

# Subcontracting Portions of your King County DCHS Contract

As a DCHS Contractor, you may not subcontract any part of your Contract or assign any related claim without the County's prior written approval.

The County reserves the right to review any proposed subcontract related to the Statement of Work.

You must submit any request for subcontracting approval in writing at least fifteen (15) business days before the proposed subcontract begins.

**Section 16, titled "Subcontracting", of your King County DCHS contract specifies the required clauses to pass through on any subcontracts developed by King County DCHS contractors.** The required clauses are copied/pasted into this document below for ease of reference.

## Required Clauses That Must Be Included In Subcontracts

Required provisions must be properly flowed down. In most cases, you must pass through the requirement — not copy the exact language. Be sure to revise titles and responsibilities within each clause so the subcontract is clear, consistent, and enforceable.

### Terminology Matters

*In the King County DCHS Contract:*

- "County" = King County
- "Contractor" = Your organization

*In the Subcontract:*

- "County" may refer to King County where required by law or funding terms
- "Contractor" = Your organization (as the prime contractor)
- "Subcontractor" = The entity performing the work

Make sure defined terms are updated appropriately in each agreement.

For legal or technical assistance, please consult your legal counsel, contracting team, or other appropriate advisors. King County DCHS cannot provide guidance on drafting subcontracts for other entities.

 King County

**DCHS**

Department of Community  
and Human Services

## Required Insurance for Subcontracts:

You must include all subcontractors as insureds under your organization's insurance policies or, alternatively, you may require each subcontractor to purchase and maintain appropriate insurance coverage and insurance limits to cover risks involved in the subcontractor's Statement of Work and the services being provided. Insurance coverages are listed in Section 14.1, titled "Minimum Scope and Limits of Insurance".

## Required Language for Subcontracts:

The Contractor must include the following language *verbatim* in every Subcontract for services within your King County DCHS contract that are being subcontracted:

"The Subcontractor shall protect, defend, indemnify, and hold harmless King County, its elected and appointed officials, officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages arising out of, or in any way resulting from the negligent act or omissions of the Subcontractor, its officers, employees, and/or agents in connection with or in support of this Contract. The Subcontractor expressly agrees and understands that King County is a third-party beneficiary to its Contract with the Contractor and shall have the right to bring an action against the Subcontractor to enforce the provisions of this paragraph."

## Required Contract Clauses (Sections) for Subcontracts

You must include Section 4, 5, 6, 7, 8, 10, 15, 16, 17, 18, 19, 20, 21, 22, 28, 29, and 30 in every Subcontract or purchase agreement for services that relate to your King County DCHS contract. Below, in the "Sections" heading, are the required contract clauses for reference: make sure to review the language in your actual contract as well for accuracy.

When drafting subcontracts for services under your King County DCHS contract, carefully consider the roles of King County, your organization (the "Contractor" in the DCHS contract), and the Subcontractor.

## Sections

### **4. Internal Control and Accounting System**

The Contractor shall establish and maintain a system of accounting and internal controls that complies with the Generally Accepted Accounting Principles (GAAP) issued by the Financial Accounting Standards Board (FASB), the Governmental Accounting Standards Board (GASB), or both as is applicable to the Contractor's form of doing business.

### **5. Debarment and Suspension Certification**

Entities that are debarred, suspended, or proposed for debarment, by the U.S. Government, State of Washington, or the County are excluded from receiving federal funds and contracting with the County. The Contractor, by signature to this Contract, certifies that the Contractor is not currently debarred, suspended, or proposed for debarment, by any Federal department or agency, the State of Washington, or the County. The Contractor shall not enter into a

Subcontract with a person or entity that is debarred, suspended, or proposed for debarment. The Contractor shall notify the County if it, or a Subcontractor, is debarred, suspended, or proposed for debarment, by any Federal, State, or County department or agency. Federal debarment status may be verified at <https://www.sam.gov/>. State debarment status may be verified at <https://secure.lni.wa.gov/debarandstrike/ContractorDebarList.aspx>. County debarment may be verified at <https://kingcounty.gov/en/dept/executive-services/about-king-county/business-operations/finance-business-operations/procurement-payables/suspension-debarment>.

## 6. Maintenance of Records

### A. Accounts and Records:

The Contractor shall maintain the following for a period of six years after termination of this Contract: accounts and records, including personnel, property, financial, programmatic records, documentation that supports costs listed on general ledgers, and other such records the County may deem necessary to ensure proper accounting and compliance with this Contract.

### B. Nondiscrimination and Equal Employment Records:

In accordance with the nondiscrimination and equal employment opportunity requirements set forth in Section 17. below, the Contractor shall maintain the following for a period of six years after termination of this Contract:

- i. Records of employment, employment advertisements, application forms, other data, records, and information related to employment, applications for employment or the administration or delivery of services or any other benefits under this Contract; and
- ii. Records, including written quotes, bids, estimates or proposals, submitted to the Contractor by all entities seeking to participate in this Contract, and any other information necessary to document the actual use of and payments to Subcontractors and suppliers in this Contract, including employment records.

2. The County may visit the site of the work and the Contractor's office to review these records. The Contractor shall provide all help requested by the County during such visits and make the foregoing records available to the County for inspection and copying. At all reasonable times, the Contractor shall provide to the County, the State, and/or Federal agencies or officials access to its facilities—including those of any Subcontractor assigned any portion of this Contract in order to monitor and evaluate the services provided under this Contract. The County will give reasonable advance notice to the Contractor in the case of audits to be conducted by the County. The Contractor shall comply with all record keeping requirements of any applicable federal rules, regulations, or statutes included or referenced in the Contract documents. If different from the Contractor's address listed above, the Contractor shall inform the County in writing of the location of its books, records, documents, and other evidence for which review is sought, and shall notify the County in writing of any changes in location within fifteen (15) calendar days of any such relocation.

## 7. Evaluations and Inspections

### A. Subject to Inspection, Review, or Audit:

The records and documents with respect to all matters covered by this Contract shall be subject at all times to inspection, review, or audit by the County and/or federal/state officials authorized by law during the performance of this Contract and for six years after termination hereof, unless a longer retention period is required by law. The Contractor shall be prepared to provide DCHS with documentation that supports costs listed on general ledgers.

### B. Medical Records:

If applicable, medical records shall be maintained and preserved by the Contractor in accordance with state and federal medical records statutes, including but not limited to Revised Code of Washington (RCW) [70.41.190](#), [70.02.160](#), and standard medical records practice. The Contractor shall also be responsible for the maintenance and disposal of such medical records.

### C. Contract Monitoring:

The Contractor and the County shall engage in a minimum of one (1) monitoring visit every three (3) years per the County's Department of Community and Human Services (DCHS) policy to assess the Contractor's compliance with Contract requirements. The County will execute monitoring visits in accordance with the applicable frequency, as prescribed by the controlling Statement of Work under this Contract. The Contractor shall cooperate with the County and its agents to assess the Contractor's performance under this Contract. At the request of the County, the Contractor shall implement a plan to remedy any items of noncompliance identified during the monitoring process.

The results and records of these processes shall be maintained and disclosed in accordance with [RCW Chapter 42.56](#).

### D. Performance Measurement and Evaluation:

The Contractor shall submit performance metrics and program data as set forth in the Statement of Work to this Contract. The Contractor shall participate in evaluation activities as required by the County and shall make available all information required by any such performance, measurement, and evaluation processes.

### E. Unauthorized Disclosure:

The Contractor shall protect from unauthorized disclosure all information, records, and data collected in connection with this Contract in accordance with applicable state and federal law.

## 8. Compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA)

The Contractor shall not use protected health information created or shared under this Contract in any manner that would constitute a violation of HIPAA and any regulations enacted pursuant to its provisions.

## 10. Corrective Action

If the County determines that the Contractor has failed to comply with any terms or conditions of this Contract, or if the Contractor has failed to provide in any manner the work or services (each a "breach"), and if the County determines that the breach warrants Corrective Action, the following procedure will apply:

A. Written Notification:

The County will notify the Contractor in writing of the nature of the breach.

B. Contractor's Corrective Action Plan:

The Contractor shall respond with a written Corrective Action plan within thirty (30) business days of its receipt of such notification for a fiscal Corrective Action plan and within sixty (60) business days for a program Corrective Action plan unless the County, at its sole discretion, extends in writing the response time. The plan shall indicate the steps being taken to correct the specified breach and shall specify the proposed completion date for curing the breach. This date shall not be more than thirty (30) days from the date of the Contractor's response, unless the County, at its sole discretion, specifies in writing an extension to complete the Corrective Actions.

C. County's Determination of Corrective Action Plan Sufficiency:

The County will determine the sufficiency of the Contractor's proposed Corrective Action plan, then notify the Contractor in writing of that determination. The determination of sufficiency of the Contractor's Corrective Action plan shall be at the sole discretion of the County.

D. Termination or Suspension:

If the Contractor does not respond within the appropriate time with a Corrective Action plan, or the Contractor's Corrective Action plan is determined by the County to be insufficient, the County may terminate or suspend this Contract in whole or in part pursuant to Section 12.

E. Withholding Payment:

In addition, the County may withhold any payment to the Contractor or prohibit the Contractor from incurring additional obligations of funds until the County is satisfied that Corrective Action has been taken or completed.

F. Non-Waiver of Rights:

Nothing herein shall be deemed to affect or waive any rights the parties may have pursuant to Section 12, Subsections B, C, or D.

## 15. Assignment

The Contractor shall not Assign any interest, obligation, or benefit under or in this Contract or transfer any interest in the same, whether by Assignment or novation, without prior written consent of the County. If Assignment is approved, this Contract shall be binding and transfer the benefit of the successors of the assigning party upon the written agreement by assignee to assume and be responsible for the obligations and liabilities of the Contract, known and unknown, and applicable law.

## 16. Subcontracting

### A. Written Consent of the County:

The Contractor shall not Subcontract any portion of this Contract or transfer or assign any claim arising pursuant to this Contract without the written consent of the County. The County retains the right to review any proposed Subcontracts related to the performance of the activities outlined in the attached Statement of Work. The County's consent shall be sought in writing by the Contractor not less than fifteen (15) business days prior to the date of any proposed Subcontract.

The County's rejection or approval of any Subcontractor or the termination of a Subcontractor shall not relieve Contractor of any of its responsibilities under the Contract, nor be the basis for additional charges to the County.

In no event shall the existence of the Subcontract operate to release or reduce the liability of Contractor to the County for any breach in the performance of the Contractor's duties.

The County has no contractual obligations to any Subcontractor or vendor under contract to the Contractor. The Contractor is fully responsible for all contractual obligations, financial or otherwise, to its Subcontractors.

### A. Required Clauses for Subcontracts:

The Contractor shall include Section 4, 5, 6, 7, 8, 10, 15, 16, 17, 18, 19, 20, 21, 22, 28, 29, and 30 in every Subcontract or purchase agreement for services that relate to the subject matter of this Contract.

### B. Required Language for Subcontracts:

The Contractor shall include the following language verbatim in every Subcontract for services which relate to the subject matter of this Contract:

"The Subcontractor shall protect, defend, indemnify, and hold harmless King County, its elected and appointed officials, officers, employees, and agents from any and all costs, claims, judgments, and/or awards of damages arising out of, or in any way resulting from the negligent act or omissions of the Subcontractor, its officers, employees, and/or agents in connection with or in support of this Contract. The Subcontractor expressly agrees and understands that King County is a third-

party beneficiary to its Contract with the Contractor and shall have the right to bring an action against the Subcontractor to enforce the provisions of this paragraph.”

C. Required Insurance for Subcontracts:

Refer to Section 14.I. above.

## 17. Nondiscrimination and Payment of a Living Wage

The Contractor shall comply with all applicable federal, state, and local laws regarding discrimination, including those set forth in this Section.

A. Nondiscrimination in Employment:

During performance of this Contract, the Contractor and all parties subcontracting under the authority of this Contract agree that they will not discriminate against any employee or applicant for employment because of one or more of the employee or applicant’s protected classes as defined in King County Code (KCC) chapter 3.12D, as amended, unless based upon a bona fide occupational qualification.

Ref: [KCC 12.16.020](#)

B. Equal Employment Opportunity Efforts:

The Contractor and all parties subcontracting under the authority of this Contract agree to undertake equal employment opportunity efforts to ensure that applicants and employees are treated without regard to one or more of their protected classes as defined in KCC chapter 3.12D, as amended. The Contractor’s equal employment opportunity efforts shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Contractor agrees to post in conspicuous places available to employees and applicants for employment notices setting forth this nondiscrimination clause. In accordance with KCC 12.16.010.J, “equal employment opportunity efforts” shall mean active efforts to ensure equal opportunity in employment that is free from all forms of discrimination.

C. Payment of a Living Wage:

In accordance with the [King County Living Wage Ordinance 17909](#), for Contracts for services with an initial or amended value of \$100,000 or more, the Contractor shall pay, and require all Subcontractors to pay, a living wage to employees for each hour the employee performs a Measurable Amount of Work on this Contract. The requirements of the ordinance, including payment schedules, are detailed at <https://www.kingcounty.gov/depts/finance-business-operations/procurement/about-us/Living-Wage.aspx>.

Violations of this requirement may result in disqualification of the Contractor from bidding on or being awarded a County Contract for up to two years; contractual remedies including, but not limited to, liquidated damages and/or termination of the

Contract; remedial action as set forth in public rule; and other civil remedies and sanctions allowed by law.

D. Nondiscrimination in Subcontracting Practices:

During the term of this Contract, the Contractor shall not create barriers to open and fair opportunities to participate in County contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services. In considering offers from and doing business with subcontractors and suppliers, the Contractor shall not discriminate against any person because of one or more of their protected classes as defined in KCC chapter 3.12D, as amended.

E. Compliance with Laws and Regulations:

The Contractor and all parties subcontracting under the authority of this Contract shall comply fully with all applicable federal, state, and local laws, ordinances, executive orders, and regulations that prohibit discrimination. These laws include, but are not limited to, Chapter 49.60 RCW, Titles VI and VII of the Civil Rights Act of 1964, the American with Disabilities Act, and the Restoration Act of 1987. In addition, KCC 12.16, 12.17, 12.18, 12.20, and 12.22, are incorporated herein by reference and the requirements in these code sections shall specifically apply to this Contract. The Contractor and its subcontractors shall further comply fully with any equal opportunity requirements set forth in any federal regulations, statutes or rules included or referenced in the contract documents.

## **18. Equal Benefits to Employees with Domestic Partners**

In accordance with the [King County Equal Benefits Ordinance 14823](#), as a condition of award of a Contract valued at \$25,000 or more, the Contractor shall not discriminate in the provision of employee benefits between employees with spouses and employees with registered domestic partners during the performance of this Contract. Absent authorization for delayed or alternative compliance, failure to comply with this provision shall be considered a material breach of this Contract and may subject the Contractor to administrative sanctions and remedies for breach. When the Contract is valued at \$25,000 or more, by signing the Contract the Contractor is indicating compliance with this requirement or with the terms of an authorization for delayed or alternative compliance.

## **19. Code of Conduct**

The County is committed to providing an inclusive, welcoming, supportive, and safe environment for all to feel respected, valued, and empowered. The Contractor shall, while performing the work as described in the attached Statement of Work, interact with the community being served and the County's employees as follows:

The County and the Contractor shall refrain from engaging in any conduct that communicates a hostile, demeaning, or unwelcome message. Such prohibited conduct can be either verbal or nonverbal and includes, but is not limited to, microaggressions, deliberate misgendering, slights, and other conduct that could cause harm. This Contract may be subject to termination under Subsection 12.B. as a result of any violation of this Section 19.

by providing the other party thirty (30) calendar days advance written notice of the termination.

## 20. Conflict of Interest

Entering into this Contract with the County requires that the Contractor agree to abide by certain provisions of the King County Employee Code of Ethics, including those relating to conflicts of interest and the employment of current or former County employees.

A. Compliance with the King County Code of Ethics:

The Contractor shall comply with applicable provisions of the [KCC 3.04](#). Failure to comply with such requirements shall be a material breach of this Contract and may result in termination of this Contract and subject the Contractor to the remedies stated in this Contract, or otherwise available to the County at law or in equity.

B. Penalties:

Pursuant to [KCC 3.04.060](#), the Contractor shall not willfully attempt to secure preferential treatment in its dealings with the County by offering any valuable consideration, thing of value or gift, whether in the form of services, loan, thing, or promise, in any form to any County official or employee. The Contractor acknowledges that if it is found to have violated the prohibition found in this paragraph, its current Contracts with the County will be cancelled and it shall not be able to bid on any County Contract for a period of two years.

C. Former King County Employees:

The Contractor acknowledges that, for one year after leaving County employment, a former County employee may not have a financial or beneficial interest in a Contract or grant that was planned, authorized, or funded by a County action in which the former County employee participated during County employment. Contractor shall identify, at the time of offer, current or former County employees involved in the preparation of proposals or the anticipated performance of Work if awarded the Contract. Failure to identify current or former County employees involved in this transaction may result in the County's denying or terminating this Contract. After Contract award, the Contractor is responsible for notifying the County's Project Manager as identified in the DCHS CLM system of current or former County employees who may become involved in the Contract at any time during the term of the Contract.

## 21. Equipment Purchase, Maintenance, and Ownership

A. Equipment Maintenance:

In accordance with [Title 2 CFR 200.1](#), Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost that equals or exceeds the lesser of

the capitalization level established by the recipient or subrecipient for financial statement purposes, or \$5,000. The Contractor agrees that when Contract funds are used to pay for all or part of the purchase costs of any Equipment that costs \$5,000 or more per item, and the purchase of such Equipment is identified in a Statement of Work to this Contract, such Equipment is, upon the purchase or receipt, the property of the County and/or federal/state government. The Contractor shall be responsible for all proper care and maintenance of the Equipment, including securing and insuring such Equipment. The Contractor shall obtain written approval from DCHS prior to purchasing any Equipment.

B. Equipment Ownership:

The Contractor shall ensure that all such Equipment is returned to the County or federal/state government upon termination of this Contract unless otherwise agreed upon by the parties.

C. Continued Ownership Rights

The Contractor and County shall mutually agree to sign all documents and perform other acts necessary to secure, maintain, renew, or restore the rights granted to the County as set forth in this Section.

## 22. Proprietary Rights

A. Ownership Rights of Materials Resulting from Contract:

Except as indicated below or as described in a Statement of Work, the parties to this Contract hereby agree that if any patentable or copyrightable material or article should result from the work described herein, all rights accruing from such material or article shall be the sole property of the County. To the extent that any rights in such materials vest initially with the Contractor by operation of law or for any other reason, the Contractor hereby perpetually and irrevocably assigns, transfers, and quitclaims such rights to the County. The County agrees to and does hereby grant to the Contractor a perpetual, irrevocable, nonexclusive, and royalty-free license to use and create derivative works, according to law, any material or article and use any method that may be developed as part of the work under this Contract.

B. Ownership Rights of Previously Existing Materials:

The Contractor shall retain all ownership rights in any pre-existing patentable or copyrightable materials or articles that are delivered under this Contract, but do not originate from the work described herein. The Contractor agrees to and does hereby grant to the County a perpetual, irrevocable, nonexclusive, and royalty-free license to use and create derivative works, according to law, any pre-existing material or article and use any method that may be delivered as part of the work under this Contract.

C. Continued Ownership Rights:

The Contractor shall sign all documents and perform other acts as the County deems necessary to secure, maintain, renew, or restore the rights granted to the County as set forth in this Section.

**28. Notices**

Whenever this Contract provides for notice by one party to another, such notice shall be in writing and directed to each party's contact representative as identified in the Contract record in the DCHS CLM system. Any time a party must take some action, any due date associated with that action shall be calculated from the date that any associated required notice is recorded as being sent to that party.

**29. Services Provided in Accordance with Law and Rule and Regulation**

The Contractor and any Subcontractor(s) agree to abide by the laws of the State of Washington, rules and regulations promulgated thereunder, and regulations of the state and federal governments, as applicable, including performing background checks required by law, which control disposition of funds granted under this Contract, all of which are incorporated herein by reference.

If there is an irreconcilable conflict between any of the language contained in any Statement of Work or attachment to this Contract, the language in the Contract shall control over the language contained in the Statement of Work or the attachment, unless the Statement of Work provision expressly indicates that it controls over inconsistent Contract language. If there is conflict among requirements set forth in Statement of Work, language contained in the lower numbered Statement of Work shall control unless the higher numbered Statement of Work provision expressly indicates that it controls over inconsistent lower numbered Statement of Work language.

**30. Applicable Law**

This Contract shall be construed and interpreted in accordance with the laws of the State of Washington. The venue for any action hereunder shall be in the Superior Court for King County, Washington.