMedForce@phcdocs.org.

4. Final payment to Grantee under this Grant Agreement will be withheld until all required Progress Reports and the Final Report are submitted to PHC and all requests for data or other information is responded to in a manner and extent satisfactory to PHC. PHC will notify Grantee in writing when the required reports and requests have been approved by PHC.

F. **Budget Detail and Payment Provisions:**

1. **Budget Detail:**

   PHC shall reimburse Grantee for the expenses incurred in performing the Scope of Work pursuant to the Purpose in accordance with the schedule set forth below. PHC shall advance to Grantee fifty (50) percent of the Payment Year 1 amount and the full one-time additional amount (up to $200,000) awarded to a Grantee with a new or expanding Program, if applicable on the Effective Date. Thereafter, bi-annually during the Term, PHC shall reimburse Grantee for the expenses incurred for the prior six-month period (e.g., July 1 through December 31 or January 1 through June 30) upon approval of the bi-annual progress report described in Section D.2 and the certification described in Section E.3.

   **Payment Year 1**
   
   {DATE} to {DATE} | $ per resident per year x Number (number) residents | $0

   **Payment Year 2**
   
   {DATE} to {DATE} | $ per resident per year x Number (number) residents | $0

   **Payment Year 3**
   
   {DATE} to {DATE} | $ per resident per year x Number (number) residents | $0

   **Payment Year 4 (if applicable)**
   
   {DATE} to {DATE} | $ per resident per year x Number (number) residents | $0
G. **Accounting Records and Audits:** Grantee shall comply with the following reporting requirements, as amended from time to time:

1. **Accounting:** Accounting for Grant Funds will be in accordance with the Sponsoring Institution’s accounting practices based on generally accepted accounting principles consistently applied regardless of the source of funds. Supporting records must be in sufficient detail to show the exact amount and nature of expenditures.
   
   a. The accurate and timely separate identification of funds received;
   b. The separate identification of expenditures prohibited by the Grant criteria;
   c. An adequate record of proceeds from the sale of any equipment purchased by Grant Funds.

2. **Expenditure Reporting:** Reports of the training Program expenditures and enrollment of residents under the Agreement must be submitted as requested by PHC for purposes of program administration, evaluation, and/or review.

3. **Records Retention and Audit:**
   
   a. The Sponsoring Institution shall permit PHC or the California State Auditor, or the State Controller, or their authorized representatives, access to Records maintained on source of income and expenditures of its graduate medical education program for the purpose of audit and examination.
   
   b. The Sponsoring Institution shall maintain books, records, documents, and other evidence pertaining to the costs and expenses of this grant (hereinafter collectively called the “Records”) to the extent and in such detail as will properly reflect all net costs, direct and indirect, of labor, materials, equipment, supplies and services, and other costs and expenses of whatever nature for which reimbursement is claimed under the provisions of this Agreement.
   
   c. The Sponsoring Institution agrees to make available at the office of the Sponsoring Institution at all reasonable times during the period set forth in subparagraph (d) below any of the Records for inspection, audit or reproduction by an authorized representative of the State.
   
   d. The Training Institution shall preserve and make available its Records (a) for a period of three (3) years from the date of final payment under this Agreement, and (b) for such longer period, if any, as is required by applicable statute, by any other clause of this Agreement, or by subparagraph (1) or (2) below:
      
      1) If this Agreement is completely or partially terminated, the Records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
      
      2) Records which relate to (i) litigation of the settlement of claims arising out of the performance of this Agreement, or (ii) costs and expenses of this Agreement as to which exception has been taken by the State or any of its duly authorized representatives, shall be retained by the Training Institution until disposition of such appeals, litigation, claims, or exceptions.

H. **Budget Contingency Clause:**
1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for this program, this Agreement shall be of no further force and effect. In this event, the PHC shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.

2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the PHC shall have the option to either cancel this Agreement with no liability occurring to the PHC or offer an agreement amendment to Grantee to reflect the reduced amount.

I. **Budget Adjustments:**

1. Budget adjustments consist of a change within the approved budget that does not amend the total amount of the grant.

2. All requests to change the budget shall be submitted in writing for PHC approval and shall include an explanation for the reallocation of funds by the Grantee. An accounting of how the funds were expended will also be submitted with the Final Report.

3. All requests for extending the grant period shall be submitted in writing to PHC for approval. Requests for a time extension must be made to PHC no later than thirty (30) calendar days prior to the expiration of the Agreement. There shall be no activity on an Agreement after the expiration of its Term.

J. **General Terms and Conditions:**

1. **Time:** Time is of the essence in this Agreement. Grantee will submit the required deliverables as specified and adhere to the deadlines as specified in this Agreement. It is the sole responsibility of the Grantee to anticipate potential overlaps, conflicts, and scheduling issues, and to adhere to the terms of this Grant Agreement.

2. **Final Agreement:** This Grant Agreement, along with the Grantee’s Application, exhibits, and forms constitutes the entire and final agreement between the Parties and supersedes any and all prior oral or written agreements or discussions.

3. **Additional Audits:** Grantee agrees that PHC and/or the California State Auditor or their designated representative shall have the right to review and to copy any Records and supporting documentation pertaining to the performance of this Grant Agreement. Grantee agrees to maintain such Records for possible audit for a minimum of three (3) years after final payment, unless a longer period of Records retention is stipulated. Grantee agrees to allow the auditor(s) access to such Records during normal business hours and to allow interviews of any employees who might reasonably have information related to such Records. Further, Grantee agrees to include a similar right of the State to audit Records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., Cal. Code Regs. Tit. 2, Section 1896).

4. **Independent Contractor:** Grantee and the agents and employees of Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of PHC or the State.

5. **Non-Discrimination Clause:** During the performance of this Agreement, Grantee and its
subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Grantee and its subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

6. Waiver: The waiver by PHC of a breach of any provision of this Agreement by the Grantee will not operate or be construed as a waiver of any other subsequent breach by the Grantee. PHC expressly reserves the right to disqualify Grantee from any future grant awards for failure to comply with the terms of this Agreement.

7. Approval: This Agreement is of no force or effect until signed by both Parties. Grantee may not commence performance until such approval has been obtained.

8. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the Parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the Parties.

9. Assignment: This Agreement is not assignable by the Grantee, either in whole or in part.

10. Indemnification: Each party shall indemnify, defend and hold harmless the other party, its officers, employees, and agents from any and against any and all liability, losses, or expenses (including reasonable attorney’s fees), or claims for injury or damages arising out of the performance of this Agreement, but only in proportion to and to the extent such liability, loss, expense, attorney’s fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the indemnifying party, its officers, agents or employees.

11. Disputes: Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:

a. The Grantee will discuss the problem informally with the CalMedForce Director. If unresolved, the problem shall be presented, in writing, as a grievance to the PHC CEO stating the issues in dispute, the legal authority or other basis for the Grantee’s position and the remedy sought.

b. The PHC CEO shall make a determination within ten (10) working days after receipt of the written grievance from the Grantee and shall respond in writing to the Grantee indicating the decision and reasons for it. The CEO’s decision will be final.

12. Termination For Cause: PHC may terminate this Agreement and be relieved of any payments should the Grantee fail to perform the requirements of this Agreement at the time and in the manner herein provided.
13. **Potential Subcontractors:** Nothing contained in this Agreement shall create any contractual relation between PHC and the Grantee or any subcontractors, and no subcontract shall relieve the Grantee of its responsibilities and obligations hereunder. The Grantee agrees to be as fully responsible to PHC for any and all acts and omissions of its subcontractors and of persons either directly or indirectly employed by the Grantee. The Grantee’s obligation to pay its subcontractors is an independent obligation from PHC’s obligation to disburse funds to the Grantee. As a result, PHC shall have no obligation to pay or to enforce the payment of any money to any subcontractor.

14. **Governing Law:** This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

15. **Unenforceable Provision:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the Parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

16. **Prohibited Use of Funds:** The funding established pursuant to this Grant Agreement shall be utilized solely to support graduate medical education in Grantee’s Program. Grant Funds shall not be used to replace and/or supplant existing federal, state, or local funds or Other Sources of Funds intended to also fund the residency positions in Grantee’s Program. California law AB 1887 also imposes restrictions on the use of state funds to travel to states that authorize discrimination or repeal existing laws prohibiting discrimination based on sexual orientation, gender identity and gender expression. An up-to-date list of all of banned travel states can be found at [https://oag.ca.gov/ab1887](https://oag.ca.gov/ab1887). Grantees must comply with this rule for any/all grant-related travel using state funds.

K. **CalMedForce Representatives:** The CalMedForce representatives during the Term of this Agreement are listed below. Direct all contract inquiries to:

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<th>Grant Administrator:</th>
<th>Grantee:</th>
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<td>Physicians For A Healthy California</td>
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<tr>
<th>CalMedForce Representative:</th>
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<td>1201 K Street, Ste. #800</td>
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<tr>
<td>Sacramento, CA 95814</td>
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<tr>
<th>Phone:</th>
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<tr>
<td>(916) 551-2899</td>
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<td><a href="mailto:CalMedForce@phcdocs.org">CalMedForce@phcdocs.org</a></td>
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IN WITNESS WHEREOF, the Parties hereto have executed or have caused their duly authorized officers to execute this Agreement as of the dates signed below.

Physicians For A Healthy California
Signature:________________________
Name:________________________
Title:________________________
Date:________________________

GRANTEE:
Signature:________________________
Name:________________________
Title:________________________
Date:________________________