



State of West Virginia  
**Agency Contract**

Order Date: 04-09-2026


CORRECT ORDER NUMBER MUST APPEAR ON ALL PACKAGES, INVOICES, AND SHIPPING PAPERS. QUESTIONS CONCERNING THIS ORDER SHOULD BE DIRECTED TO THE DEPARTMENT CONTACT.

<b>Order Number:</b>	ACT 0506 3004 RHT2600000001 1	<b>Procurement Folder:</b>	1936113
<b>Document Name:</b>	Program Implementation Support	<b>Reason for Modification:</b>	
<b>Document Description:</b>	Program Implementation Support		
<b>Procurement Type:</b>	Agency Contract - Fixed Amt		
<b>Buyer Name:</b>	Robert L Price		
<b>Telephone:</b>	(304) 957-0218		
<b>Email:</b>	robert.l.price@wv.gov		
<b>Shipping Method:</b>	Best Way	<b>Effective Start Date:</b>	01-06-2026
<b>Free on Board:</b>	FOB Dest, Freight Prepaid	<b>Effective End Date:</b>	04-28-2026

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<b>Discount Details:</b>			
	<b>Discount Allowed</b>	<b>Discount Percentage</b>	<b>Discount Days</b>
#1	No	0.0000	0
#2	Not Entered		
#3	Not Entered		
#4	Not Entered		

INVOICE TO	SHIP TO
KANAWHA VALLEY BUILDING HEALTH AND HUMAN RESOURCES 300 CAPITOL ST 12TH FLOOR CHARLESTON WV 25301 US	KANAWHA VALLEY BUILDING HEALTH AND HUMAN RESOURCES 300 CAPITOL ST 12TH FLOOR CHARLESTON WV 25301 US

<b>Total Order Amount:</b>	\$3,600,000.00
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DEPARTMENT AUTHORIZED SIGNATURE  
SIGNED BY:   
DATE: 4/15/26

**Extended Description:**

Emergency Contract to provide program management, strategic advisory, and implementation support services for the establishment of the Rural Healthcare Transformation Program (RHTP)

Line	Commodity Code	Quantity	Unit	Unit Price	Total Price
1	80101506	0.00000		0.000000	\$3,600,000.00
Service From	Service To	Manufacturer	Model No		
2026-01-06	2026-04-28				

**Commodity Line Description:** Program Implementation Support

**Extended Description:**

Emergency Contract to provide program management, strategic advisory, and implementation support services for the establishment of the Rural Healthcare Transformation Program (RHTP)

	Document Phase	Document Description	Page
RHT260000001	Final	Program Implementation Support	3

**ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions



# Statement of Work (SOW)

This Statement of Work ("SOW") is entered into between KPMG LLP ("KPMG") and the West Virginia Department of Health ("Client").

Effective Date: January 12<sup>th</sup>, 2026

Project Title: Program Implementation Support for West Virginia's Rural Healthcare Transformation Program (RHTP)

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## 1.0 Project Overview and Scope of Work

### 1.1. Background and Objectives

The Client is launching the Rural Healthcare Transformation Program (RHTP), a statewide initiative funded by a federal award of \$199 million. This program is rooted in the "Health to Prosperity" vision, which aims to create a self-sustaining "flywheel effect" where investments in citizen health enhance economic resilience and workforce participation. The RHTP is composed of seven interconnected flagship initiatives designed to break down foundational health barriers in rural communities.

KPMG shall provide program management, strategic advisory, and implementation support services. The primary objective of this engagement is to establish and operate a centralized orchestration of the successful execution of the seven initiatives, help support federal compliance, and build a foundation for sustainable, long-term success. This SOW is intended to accelerate the delivery of measurable health and economic outcomes for the residents of West Virginia and serve as a model of transparent and effective stewardship of federal funds.

### 1.2. Scope of Work

KPMG shall provide program orchestration services through four integrated pillars:

1. **Governance and Ecosystem Management Support:** Establish and operate a centralized Transformation Management Office ("TMO") to coordinate the seven flagship initiatives. This includes developing and supporting the implementation of a governance framework & PMO functions, operationalization of the TMO, workstream management, developing a master project management plan, supporting vendor procurement and contracting processes, and facilitating initiative reporting to Client leadership.



2. **Grant and Procurement Management Support:** Implement a framework for managing the federal award in compliance with applicable regulations (including 2 CFR 200/300, CMS guidelines, and FFATA). This includes mapping West Virginia's RHT programs to applicable rules and regulations, drafting subrecipient application templates and recommended evaluation criteria, reviewing applications from applicants, and providing recommendations for potential awards based on client-approved selection criteria. This also includes the configuration, deployment, and a four-month subscription to the Smart Grants Platform (a proprietary KPMG Solution) to accept applications from potential subrecipients as outlined in a Technology Implementation Plan to be developed within four weeks of engagement kick-off. KPMG will also provide support with Notice of Funding Availability (NOFA), RFP/RFI development for RHTP Initiatives.
3. **Stakeholder Change Management & Communications Support:** Develop and execute a strategy to manage the human side of the transformation. This includes creating stakeholder engagement plans, communication protocols, workforce readiness assessments, and training programs to prepare stakeholders for the changes.
4. **Care System & Payment Model Redesign Support:** Provide subject matter knowledge and experience to support the transition from traditional fee-for-service models to payment systems that structurally support rural health objectives. This includes data-driven analysis to inform care model redesign, facilitating stakeholder alignment, and designing innovative payment models tailored to the needs of rural West Virginia.

### 1.3. Out of Scope

The services provided under this SOW are limited to program management, orchestration, and advisory support. The following activities are expressly considered Out of Scope:

- The direct delivery of healthcare services to patients.
- The direct implementation or operational execution of the seven flagship initiatives. KPMG's role is to manage and coordinate the parties responsible for this execution.
- Final decision-making authority for the RHTP, which shall remain with the Client.
- KPMG Smart Grants Platform and its underlying environments are provided on a subscription basis. Access to these environments will be shut off in the event that this SOW is terminated or upon the conclusion of the contract term, unless renewed.



### 1.3.1 Client Responsibilities

To support project success, the Client shall:

- Appoint a single State Project Executive by name and title who will serve as the ultimate point of accountability for the State, provide timely decisions, and serve as the final sign-off authority for all deliverables.
- Timely access to key state personnel and stakeholders required for discovery sessions, workshops, and interviews.
- Provide access to relevant documents, data, and systems necessary for KPMG to perform its duties under this SOW, subject to all applicable state and federal data security and privacy regulations.
- Review and provide feedback or formal written acceptance of deliverables within ten (10) business days of receipt.



## 1.4. Detailed Activities by Pillar

### **Pillar 1: Governance and Ecosystem Management Support**

- Conduct kickoff meetings with Client leadership to align on goals, roles, responsibilities, risks, and success metrics.
  - Establish a series of structured working sessions with the Client's core project team and key executive stakeholders
  - Confirm the strategic vision of the RHTP, collaboratively define and document what constitutes success for the program
  - Establish initial communication protocols
  - Finalize the roles and responsibilities of all key parties to establish a shared understanding and foundation for the RHT program
- Facilitate workshops (up to 2) to map current-state governance and define the future- state TMO operating model.
  - Conduct interviews (up to 15) with key personnel and facilitate collaborative process mapping workshops to document the Client's existing decision-making and reporting structures.
  - Using this baseline, design a detailed future-state TMO Operating Model, which will be documented in a formal TMO Charter.
  - Define the TMO's mission, scope of authority, internal roles and responsibilities, and standard operating procedures (SOPs).
- Develop detailed project plans, work breakdown structures, and resource allocation models to support the iterative and agile management of the program
  - Create a comprehensive, integrated master project schedule that tracks all seven flagship initiatives.
  - For each initiative, identify key milestones, deliverables, and critical path dependencies.
  - Develop a corresponding client and KPMG resource management plan to align required skill sets with project needs and adequate staffing throughout the project lifecycle. The resource plan assumes availability of necessary client resources and timely review and approval of deliverables.
- Establish and manage the RAID (Risks, Assumptions, Issues, Dependencies) and Decision logs.
  - Create and maintain centralized, standardized logs for tracking program-level risks, assumptions, issues, and dependencies.



- Define a formal process for the regular identification, documentation, and qualitative/quantitative analysis of new items.
  - Establish a weekly review cadence to assign owners, develop mitigation strategies for risks, and track the resolution of open issues.
- Define a hierarchy and process for decisions and escalations.
  - Establish a formal governance structure with defined tiers of authority (e.g., Workstream Leads, TMO, Executive Steering Committee).
  - Create a decision rights framework, documented in a RACI (Responsible, Accountable, Consulted, Informed) matrix, which specifies who is empowered to make which types of decisions, and associated escalation SLAs for decision urgency levels.
  - Define clear criteria and pathways for escalating issues or decisions that exceed a certain threshold of impact on budget, scope, or timeline.
- Establish initiative-specific key performance indicators (KPIs) to allow for a data-driven approach to measure performance.
  - Facilitate workshops to define a balanced set of KPIs for each of the seven flagships. These metrics will be directly linked to the RHTP's strategic objectives and will measure programmatic, financial, and compliance performance.
  - Establish baseline values for each KPI and define the specific data sources, collection frequency, and reporting mechanisms required to track them effectively.
- Organize and lead regular status meetings, including weekly TMO check-ins and bi-weekly executive steering committee briefings.
  - Establish weekly TMO Check-ins to track progress against the project plan, manage action items, and resolve immediate-term issues.
  - Conduct bi-weekly Executive Steering Committee Briefings to provide leadership with a summary of program health, discuss progress against major milestones, escalate critical risks, and facilitate key strategic decisions.
- Design and produce executive-level dashboards and progress reports.
  - Develop and maintain a suite of reporting tools tailored to different audiences. This includes creating at-a-glance dashboards that visualize progress against KPIs, milestones, and budget for executive leadership.
  - Create detailed monthly progress reports that provide a written narrative on achievements, upcoming activities, risks, and overall program performance.



## **Pillar 2: Grant and Procurement Management Support**

KPMG shall provide comprehensive support for the grants and procurement lifecycle, organized into four distinct but integrated phases:

### **Phase A: Foundational Framework and Governance**

This initial phase focuses on establishing the core strategy, rules, and governance for all grant and procurement activities.

- **Program Discovery and Vision:**
  - Facilitate up to 15 discovery sessions with Client leadership and key stakeholders to capture the program's vision and inform the detailed processes and workflows for each of the seven flagship initiatives.
  - Develop a Technology Implementation Plan within four weeks of engagement kick-off based on discussions with Client leadership and key stakeholders to reflect the timeline, key dependencies, and resource requirements for deploying the KPMG Smart Grants Platform, covering deployment phases such as configuration, testing, and training. The plan will be designed so that technology deployment runs in parallel with and supports core programmatic activities. To manage this, the plan will incorporate key stage gates to formally review progress against timelines. At these reviews, a determination will be made if alternative execution pathways are required to maintain program momentum, such as use of manual process, partial deployment, and pilots.
- **Grants and Procurement Governance:**
  - Define the roles and responsibilities of all parties (state personnel, KPMG, applicants, oversight bodies).
  - Establish the decision and escalation hierarchy for key processes (e.g., application review, budget modifications, vendor selection).
  - Link initiative-specific Key Performance Indicators (KPIs) to the management framework.
  - Map applicable rules (e.g., 2 CFR 200/300, Notice of Award requirements) to operational workflows.
  - Establish risk management protocols for identifying, assessing, and mitigating risk.



- Procurement Strategy and Planning:
  - Facilitate ongoing engagement with West Virginia procurement and legal personnel for the purposes of RHTP procurement planning and sourcing method selection, with emphasis on accelerated development timelines as permitted by state procurement policies.
  - Support market research for potential respondents, allowing West Virginia to identify experienced bidders for procurement notifications.
  - Support West Virginia conflict of interest documentation procedures during procurement development.
  - Recognizing the state's intention for RHTP purchases to be exempt from standard state purchasing laws (WV Project Narrative, p. 57), KPMG will facilitate the design and documentation of an Agile RHTP Procurement Framework.

#### Phase B: Process, Workflow, and Solicitation Development

This phase focuses on creating the detailed operational blueprints and the specific documents required for solicitations.

- Grant Management Framework and Workflow Definition:
  - Define and develop a comprehensive Grant Management Framework that serves as the master blueprint for the program, detailing the following operational processes and workflows:
    - Application and Evaluation: Step-by-step workflows and templates for application submission, evaluation, and award.
    - Financial Management: Workflows to support payment processing, budget tracking, and modification requests.
    - Compliance Monitoring: A clear process for monitoring subrecipients from award through closeout.
    - Reporting: Workflows for generating all required reports for internal leadership, stakeholders, and federal oversight bodies (e.g., CMS).
- Procurement Artifact and Template Development:
  - Develop a standardized Request for Proposal (RFP) template that includes the program background, context, detailed scope of services, and technical requirements.



- Create a structured, objective evaluation scorecard with pre-defined, weighted criteria approved by the client under West Virginia procurement policies for a fair, transparent, and defensible vendor selection process.
- Develop reusable oral presentation or solution demonstration requirements in support of West Virginia's evaluation process.
- Compile standardized procurement libraries and artifacts allowing for reuse across multiple RHTP solicitations.
- **Application and Evaluation Template Development**
  - Draft an application template for potential subrecipients to apply for funding.
  - Develop evaluation criteria for client approval to be used for scoring applications from potential subrecipients.
  - Develop an award recommendation template for KPMG to present to the Department of Health.

#### Phase C: Technology Configuration and Enablement

This phase focuses on tailoring the KPMG Smart Grants technology solution to implement the defined frameworks and workflows in accordance with the Technology Implementation Plan as described in Phase A.

- **Technology and Data Design:**
  - Define rules for data retention and integrity.
  - Tailor the user experience within the Solution, including dashboards and workflows for all user types.
- **Solution Configuration:**
  - Configure the Solution based on the approved Grant Management Framework, including:
    - Configure all user roles, permissions, and security settings.
    - Tailor dynamic forms (e.g., applications, compliance checklists, risk assessments) with their associated business rules and logic.
    - Tailor the financial, compliance, and reporting workflows as defined in the Framework.



- Configure the application templates, evaluation criteria rubrics, and award recommendation forms.
- Design and build dashboards and reports that provide real-time visibility into program performance.

#### Phase D: Execution Support and Training

This final phase focuses on supporting the live execution of solicitations and ensuring all users are trained and supported.

- **Procurement Execution Support:**
  - Coordinate development inputs and reviews required for in-scope solicitations.
  - Facilitate feedback resolution prior to issuance and support timely question and comment resolution.
  - Provide regular progress reporting for procurement stakeholders, including risks, issues, and dependencies.
- **User Training and Enablement:**
  - Draft two user-facing "how-to" guides with step-by-step instructions:
    - RHTP Subrecipient Handbook: A guide for all applicants and grantees on how to use the grants platform to apply for, manage, and report on their awards.
    - RHTP Internal Operations Guide: A guide for state personnel on conducting internal processes such as application review, compliance monitoring, and contract management.
  - Develop and deliver training for state personnel on using the Solution and adhering to compliance protocols.
  - Embed guided learning features (tooltips, contextual help) directly into the platform.

#### **Pillar 3: Stakeholder Change Management & Communications Support**

Conduct a comprehensive stakeholder analysis to identify key groups and their influence, interests, and needs.

- Identify internal (e.g., state agency personnel) and external (e.g., healthcare providers, community organizations, hospital associations) stakeholder groups.
- Categorize each stakeholder group based on its level of influence on and interest in the RHTP's outcomes.



- Document the primary objectives, potential concerns, and preferred communication methods for each identified stakeholder group.
- Develop a rapid strategic communications plan detailing key messages, channels, and a schedule for distribution.
  - Define communication objectives aligned with the RHTP's strategic goals.
  - Create a set of primary key messages, with tailored variations for the distinct stakeholder audiences identified in the Stakeholder Register.
  - Create a matrix of specified communication channels and designated senders for each message type.
  - Create a detailed Communications Schedule outlining the timing and frequency of all planned communication activities for the first six (6) months of the program.
- Design and prepare a tailored stakeholder outreach strategy to promote the RHTP and educate stakeholders. This will include:
  - One (1) program fact sheet summarizing RHTP.
  - One (1) Frequently Asked Questions (FAQ) document intended for potential grant applicants.
  - One (1) standardized presentation deck for use in webinars and public informational sessions.
- Conduct readiness assessments through surveys, community town halls, and interviews to gauge community stakeholder preparedness for change.
  - Design and administer at least one (1) online survey to quantitatively assess stakeholder awareness, understanding, and support for the RHTP.
  - Conduct a series of targeted interviews and/or focus groups with selected stakeholder representatives to gather qualitative data.
  - Conduct a rapid mobilization of five (5) town halls and engagement session to gather feedback from the community stakeholders
  - The resulting report shall synthesize quantitative and qualitative findings, identify potential risks related to resistance or low readiness, and provide actionable recommendations for mitigation.
- Map the anticipated impacts of the transformation on different workforce groups.
  - Identify the specific internal and external workforce groups affected by the transformation.
  - Document the anticipated changes to each group's day-to-day processes, required use of new systems, roles, and responsibilities.
  - Define the new skills, knowledge, and behaviors required for each group to operate effectively in the future state.



#### **Pillar 4: Care System & Payment Model Redesign Support**

- Facilitate discovery sessions with healthcare providers, payers, and community leaders to understand current care delivery challenges.
  - Document current-state care delivery processes (high-level), financial challenges, data infrastructure limitations, and perceived barriers to implementing value-based care.
    - As an example, one specific area of study will include delayed transfers of care due to lack of proper capacity and support (e.g., step-down beds in hospitals, primary care providers in rural areas, social support).
- Inventory, analyze, and assess work-to-date on the seven current flagship RHTP initiatives while assessing their alignment to potential CMS initiatives.
- Understand key health areas with poor outcomes, as compared to state or national standards, and review any root cause analysis available.
- Identify/assess social factors driving healthcare needs (e.g., poverty, transportation barriers, food insecurity, digital divide, workforce participation, system fragmentation, aging population, etc.); review available data sources to quantify the challenges and inform the initial framework configuration
- Identify and align potential leading practice solutions to current pain points across West Virginia's seven flagship RHTP initiatives.
- Support the establishment of a clinical steering committee to provide clinical guidance and support throughout West Virginia's RHTP journey.
- Identify and recommend key areas of focus for initial care system and payment model redesign; recommend initial RFP needs (e.g., remote patient monitoring or hospital-at-home provider/initiative).
- Conduct research and present leading practices on value-based care (VBC) and alternative payment models suitable for rural settings.
  - Review relevant models from the Centers for Medicare & Medicaid Services (CMS) Innovation Center (CMMI) as well as case studies from other state Medicaid and Commercial programs.
    - Gather and analyze initial datasets to understand baseline performance metrics for care quality and cost. Leverage existing analyses where possible.



- Assess available baseline metrics for key indicators of cost and quality to be agreed upon with RHTP leadership, which may include, hospital readmission rates, emergency department utilization, and per member per month (PMPM) costs for target populations. KPMG will leverage existing analyses where possible.
  - Based on the VBC research and analysis, provide a summary of evidence-based payment model options for consideration by the state to incentivize the necessary cost and quality improvements
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## 2.0 Deliverables

Outlined below are the Initial deliverables based on the first sixteen weeks of analysis and are subject to refinement in later project phases under a change order. KPMG shall deliver the following items:

1. **Go-live TMO Operating Model and Governance Plan:** A functioning TMO office including TMO Charter, governance framework, RACI matrix, baselined project plans, initial RAID/Decision logs, training materials, standard operating procedures, and transition documentation sufficient to enable state staff to perform TMO operational functions.
2. **Technology Implementation Plan:** A plan to reflect the timeline, key dependencies, and resource requirements for deploying the KPMG Smart Grants Platform.
3. **Grant Management Framework:** The comprehensive blueprint detailing governance, operational, compliance, risk, and technology protocols for the grant program.
4. **Initial Stakeholder Map and Analysis:** A detailed map of key stakeholders and their roles.
5. **Initial Strategic Communications & Outreach Plan:** A plan detailing key messages, channels, and materials (e.g., FAQs, one-pagers).
6. **Initial Care System Redesign Concepts and Roadmap:** A high-level strategy for care and payment model redesign.
7. **Initial report on Payment Model Recommendations** of at least two specific, evidence-based payment models suitable for the West Virginia rural context.
8. **A phased Payment Model implementation roadmap** detailing clinical, operational, and technical prerequisites.

## 3.0 Timeline and Schedule

The project will be executed in two phases as outlined below. Specific calendar dates are to be finalized upon the signing of this SOW.

Phase	Title	Duration	Primary Focus
1	Rapid Stand-Up	Weeks 1-8	Establish the TMO and foundational governance, compliance, and engagement frameworks. Identify and scope one high-impact, quick-win pilot project. Develop a Technology Implementation Plan to define the Smart Grants configuration (which will not impact the commencement of Grant and Procurement Management activities)



2	Initial Operationalization	Weeks 9- 16	Launch stakeholder engagement, care redesign discovery sessions and analysis, ongoing execution of grants and procurement management activities, provide transition support to assist with continuity of implemented operations.
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## 4.0 Fees and Payment Schedule

### 4.1. Fees

The total fixed fee for the base services outlined in this SOW is \$3,600,000. This fee is inclusive of all labor and expenses required to deliver the deliverables described in Section 2.0.

An Acceleration Option for the full enterprise deployment of the KPMG Smart Grants platform is detailed in Section 4.3 below.

### 4.2. Payment Schedule

Client shall be invoiced only upon the State Project Executive's formal written acceptance of the key deliverables listed below. Payments are not tied to dates, but to performance. Invoices are due Net 30 from the date of receipt following acceptance.

- Invoice 1 (15% of total fee): Upon submission of the TMO Charter
- Invoice 2 (30% of total fee): Upon acceptance of the Grant Management Framework
- Invoice 3 (30% of total fee): Upon acceptance of the Initial Stakeholder Map and Strategic Communications Plan
- Invoice 4 (25% of total fee): Upon successful completion of remaining deliverables
- Credit: Should the State exercise each of the optional four (4) month renewals, KPMG will credit the State with two (2) payments of up to \$200,000, one (1) payment per optional renewal exercise, totaling a potential credit of up to \$400,000. Credit amounts will be subject to optional renewal amounts.

### 4.3 Statewide Deployment of Smart Grants Platform

To further accelerate the RHTP's long-term success and provide the State with an enterprise-grade grants management capability from day one, KPMG proposes to provide the deployment of the grants management system as a subscription-based solution for the State of West Virginia.

This allows for parallel processing of the full build-out, allowing that as soon as the RHTP is ready to scale its seven flagship initiatives, the technology infrastructure will be tested and ready to support the forthcoming grant and procurement activities.

This scope of work includes:

- **Full Enterprise Configuration:** Configuration of the Solution to support the grant programs, funding sources, and users across state agencies involved in the RHTP.



- Comprehensive Template and Workflow Library: Development and configuration of a library of grant application templates, evaluation scorecards, compliance checklists, and procurement workflows that can be reused across all seven flagship initiatives.
- Advanced Analytics & Federal Reporting Suite: Configuration of advanced dashboards tailored for federal reporting requirements (e.g., FFATA), cross-initiative performance analysis, and long-term financial modeling.
- Statewide Administrator Training: Training provided to create a cohort of state-employed super-users and system administrators capable of using the platform long-term.

## 5.0 Key Personnel and Qualifications

KPMG's project team includes personnel with demonstrated expertise in public sector healthcare transformation. The resumes of all individuals designated as "Key Personnel" shall be attached as an addendum to this SOW. KPMG will make every reasonable effort to maintain the continuity of Key Personnel. Should a replacement be necessary, KPMG will provide a candidate with equivalent or greater experience for the Client's reasonable approval, which shall not be unreasonably withheld. KPMG will also make every reasonable effort to provide adequate transition support should a resource transition be necessary during the course of the project. At a minimum, the team must include:

- Engagement Partner
- RHT Ecosystem Orchestration/TMO Lead
- Grants Lead
- Procurement Lead
- Care Redesign Lead

## 6.0 Acceptance Criteria

Deliverables submitted for approval shall be subject to the following acceptance process: The Client shall have ten (10) business days from receipt to review each deliverable and provide formal written acceptance or a detailed list of material deficiencies requiring correction. A material deficiency is defined as a failure of a deliverable to conform to the requirements explicitly stated in this SOW, which renders the deliverable unusable for its intended purpose. If the Client does not provide written acceptance or a list of material deficiencies within the 10-business day review period, the deliverable will be deemed accepted.



## 7.0 Change Control Process

Any change to the scope, deliverables, timeline, or fees detailed in this SOW must be requested through a formal Change Order. A Change Order must be documented in writing and detail the change, the rationale, and the impact on schedule and cost. No change will be implemented until the Change Order has been signed by the authorized representatives of both the Client and the Contractor.

## 8.0 Additional Terms and Conditions

Client represents to KPMG that Client has the authority to award this contract to KPMG without competition, and that award of this contract is made in accordance with all applicable law, regulations, rules, policies, and requirements.

## 9.0 Assumptions

KPMG's role is limited to providing the services and deliverables articulated in this proposal. In so doing, KPMG will have no contacts with legislative officials or employees at any level of government for any reason that could be fairly interpreted as public policy advocacy, lobbying, or otherwise be perceived as impairing our objectivity or independence. In no event will KPMG undertake meetings with government officials on behalf of the Client or otherwise appear in a public or private context that could be fairly interpreted as public policy advocacy, lobbying, or otherwise be perceived as impairing our objectivity or independence. In providing our services in general, KPMG professionals will take no view or cannot undertake any role that could be fairly interpreted as public policy advocacy and the firm's work is not intended to be used as such or in that context. Engagement deliverables will be client-branded or plain-paper and provided as holistic works to be read and interpreted only in their entirety.

Neither KPMG LLP nor its professionals will provide legal advice or engage in the practice of law in connection with the resulting engagement. All questions of law, including potential changes to current law, are the sole responsibility of the Client in consultation with Client's counsel.

For the purposes of this contract and with respect to any federal reimbursement requirements, KPMG shall be determined to be a "contractor" per 2 C.F.R. § 200.331 and not a "subrecipient". Client is aware that KPMG may be providing assurance, tax and/or advisory services to healthcare providers, vendors, or other parties which may be stakeholders or participants in the RHTP. KPMG will perform an internal search for any potential client relationships relating to any such third parties identified by Client as having a role in connection with KPMG's performance of this Contract. KPMG will disclose to clients, subject to confidentiality restrictions, any such client relationships and/or potential conflicts of interest related to grants and procurements under the Rural Health Transformation Program and obtain your consent to proceed with the



services. KPMG is a large firm that is engaged by new clients on a daily basis and as a result it cannot guarantee that, following its conflict search, an engagement for a third party will not be accepted somewhere else in KPMG. Should any new information come to KPMG's attention, KPMG will promptly inform Client. KPMG shall perform this Contract in accordance with applicable professional standards and applicable state conflict of interest rules as provided in writing to KPMG and agreed to by KPMG. In the event a potential conflict is identified, in order to mitigate such a conflict, KPMG will cease work until your consent is received or an alternative course of action is mutually agreed upon.

#### Smart Grants Platform:

**Environments:** KPMG will provide and manage four distinct environments: three pre-production environments (Development, QA, UAT) and one Production environment. All environments are hosted within KPMG's managed Microsoft Azure cloud, and the costs are included in the fees outlined herein. Any additional environments are considered out of scope.

**Subscription Model:** The KPMG Smart Grants Platform and its underlying environments are provided on a subscription basis. Access to these environments will cease if this SOW is terminated or upon the conclusion of the contract term, unless renewed.

**Hosting Costs:** All hosting and infrastructure costs are based on the initial project sizing. Any substantial increase in resource requirements (e.g., data storage, processing power) beyond those initially scoped would necessitate a pricing adjustment.

**Accessibility (VPAT):** While the platform is developed to meet WCAG 2.1 AA standards, a final Voluntary Product Accessibility Template (VPAT) specific to the West Virginia-configured production environment will be produced approximately three (3) months post-go-live. This allows for the inclusion of real-world usage data in the final attestation.

**West Virginia Resource Availability:** This SOW assumes the timely participation of designated West Virginia subject matter experts and project staff in all required activities, including workshops, configuration reviews, and User Acceptance Testing (UAT) of the KPMG Smart Grants Platform as defined in the Technology Implementation Plan. Significant delays in stakeholder availability may impact project milestones and will be managed through the project's governance process.

**West Virginia Ownership of Approvals:** West Virginia will be responsible for the final review and sign-off on all configurations within the KPMG Smart Grants Platform, including workflows, business rules, forms, and scoring logic, prior to its deployment.



Support Hours: Standard platform support will be available Monday through Friday, 9:00 AM to 5:00 PM Eastern Time, excluding public holidays. Requests received outside these hours will be addressed the next business day. KPMG will use its instance of ServiceNow for IT service management.

Language and Browser Support: The platform user interface is provided in English. All functionality is tested against the latest stable releases of major web browsers (Chrome, Edge, Firefox, Safari).

KPMG’s services as outlined in this SOW constitute an advisory engagement conducted under the American Institute of Certified Public Accountants (“AICPA”) Standards for Consulting Services. Such services are not intended to be an audit, examination, attestation, special report or agreed-upon procedures engagements as those services are defined in AICPA literature applicable to such engagements conducted by independent auditors. Accordingly, these services shall not result in the issuance of a written communication to third parties by KPMG directly reporting on financial data or internal control or expressing a conclusion or any other form of assurance.

### 10.0 Governing Terms and Conditions

This SOW is subject to the terms and conditions of the following documents, which are incorporated herein by reference:

- Standard Terms and Conditions (Government) for Advisory and Tax Services
- Addendum for Managed Services – Government
- The Client’s T&C Addendum

The West Virginia Department of Health hereby authorizes, and KPMG agrees to provide the Services and Deliverables described in this Statement of Work (SOW).

IN WITNESS WHEREOF, this Statement of Work has been signed and delivered by a duly authorized representative of each party as of the last date indicated after the signatures.

Very Truly Yours,  
KPMG LLP

James Case, Principal

Date: 01-07-2026

ACCEPTED BY:  
West Virginia Department of Health

Signed by:   
89ECA7B19B294DA

Secretary Arvin Singh

Date: 01/07/2026



## Standard Terms and Conditions (Government) for Advisory and Tax Services

### 1. Definitions.

- (a) "Advice" means any advice, recommendations, work product, Deliverables, output from technology, or other information provided by KPMG in connection with the Services.
- (b) "Agreement" means the Engagement Letter and these Standard Terms and Conditions (Government) for Advisory and Tax Services and any exhibits, attachments, addenda, or appendices attached thereto.
- (c) "AICPA" means the American Institute of Certified Public Accountants.
- (d) "Applicable Export Control Laws" means applicable export control laws and regulations of the United States, United Kingdom, European Union, Switzerland.
- (e) "Applicable Sanctions" means comprehensive, economic, financial or trade sanctions or export embargoes maintained or enforced by the governments of the United States (including the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State and the U.S. Department of Commerce), Canada (including Public Safety Canada and Global Affairs Canada), the United Kingdom (including the Office of Financial Sanctions Implementation, Export Control Joint Unit, His Majesty's Treasury, the Department of Trade and Foreign, Commonwealth and Development Office), or Switzerland, the United Nations Security Council, the European Union, or any European Union member state.
- (f) "Change Order" means a document agreed upon by the parties in writing that includes any changes to the Engagement Letter that result from the process set forth in Section 2(c) hereof.
- (g) "Change Order Event" means any of the following events that may occur during the performance of the Services: (1) a failure by any of the Client Parties and/or their vendors to perform any of their respective responsibilities set forth in this Agreement in a timely manner, (2) any unrealized, incomplete or inaccurate assumptions in the Engagement Letter, or (3) delays that occur for reasons outside of KPMG's reasonable control.
- (h) "Change Request" means a written request from one party to the other party for a change to the Services or Deliverables.
- (i) "Client" or "you" (or derivatives thereof) means the engaging entity or entities, meaning the addressee(s) of the Engagement Letter.
- (j) "Client Materials" means any and all materials, facilities, network, hardware, systems, software, data, and other equipment and information, that in each case is owned by or licensed or leased to you including any third-party materials, to which we are provided access in connection with the Services.
- (k) "Client Parties" means Client and its respective directors, officers, employees, and agents.
- (l) "Condition" means any acts of God, wars, revolution, civil commotion, pandemic, epidemic, terrorism, acts of public enemy, embargo, acts of government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing or boycotts, malicious acts of third parties, or any other circumstances beyond the reasonable control of the non-performing party.
- (m) "Confidential Information" means all documents, reports, data, records, forms, and other materials that due to their character and nature a reasonable person under like circumstances would treat as confidential that is received by one party (the "Receiving Party") relating to the provision or receipt of Services or otherwise in connection with the Agreement from, or on behalf of, the other party (the "Disclosing Party"); except to the extent such confidential information: (1) is already known to the

Receiving Party at the time of disclosure by the Disclosing Party without an obligation of confidentiality; (2) is or becomes publicly known through no wrongful act of the Receiving Party; (3) is independently developed by the Receiving Party without benefit of the Disclosing Party's Confidential Information; (4) is information provided by KPMG, as the Disclosing Party, to Client with respect to the tax treatment or tax structure of a transaction; or (5) is received by the Receiving Party from a third party without restriction and without a breach of an obligation of confidentiality.

- (n) "Delayed Party" means the party delayed or unable to perform its obligations under this Agreement.
- (o) "Deliverables" means the items created or configured for delivery to Client that are specified as deliverables in the Engagement Letter.
- (p) "Engagement Letter" means the engagement letter to which these Standard Terms and Conditions (Government) for Advisory and Tax Services are attached.
- (q) "Enabling Tools" means KPMG proprietary and third-party software tools that KPMG makes available to facilitate KPMG's Services to you, such as project management or communications tools.
- (r) "Intellectual Property Rights" means patents, copyrights, trademarks, trade secrets, and similar proprietary rights.
- (s) "KPMG" or "we" (or derivatives thereof) means KPMG LLP, a Delaware registered limited liability partnership and the United States member firm of the international KPMG network of independent firms.
- (t) "KPMG Parties" means KPMG, Member Firms, and the legal entities comprising KPMG International and their respective partners, principals, employees, and agents.
- (u) "KPMG Property" means KPMG's, or its licensors', inventions, technology, know-how, methodologies, works of authorship and other materials created prior to, independently of, or in the course of providing the Services, and all improvements, enhancements, and modifications thereto and derivative works thereof, including all Intellectual Property Rights appurtenant thereto, except that KPMG Property does not include Client Confidential Information.
- (v) "KPMG Resources" means KPMG, Member Firms, and third-party service and technology providers engaged by KPMG or a Member Firm, which may be located in or outside of the United States.
- (w) "Liabilities" means liabilities, losses, expenses (including reasonable attorneys' fees and expenses), fines, penalties, taxes, and other damages.
- (x) "Legal Demand" means a validly issued legal or regulatory demand or request, subpoena, or other legal process.
- (y) "Member Firms" means the members of the international KPMG network of independent firms and entities controlled by, under common control with, or sublicensees of, one or more KPMG network member firms.
- (z) "Residual Knowledge" means any generalized knowledge, experience, know-how, or any ideas or concepts derived from or discovered during the provision of the Services performed under the Engagement Letter retained in unaided memory and does not contain Client's Confidential Information.
- (aa) "Services" means the services KPMG shall perform as set forth in the Engagement Letter.

## **2. Our services and personnel.**

- (a) Our Services will be performed in accordance with AICPA consulting and other applicable professional standards.
- (b) Any work performed in connection with the engagement described in the Agreement before its execution shall be governed by the Agreement.
- (c) Either party may submit a Change Request and the parties shall discuss the impact any such Change Request may have to the Services, Deliverables, fees, timing, or other aspects of the Engagement Letter. Once a Change Order is executed by the parties, it shall amend and become a part of the

Engagement Letter. Without limiting the foregoing, if a Change Order Event occurs, the parties acknowledge that the Services and Deliverables may be affected, including a change in scope, timeline, or fees and expenses set forth in the Engagement Letter, which will require a Change Order to address the impact of such Change Order Event.

### **3. Our fees.**

- (a) We will bill you for fees and reasonable expenses as agreed to in the Engagement Letter. You agree to pay our invoices within thirty (30) days after receipt. If Client does not pay any properly submitted invoice amount within thirty (30) days after receipt of such invoice, then KPMG may suspend or terminate the Services. Notwithstanding anything to the contrary set forth above, any invoice received by Client on or after August 15<sup>th</sup> of any calendar year shall be due no later than September 15<sup>th</sup> of that same calendar year.
- (b) Where we are reimbursed for expenses, we will bill you for the amount we paid and we will not add any markup to the expense. After such expenses are incurred, we may receive rebates or incentive payments based on our aggregate purchases, which may include expenses reimbursed by you in addition to other clients. Such rebates are not credited back to you but are used to reduce our overhead.
- (c) The fees, expenses, and timelines set forth in the Engagement Letter may vary due to failure by a Client to meet its obligations under the Engagement Letter or a change in assumptions, such as failure of third parties to cooperate. Our fees do not include any sales, use, excise, value added, income or other taxes, tariffs, or duties applicable to your receipt of our Services, payment of which shall be your responsibility. KPMG shall be responsible for its net income or applicable employment taxes.

### **4. Acceptance of deliverables and use of our advice.**

- (a) We may provide our Advice to you in draft form, but the final written Deliverable if provided supersedes any drafts provided earlier. Client shall review each Deliverable within ten (10) business days (or such other time period set forth in the Engagement Letter) after delivery (the "Acceptance Period"). Prior to the conclusion of the Acceptance Period, Client shall accept each Deliverable that materially conforms to the specifications or other requirements therefor set forth in the Engagement Letter or agreed to in writing between the parties (the "Specifications"). If Client determines that the Deliverable does not materially conform to the applicable Specifications during the Acceptance Period, then Client shall provide KPMG with a written notice of rejection specifying the material non-conformities between the Deliverable and the applicable Specifications ("Defects"). KPMG shall, at no additional cost to Client, correct the Defects after which Client shall be entitled to repeat the acceptance process set forth herein (each a "Work-out Period"). The Deliverables will be deemed accepted if the Client fails to accept or reject the Deliverables before the end of the Acceptance Period or uses the Deliverables in a production environment. To the extent any accepted Deliverable differs from the applicable Specifications, then such Specifications are hereby deemed modified to conform to the accepted Deliverable. If after three Work-Out Periods the Deliverable does not conform in all material respects with the applicable Specifications, then Client may terminate the Engagement Letter and request a refund of any amounts paid by Client for the defective Deliverable(s); provided that any such refund shall be Client's sole and exclusive remedy, and KPMG's sole and exclusive liability.
- (b) Deliverables bearing the "KPMG" name or logo may only be disclosed to a third party in its entirety and unmodified.
- (c) Advice is provided for your sole benefit and internal business use and not for the benefit of, or to be relied upon by, any other party.

## **5. Termination.**

Either party may terminate this Agreement at any time (a) by giving at least thirty (30) days' prior written notice to the other party, (b) upon thirty (30) days written notice to the other party, in the event such other party breaches a term of this Agreement and such breach remains uncured at the end of such thirty (30) day period or (c) upon written notice to the other party if laws, rules, regulations, or professional standards applicable to a party preclude it from continuing to perform or receive the Services thereunder. Upon termination of this Agreement, Client shall pay all fees and expenses that have been incurred in connection with the performance of the Services through the effective date of such termination. Any provisions of the Agreement that by their nature are intended to survive termination or expiration will survive and continue to bind the parties.

## **6. Limitation on damages.**

The total liability of the Client Parties and the KPMG Parties to one another for any Liabilities relating to the Agreement or the Services provided under the Engagement Letter shall be limited to the amount of fees paid to KPMG under the Engagement Letter. The Client Parties or KPMG Parties will not be liable to one another for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). The preceding limitations do not apply to Liabilities to the extent resulting from the gross negligence or willful misconduct of the parties, and does not apply to Liabilities for direct damages for bodily injury, death, or damage to property (tangible or intangible). The provisions of this Section 6 shall apply regardless of the form of action, damage, claim, liability, cost, expense or loss asserted, whether in contract, statute, rule, regulation, tort (including but not limited to negligence), or otherwise and shall survive contract expiration or termination.

## **7. Ownership.**

- (a) Subject to full payment to KPMG of fees owed for the applicable Services, KPMG (i) assigns to Client, all right, title, and interest in and to the Deliverables except to the extent any KPMG Property is contained therein, and (ii) grants Client a royalty-free, non-exclusive, non-transferable, non- sublicensable, and perpetual license, to use such KPMG Property solely in connection with Client's internal use of the Deliverables.
- (b) Notwithstanding anything herein that may be construed to the contrary, Client agrees that nothing in this Agreement prevents KPMG from using Residual Knowledge.

## **8. Client's responsibilities.**

- (a) You shall reasonably cooperate with us in the performance of the Services and provide us with, or procure for us, the personnel, facilities, systems, software, equipment, and information reasonably necessary for us to perform the Services, as well as fulfill any obligations set forth in the Engagement Letter. If you do not provide us with the foregoing, you acknowledge that our ability to provide the Services may be adversely affected. Client represents that it has all rights, licenses, consents, and permissions necessary for KPMG to receive and use the Client Materials to perform the Services and provide the Deliverables.
- (b) We rely on the materials, information, and assumptions you provide to us to render our Advice. We will not independently investigate or verify the accuracy or completeness of the same. If such materials, information, or assumptions are inaccurate or incomplete, our Services or Advice could be materially affected.
- (c) Client agrees that, while the Services may include advice and recommendations, all decisions in connection with the implementation of such advice and recommendations or to proceed with a proposed transaction are the sole responsibility of, and made by, Client. In particular, you shall be responsible for (i) assuming all management responsibilities and performing all management functions; (ii) overseeing the Services, by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience; (iii) evaluating the adequacy and results of the Services; (iv) accepting responsibility for the results of the Services; and (v) establishing and maintaining internal controls over the processes with which the Services are concerned, including performing ongoing evaluations of your internal controls as part of your monitoring activities.

**9. Use of KPMG Resources and Technology.**

- (a) KPMG may engage KPMG Resources to assist in the performance of the Services, for example via subcontracting or contingent workforce personnel. KPMG remains responsible to Client for the performance of such Services, and adherence to obligations of confidentiality, by any KPMG Resources to the same extent KPMG is obligated under the terms of this Agreement. Client agrees it shall not bring any claim relating to the Agreement against any KPMG Resource, other than KPMG.
- (b) Enabling Tools are made available to Client solely to facilitate the Services, are not Deliverables, unless otherwise so provided, and may not be used for other purposes. Enabling Tools are not intended to be used as a system of record, repository, or hosting service, and Client access to the Deliverables and other documents will be removed from the Enabling Tools within a reasonable period of time (no less frequently than annually for audit clients and their affiliates) following the conclusion of the engagement to which they relate. Client shall download such Deliverables and documents for its records. Client acknowledges that use of Enabling Tools may be subject to additional terms specified in the Engagement Letter or other agreement. Enabling Tools are provided on an “as is”, “as available” basis. KPMG may, through Enabling Tools or other technology, provide Client with access to features that utilize artificial intelligence to generate output. Client acknowledges that such output may contain errors or omissions, and agrees to review output prior to using it.

**10. Confidentiality.**

- (a) The Receiving Party shall not disclose the Disclosing Party’s Confidential Information to any other person without the Disclosing Party’s prior written permission, except as otherwise set forth in this Agreement. Notwithstanding the foregoing, the Receiving Party may disclose Confidential Information to the extent that it is (i) required, necessary, or permissible to be disclosed pursuant to law, rule, or regulation (e.g. whistleblower laws) or, subject to appropriate conditions of confidentiality, to fulfill professional obligations and standards (including conflict review) or to its insurers; (ii) to KPMG Resources performing the applicable Services; or (iii) in the case of the KPMG Parties, to the KPMG Resources providing internal, administrative, clerical, analytical, and/or regulatory compliance operations and functions, and information technology support. The Receiving Party shall protect the Disclosing Party’s Confidential Information as it protects its own confidential information but in no event shall use less than reasonable care.
- (b) If the Receiving Party receives a Legal Demand requiring it to disclose the Disclosing Party’s Confidential Information, the Receiving Party shall, unless prohibited by law or such Legal Demand, provide prompt written notice to the Disclosing Party of such Legal Demand in order to permit it to seek a protective order. The Receiving Party shall be entitled to comply with such Legal Demand to the extent required by law, subject to any protective order or the like that may have been entered in the matter.
- (c) In a proceeding or investigation to which we are not a named party or respondent, if you request or we are required or authorized to produce documents or personnel as witnesses or for interviews, or otherwise to make information or materials relating to the Services available to you or a third party, you shall reimburse us for our time at our standard hourly rates, and expenses, including reasonable attorneys’ fees, incurred in responding to such request or requirement.

**11. Third-party relationships.**

KPMG is a large firm and part of a network of independent Member Firms that provide services to and have business relationships with many different entities, including entities who may have business interests that differ from Client’s business interests. In accordance with applicable professional standards, prior to agreeing to provide Services requested by Client based upon the information provided by Client, KPMG will perform an internal search for any potential or actual conflicts of interest with the Services contemplated herein. Where such a potential conflict of interest is identified, KPMG would, subject to confidentiality, disclose the nature of such relationship to Client, including any planned safeguards, and seek Client’s consent at such time.

**12. Assignment, waiver, and severability.**

- (a) Subject to Section 8, neither party may assign, transfer or delegate any of its rights, obligations, claims or proceeds from claims arising under or relating to this Agreement (including by operation of law, in which case the assigning party will, to the extent legally permissible, give as much advance written notice as is reasonably practicable thereof) without the prior written consent of the other party, such consent not to be unreasonably withheld, conditioned or delayed. Any assignment, transfer, or delegation in violation hereof shall be null and void.
- (b) Failure of a party to exercise or enforce any of its rights hereunder is not a waiver of such rights.
- (c) In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, then the remainder of that provision is modified to the extent reasonably necessary to reflect the intent of the parties and this Agreement shall not be affected, and each such term and provision shall be valid and enforceable to the fullest extent permitted by law.

**13. Governing law.**

The Agreement and all disputes and claims between the parties (whether based in contract, tort, statute, rule, regulation or otherwise and whether pending in court or in an arbitral forum) shall be governed by and construed in accordance with the substantive and procedural laws of (a) if Client is a non-governmental entity, the State of New York, including without limitation its statutes of limitations, without regard to the conflict of laws provisions of New York or any other state or jurisdiction or (b) if Client is a sovereign (*i.e.*, governmental) entity, the jurisdiction in which the entity is located.

**14. Alternative dispute resolution.**

- (a) Any dispute or claim between the parties arising out of or relating to the Agreement and/or the Services shall be submitted first to non-binding mediation as a prerequisite to litigation. Mediation shall take place at a location to be designated by the parties using the Mediation Procedures of the Rules for Non-Administered Arbitration of the International Institute for Conflict Prevention and Resolution (the "IICPR"), with the exception of paragraph 2 (Selecting the Mediator).
- (b) If after good faith efforts mediation is not successful within 90 days after commencement of the mediation, then the parties are free to pursue all other legal and equitable remedies available to them.
- (c) Either party may seek to enforce any written agreement reached by the parties during mediation in any court of competent jurisdiction, provided that such party will file such motion under seal unless prohibited under applicable court rules. Nothing herein shall preclude KPMG from filing a formal claim in accordance with applicable law provided that KPMG shall, if permitted, seek a stay of such claim during the pendency of any mediation.
- (d) Notwithstanding the agreement to such procedures, either party may seek equitable relief to enforce its rights in any court of competent jurisdiction.

**15. Miscellaneous.**

- (a) Independent Contractor. KPMG's relationship with Client is that of an independent contractor and neither party is an agent, distributor, or representative of the other. Unless otherwise agreed to by the parties in writing, neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- (b) Use of Names and Logos. We may reference you as a customer in our marketing materials, including KPMG websites and social media, indicating the general services rendered (*e.g.*, "Client is an Audit, Advisory and/or Tax client of KPMG LLP."). In addition, you give us the right to use your logo for internal KPMG presentations and intranet sites.

- (c) **Export Control/Sanctions.**
- (i) Each party shall comply with all Applicable Export Control Laws and Applicable Sanctions in the performance of each party's respective activities under the Engagement Letter and in the use of all technology provided by KPMG hereunder. Further, Client shall not provide access to any technology provided by KPMG to users in the Russian Federation for services to the Russian Federation that have been banned by Applicable Sanctions. Client shall not provide KPMG, or grant KPMG access to, (A) information (including technical data or technology) verbally, electronically, or in hardcopy, (B) software or (C) hardware, that is controlled for export by the United States government.
  - (ii) Each party represents to the other that neither it nor the KPMG Parties (with regard to KPMG) nor the Client Parties (with regard to the Client) are (A) organized, incorporated or resident in jurisdictions subject to comprehensive sanctions (by way of example, Cuba, Iran, North Korea, and Syria or certain regions of Ukraine); (B) listed in Applicable Sanctions; or (C) owned 50% or more or controlled by persons described in (A) or (B). Further, Client represents that it is not engaging KPMG to provide services directly or indirectly to the jurisdictions in (A) or to any party in (B) or (C).
  - (iii) Each party shall promptly notify the other upon determining or having reason to believe that it is sanctioned under Applicable Sanctions or can no longer make the above representations and warranties or otherwise comply with the provisions of this paragraph. KPMG may suspend or terminate access to technology if it concludes that providing access to the technology pursuant to this Agreement would cause a violation of Applicable Sanctions or Applicable Export Control Laws.
- (d) **Force Majeure.** Except for the obligation of a party to make payments required hereunder, neither party shall be responsible for any delay or failure in performance of any part of this Agreement or the Services to the extent that such delay or failure is caused by reason of a Condition. The Delayed Party shall be excused from such performance on a day-to-day basis during the continuance of such Condition (and the other party shall likewise be excused from performance of its obligations on a day- to-day basis during the same period); provided, however, that the Delayed Party shall use commercially reasonable efforts to avoid or remove such Condition, and both parties shall proceed promptly with the performance of their obligations under this Agreement whenever such Condition is removed or ceases. If the Condition continues for more than ninety (90) days, then the party affected may terminate this Agreement upon written notice to the Delayed Party.
- (e) **Personnel.** KPMG is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Depending on the Services KPMG is providing, non-CPA holders may provide the Services under the Agreement.
- (f) **Data Privacy.** KPMG shall comply with and process personal data provided by or on behalf of the Client in connection with the Services in accordance with its privacy policy located at <https://kpmg.com/us/en/home/misc/privacy.html>. Subject to the provisions of Section 10, KPMG agrees to: (1) not sell Client personal data, and only process such data for limited and specified purposes of providing the Services, and (2) provide Client notice if it can no longer process Client personal data in compliance with these obligations.
- (g) **Disclaimer.** Except as expressly stated in this Agreement, KPMG expressly disclaims and makes no warranties of any kind or nature with respect to the Services or Deliverables, express or implied, including warranties of merchantability, fitness for a particular purpose or use, or non-infringement.
- (h) **Order of Precedence.** In the event of a conflict between the provisions of these Standard Terms and Conditions (Government) for Advisory and Tax Services and the specific provisions in the Engagement Letter, the terms of these Standard Terms and Conditions (Government) for Advisory and Tax Services shall control except to the extent the Engagement Letter expressly references the provisions of these Standard Terms and Conditions (Government) for Advisory and Tax Services which they modify.

**16. Additional terms for engagements involving tax services.**

This Section 16 shall apply only to KPMG's performance of tax Services.

- (a) Client expressly permits KPMG and any relevant KPMG Resource involved in provision of Services hereunder to make disclosures required pursuant to IRC sections 6011, 6111 and 6112 and/or similar or analogous requirements of any state or other jurisdiction (domestic or foreign). Client will use commercially reasonable efforts to inform KPMG if Client is required to disclose any transaction covered by the Engagement Letter as a reportable transaction to the Internal Revenue Service ("IRS") or to any state or other jurisdiction (domestic or foreign) adopting similar or analogous provisions to IRC section 6011. KPMG will use commercially reasonable efforts to inform Client if KPMG provides Client's identifying information to the IRS under IRC section 6111 or 6112, or to any state tax authority or other jurisdiction (domestic or foreign) adopting similar or analogous provisions thereto.
- (b) Unless expressly provided for in the Engagement Letter, KPMG's Services do not include representing Client in the event of a challenge by the IRS or other tax or revenue authorities.
- (c) In rendering tax advice, KPMG may consider, for example, the applicable provisions of the IRC and the Employee Retirement Income Security Act of 1974, each as amended, and the relevant state, local, and foreign statutes, the regulations thereunder, income tax treaties, and judicial and administrative interpretations, thereof. These authorities are subject to change, retroactively or prospectively, and any such changes could affect the validity of KPMG's advice.
- (d) With respect to "tax return information" as defined in IRC section 7216, the consents provided in Sections 9 and 10 shall survive for ten years or for such longer periods as required in order for KPMG to assist Client with future tax-related needs and/or to comply with legal, regulatory and professional standards. Client may subsequently decline to continue to provide such consent with respect to tax return information by notifying KPMG thereof in writing and, in such case, KPMG may terminate this Agreement by providing written notice thereof to Client.

**17. Entire agreement; Amendment.**

This Agreement constitutes the final, complete, and exclusive agreement between the parties with respect to the subject matter of the foregoing and supersedes all other previous and contemporaneous oral and written agreements relating to that subject matter. Any amendments to the Agreement must be made in writing and executed by both parties.

## **Addendum for Managed Services - Government**

This Addendum for Managed Services - Government (“**Addendum**”) amends the appended agreement (“**Contract**”) by and between the State of West Virginia (“**Client**”) and KPMG LLP (“**KPMG**”). In the event of a conflict between the provisions of this Addendum (on the one hand) and the provisions of the Contract (on the other hand), this Addendum will govern. Any capitalized term not defined in this Addendum will have the meaning ascribed to it in the Contract (as applicable).

### **1. Definitions.**

- (a) “Authorized User” means employees or individual contractors of Client provided with user accounts in order to access and use the Solution. Other persons or parties may be given access as an Authorized User upon request and written confirmation from KPMG.
- (b) “Client Materials” means any and all materials, facilities, network, hardware, systems, software, data, and other equipment and information that in each case is owned by or licensed or leased to Client (including any Third-Party Materials and Client Systems), which is uploaded to the Solution or to which KPMG is provided with access in connection with the services, that may be used by KPMG in providing the services and Deliverables pursuant to the Contract.
- (c) “Client Systems” means any and all network, hardware, systems, software, and equipment that are hosted by Client or on Client’s behalf or remain in Client’s control (including any Third-Party Materials). For the avoidance of doubt, Client Systems are considered Client Materials.
- (d) “Documentation” means all documents and material (in any language, format, or medium) that are normally supplied by KPMG to its clients to aid in the use and operation of the Solution, and all modifications to such documents and material that are made by or on behalf of KPMG from time to time. For the avoidance of doubt, the Documentation is KPMG Property and not a Deliverable.
- (e) “Solution” means any software, tool or other product which KPMG may make available to Client, including any supporting service. For the avoidance of doubt, the Solution is KPMG Property and not a Deliverable.
- (f) “Third-Party Materials” means third-party hardware, software, and other third-party items used by or provided to KPMG in connection with the services.

### **2. The Solution.**

- (a) During the term of the Contract, the Solution shall conform to the Documentation in all material aspects. KPMG may modify the Solution at any time. KPMG shall inform Client of any material changes in functionality that may affect Authorized Users’ use of the Solution.
- (b) KPMG shall use commercially reasonable anti-malware software to scan the Solution but does not warrant that the Solution will be free from malware. Client agrees that Client, and Client’s Authorized Users, shall use commercially reasonable anti-malware software to scan Client’s systems that access the Solution and any information before it is uploaded to the Solution.

### **3. Termination.**

In the event Client terminates the Contract for any reason during the initial 12 months of the Contract, Client shall be responsible for all fees applicable to the first 12 months of the Contract.

### **4. *Disclaimer and Limitation of Liability.***

EXCEPT FOR THE WARRANTIES EXPRESSLY SET FORTH IN THE CONTRACT OR THIS ADDENDUM, THE SOLUTION, SERVICES, AND DELIVERABLES ARE PROVIDED “AS IS” “AS AVAILABLE” WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT ARE EXPRESSLY EXCLUDED. KPMG DOES NOT GUARANTEE OR PROMISE ANY SPECIFIC RESULTS FROM USE OF THE

SOLUTION OR DELIVERABLES. KPMG DOES NOT REPRESENT OR WARRANT THAT DATA, CONTENT OR MATERIALS MADE AVAILABLE THROUGH THE SOLUTION ARE ACCURATE, COMPLETE, RELIABLE, CURRENT, OR ERROR-FREE. KPMG EXPRESSLY DISCLAIMS AND MAKES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO CLIENT MATERIALS (INCLUDING-THIRD PARTY MATERIALS).

Notwithstanding anything to the contrary in the Contract, except for either party's gross negligence or willful misconduct, the aggregate liability of KPMG, on account of any actions, damages, claims, liabilities, costs, expenses or losses in any way arising out of or relating to the Contract or the services provided in this engagement and arising during any 12 month period shall be limited to the amount of fees paid or owing to KPMG under the Contract for such services during such 12 month period. The preceding limitations do not apply to Liabilities for direct damages for bodily injury, death, or damage to property (tangible or intangible).

**5. Cooperation; Use of information and Client Materials.**

- (a) Client shall perform the responsibilities and provide the resources set forth in the SOW. If Client does not provide KPMG with the foregoing, Client acknowledges that KPMG's ability to provide the services may be adversely affected.
- (b) With respect to any Client Materials to which KPMG is provided with access in connection with the services, Client hereby grants to KPMG a non-exclusive, transferable, sublicensable, paid-up, royalty-free right and license to use, copy, modify, display, make derivative works of, host, and transmit such Client Materials to the extent necessary for KPMG to provide the services to Client. Client represents and warrants that Client has all of the necessary rights to grant the foregoing license to the Client Materials to KPMG.
- (c) If applicable in connection with the services, KPMG and KPMG Resources shall access Client Systems involved in the receipt and/or use of the services through means and processes mutually agreed between the parties in writing; provided Client takes full responsibility for all security and privacy risks related to Client Systems.

**6. Use of KPMG Resources.**

- (a) KPMG, KPMG Member Firms, and third parties, which may be located in other territories (collectively, the "KPMG Resources"), may access and use Client's information to provide certain internal, administrative, and/or regulatory compliance operations and functions, including maintaining independence, performing conflict checks, and information technology support, including cloud hosting.
- (b) In addition, KPMG may use KPMG Resources to directly assist in the performance of the services, for example via subcontracting or contingent workforce personnel.
- (c) Finally, Client may use KPMG Resources to enhance, improve, or create KPMG's products and services (for example, by performing internal research, training cognitive systems, conducting data analytics, benchmarking, and developing thought leadership projects and whitepapers) (collectively "Ancillary Purpose").
- (d) Client agrees that Client has the right to share, and KPMG may disclose, Client's Confidential Information to such KPMG Resources and these KPMG Resources may have access to and use Client's Confidential Information for the purposes described in this Paragraph 6.
- (e) Client's information will be de-identified if it is used or disclosed outside of the KPMG Resources for an Ancillary Purpose. KPMG has technical, legal, and/or other safeguards, measures, and controls in place to protect Client's Confidential Information from unauthorized disclosure or use. Any services performed by a KPMG Resource shall be performed in accordance with the terms of the Contract, but KPMG shall remain responsible to Client for the performance of such services and for the use or disclosure of Client's Confidential Information in an unauthorized manner due to breach of the Contract or failure of any KPMG Resources to exercise reasonable care.
- (f) Any claim relating to the services under the Contract may only be made against KPMG and not any other KPMG Firm or third party referred to above.

**7. Access to the Solution.**

- (a) Subject to this Addendum and any other restrictions set forth in the Contract and the payment of all applicable fees, KPMG hereby grants a non-exclusive, non-transferrable, limited license during the term of the Contract to Client and Client's Authorized Users to access and use the Solution. KPMG will deactivate all Authorized User accounts upon the expiration or termination of the Contract. The Solution and Documentation are the confidential and propriety information of KPMG and its licensors. Client shall hold the Solution and Documentation in confidence and not disclose such to any other party (except Authorized Users subject to obligations of confidentiality) without KPMG's prior written permission except to the extent disclosure is required by law.
- (b) Authorized User passwords may not be shared or distributed. Client is responsible for any unauthorized access resulting from Client's, or Client's Authorized Users' use of, or failure to protect, their passwords. In the event Client elects to use federated user authentication, Client acknowledges and agrees that Client shall be solely responsible for verifying the identity of users and for managing user credentials. Client shall notify KPMG if an Authorized User is no longer employed, or permitted, by Client to use the Solution.
- (c) KPMG may suspend access to the Solution (1) if Client fails to make any undisputed payments due for the Solution, or any related services, and fails to cure such default within 30 days following the date Client received KPMG's notice of the default and demand for payment, (2) in the event that Client, or Client's Authorized Users breach the Contract, or (3) as necessary in KPMG's sole discretion to preserve the integrity of the Solution or to perform maintenance.
- (d) KPMG may offer remote desktop support for the Solution. If provided, Client shall notify Client's users that when they request remote desktop support, they should close all other applications and restrict access to any other confidential information before proceeding.
- (e) KPMG grants Client and Client's employees and individual contractors a perpetual, non-transferable, worldwide, limited right and license to reproduce, display, and use any reports generated by Authorized Users during the Term of the Contract only for Client's internal business purposes. Client's auditors, agents, and contractors providing administrative or professional advice to Client may also use the reports pursuant to a confidentiality agreement with Client. For the avoidance of doubt, reports shall constitute advice provided to the Client for purposes of the Contract and KPMG reserves the right to mark the reports accordingly.
- (f) Except to the extent expressly authorized or permitted herein or by applicable law without the possibility of contractual waiver, Client and Client's Authorized Users shall not, and shall not cause, facilitate, permit, or encourage a third party to (1) reproduce, reverse engineer, decompile, modify, disassemble, reverse compile the Solution, or perform any similar type of operation, in any fashion or for any purpose, (2) sublicense, transfer, or assign Client's right to use and access the Solution, (3) take any action that is likely to adversely affect the operation of the Solution, (4) use the Solution in excess of the contractual limitations on usage or circumvent its technological measures to control access, (5) access the Solution for the purpose of developing or operating products or services intended to be offered to third parties in competition with the Solution, or (6) use the Solution to create, use, send, store, or run viruses or other harmful computer code, files, scripts, agents, or other programs or otherwise engage in a malicious act or disrupt its security, integrity, or operation. Client may not provide Client's third party contractors or service providers with access to the Solution except with KPMG's express written permission, which shall not be unreasonably withheld.

**8. Miscellaneous.**

- (a) Export Control. To the extent that Client and Authorized Users access the Solution from outside the United States, Client is responsible for complying with any import or export restrictions relating to such access.

## **FEDERAL FUNDS ADDENDUM**

2 C.F.R. §§ 200.317 – 200.327

**Purpose:** This addendum is intended to modify the solicitation in an attempt to make the contract compliant with the requirements of 2 C.F.R. §§ 200.317 through 200.327 relating to the expenditure of certain federal funds. This solicitation will allow the State to obtain one or more contracts that satisfy standard state procurement, state federal funds procurement, and county/local federal funds procurement requirements.

**Instructions:** Vendors who are willing to extend their contract to procurements with federal funds and the requirements that go along with doing so, should sign the attached document identified as: “REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317)”

Should the awarded vendor be unwilling to extend the contract to federal funds procurement, the State reserves the right to award additional contracts to vendors that can and are willing to meet federal funds procurement requirements.

**Changes to Specifications:** Vendors should consider this solicitation as containing two separate solicitations, one for state level procurement and one for county/local procurement.

**State Level:** In the first solicitation, bid responses will be evaluated with applicable preferences identified in sections 15, 15A, and 16 of the “Instructions to Vendors Submitting Bids” to establish a contract for both standard state procurements and state federal funds procurements.

**County Level:** In the second solicitation, bid responses will be evaluated with applicable preferences identified in Sections 15, 15A, and 16 of the “Instructions to Vendors Submitting Bids” omitted to establish a contract for County/Local federal funds procurement.

**Award:** If the two evaluations result in the same vendor being identified as the winning bidder, the two solicitations will be combined into a single contract award. If the evaluations result in a different bidder being identified as the winning bidder, multiple contracts may be awarded. The State reserves the right to award to multiple different entities should it be required to satisfy standard state procurement, state federal funds procurement, and county/local federal funds procurement requirements.

**State Government Use Caution:** State agencies planning to utilize this contract for procurements subject to the above identified federal regulations should first consult with the federal agency providing the applicable funding to ensure the contract is complaint.

**County/Local Government Use Caution:** County and Local government entities planning to utilize this contract for procurements subject to the above identified federal regulation should first consult with the federal agency providing the applicable funding to ensure the contract is complaint. For purposes of County/Local government use, the solicitation resulting in this contract was conducted in accordance with the procurement laws, rules, and procedures governing the West Virginia Department of Administration, Purchasing Division, except that vendor preference has been omitted for County/Local use purposes and the contract terms contained in the document entitled “REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317)” have been added.

## FEDERAL FUNDS ADDENDUM

### **REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):**

The State of West Virginia Department of Administration, Purchasing Division, and the Vendor awarded this Contract intend that this Contract be compliant with the requirements of the Procurement Standards contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements found in 2 C.F.R. § 200.317, et seq. for procurements conducted by a Non-Federal Entity. Accordingly, the Parties agree that the following provisions are included in the Contract.

#### **1. MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS: (2 C.F.R. § 200.321)**

- a. The State confirms that it has taken all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Those affirmative steps include:
  - (1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
  - (2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
  - (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
  - (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
  - (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and
  - (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) above.
- b. Vendor confirms that if it utilizes subcontractors, it will take the same affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

#### **2. DOMESTIC PREFERENCES: (2 C.F.R. § 200.322)**

- a. The State confirms that as appropriate and to the extent consistent with law, it has, to the greatest extent practicable under a Federal award, provided 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).

b. Vendor confirms that will include the requirements of this Section 2. Domestic Preference in all subawards including all contracts and purchase orders for work or products under this award.

c. Definitions: For purposes of this section:

(1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

(2) "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

**3. BREACH OF CONTRACT REMEDIES AND PENALTIES:**

(2 C.F.R. § 200.327 and Appendix II)

(a) The provisions of West Virginia Code of State Rules § 148-1-5 provide for breach of contract remedies, and penalties. A copy of that rule is attached hereto as Exhibit A and expressly incorporated herein by reference.

**4. TERMINATION FOR CAUSE AND CONVENIENCE:**

(2 C.F.R. § 200.327 and Appendix II)

(a) The provisions of West Virginia Code of State Rules § 148-1-5 govern Contract termination. A copy of that rule is attached hereto as Exhibit A and expressly incorporated herein by reference.

**5. EQUAL EMPLOYMENT OPPORTUNITY:**

(2 C.F.R. § 200.327 and Appendix II)

Except as otherwise provided under 41 CFR Part 60, and if this contract meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3, this contract includes the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

**6. DAVIS-BACON WAGE RATES:**  
(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that if this Contract includes construction, all construction work in excess of \$2,000 will be completed and paid for in compliance with the Davis–Bacon Act (40 U.S.C. 3141–3144, and 3146–3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must:

- (a) pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (b) pay wages not less than once a week.

A copy of the current prevailing wage determination issued by the Department of Labor is attached hereto as Exhibit B. The decision to award a contract or subcontract is conditioned upon the acceptance of the wage determination. The State will report all suspected or reported violations to the Federal awarding agency.

**7. ANTI-KICKBACK ACT:**  
(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that it will comply with the Copeland Anti-KickBack Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). Accordingly, Vendor, Subcontractors, and anyone performing under this contract are prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The State must report all suspected or reported violations to the Federal awarding agency.

**8. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**  
(2 C.F.R. § 200.327 and Appendix II)

Where applicable, and only for contracts awarded by the State in excess of \$100,000 that involve the employment of mechanics or laborers, Vendor agrees to comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, Vendor is required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

**9. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.**  
(2 C.F.R. § 200.327 and Appendix II)

If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

**10. CLEAN AIR ACT**  
(2 C.F.R. § 200.327 and Appendix II)

Vendor agrees that if this contract exceeds \$150,000, Vendor is to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

**11. DEBARMENT AND SUSPENSION**  
(2 C.F.R. § 200.327 and Appendix II)

The State will not award to any vendor that is listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

**12. BYRD ANTI-LOBBYING AMENDMENT**  
(2 C.F.R. § 200.327 and Appendix II)

Vendors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

### **13. PROCUREMENT OF RECOVERED MATERIALS**

(2 C.F.R. § 200.327 and Appendix II; 2 C.F.R. § 200.323)

Vendor agrees that it and the State 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.

### **14. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.**

(2 C.F.R. § 200.327 and Appendix II; 2 CFR § 200.216)

Vendor and State agree that both are prohibited from obligating or expending funds under this Contract 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 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.

In implementing the prohibition under Public Law 115–232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

State of West Virginia  
Purchasing Division

By: ARVINDIT SINGH

Printed Name: ARVIND SINGH

Title: Secretary of Health

Date: 4/15/26

Vendor Name: KPMG LLP

By: James Case

Printed Name: James Case

Title: Principal

Date: Feb. 4, 2026

EXHIBIT A To:  
REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY  
CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):

W. Va. CSR § 148-1-5

West Virginia Code of State Rules

Title 148. Department of Administration

Legislative Rule (Ser. 1)

Series 1. Purchasing

W. Va. Code St. R. § 148-1-5

§ 148-1-5. Remedies.

Currentness

5.1. The Director may require that the spending unit attempt to resolve any issues that it may have with the vendor prior to pursuing a remedy contained herein. The spending unit must document any resolution efforts and provide copies of those documents to the Purchasing Division.

## 5.2. Contract Cancellation.

5.2.1. Cancellation. The Director may cancel a purchase or contract immediately under any one of the following conditions including, but not limited to:

5.2.1.a. The vendor agrees to the cancellation;

5.2.1.b. The vendor has obtained the contract by fraud, collusion, conspiracy, or is in conflict with any statutory or constitutional provision of the State of West Virginia;

5.2.1.c. Failure to honor any contractual term or condition or to honor standard commercial practices;

5.2.1.d. The existence of an organizational conflict of interest is identified;

5.2.1.e. Funds are not appropriated or an appropriation is discontinued by the legislature for the acquisition;

5.2.1.f. Violation of any federal, state, or local law, regulation, or ordinance, and

5.2.1.g. The contract was awarded in error.

5.2.2. The Director may cancel a purchase or contract for any reason or no reason, upon providing

the vendor with 30 days' notice of the cancellation.

5.2.3. Opportunity to Cure. In the event that a vendor fails to honor any contractual term or condition, or violates any provision of federal, state, or local law, regulation, or ordinance, the Director may request that the vendor remedy the contract breach or legal violation within a time frame the Director determines to be appropriate. If the vendor fails to remedy the contract breach or legal violation or the Director determines, at his or her sole discretion, that such a request is unlikely to yield a satisfactory result, then he or she may cancel immediately without providing the vendor an opportunity to perform a remedy.

5.2.4. Re-Award. The Director may award the cancelled contract to the next lowest responsible bidder (or next highest scoring bidder if best value procurement) without a subsequent solicitation if the following conditions are met:

5.2.4.a. The next lowest responsible bidder (or next highest scoring bidder if best value procurement) is able to perform at the price contained in its original bid submission, and

5.2.4.b. The contract is an open-end contract, a one-time purchase contract, or a contract for work which has not yet commenced.

Award to the next lowest responsible bidder (or next highest scoring bidder if best value procurement) will not be an option if the vendor's failure has in any way increased or significantly changed the scope of the original contract. The vendor failing to honor contractual and legal obligations is responsible for any increase in cost the state incurs as a result of the re-award.

5.3. Non-Responsible. If the Director believes that a vendor may be non-responsible, the Director may request that a vendor or spending unit provide evidence that the vendor either does or does not have the capability to fully perform the contract requirements, and the integrity and reliability necessary to assure good faith performance. If the Director determines that the vendor is non-responsible, the Director shall reject that vendor's bid and shall not award the contract to that vendor. A determination of non-responsibility must be evaluated on a case-by-case basis and can only be made after the vendor in question has submitted a bid. A determination of non-responsibility will only extend to the contract for which the vendor has submitted a bid and does not operate as a bar against submitting future bids.

5.4. Suspension.

5.4.1. The Director may suspend, for a period not to exceed 1 year, the right of a vendor to bid on

procurements issued by the Purchasing Division or any state spending unit under its authority if:

5.4.1.a. The vendor has submitted a bid and then requested that its bid be withdrawn after bids have been publicly opened.

5.4.1.b. The vendor has exhibited poor performance in fulfilling his or her contractual obligations to the State. Poor performance includes, but is not limited to any of the following: violations of law, regulation, or ordinance; failure to deliver timely; failure to deliver quantities ordered; poor performance reports; or failure to deliver commodities, services, or printing at the quality level required by the contract.

5.4.1.c. The vendor has breached a contract issued by the Purchasing Division or any state spending unit under its authority and refuses to remedy that breach.

5.4.1.d. The vendor's actions have given rise to one or more of the grounds for debarment listed in W. Va. Code § 5A-3-33d.

5.4.2. Vendor suspension for the reasons listed in section 5.4 above shall occur as follows:

5.4.2.a. Upon a determination by the Director that a suspension is warranted, the Director will serve a notice of suspension to the vendor.

5.4.2.b. A notice of suspension must inform the vendor:

5.4.2.b.1. Of the grounds for the suspension;

5.4.2.b.2. Of the duration of the suspension;

5.4.2.b.3. Of the right to request a hearing contesting the suspension;

5.4.2.b.4. That a request for a hearing must be served on the Director no later than 5 working days of the vendor's receipt of the notice of suspension;

5.4.2.b.5. That the vendor's failure to request a hearing no later than 5 working days of

the receipt of the notice of suspension will be deemed a waiver of the right to a hearing and result in the automatic enforcement of the suspension without further notice or an opportunity to respond; and

5.4.2.b.6. That a request for a hearing must include an explanation of why the vendor believes the Director's asserted grounds for suspension do not apply and why the vendor should not be suspended.

5.4.2.c. A vendor's failure to serve a request for hearing on the Director no later than 5 working days of the vendor's receipt of the notice of suspension will be deemed a waiver of the right to a hearing and may result in the automatic enforcement of the suspension without further notice or an opportunity to respond.

5.4.2.d. A vendor who files a timely request for hearing but nevertheless fails to provide an explanation of why the asserted grounds for suspension are inapplicable or should not result in a suspension, may result in a denial of the vendor's hearing request.

5.4.2.e. Within 5 working days of receiving the vendor's request for a hearing, the Director will serve on the vendor a notice of hearing that includes the date, time and place of the hearing.

5.4.2.f. The hearing will be recorded and an official record prepared. Within 10 working days of the conclusion of the hearing, the Director will issue and serve on the vendor, a written decision either confirming or reversing the suspension.

5.4.3. A vendor may appeal a decision of the Director to the Secretary of the Department of Administration. The appeal must be in writing and served on the Secretary no later than 5 working days of receipt of the Director's decision.

5.4.4. The Secretary, or his or her designee, will schedule an appeal hearing and serve on the vendor, a notice of hearing that includes the date, time and place of the hearing. The appeal hearing will be recorded and an official record prepared. Within 10 working days of the conclusion of the appeal hearing, the Secretary will issue and serve on the vendor a written decision either confirming or reversing the suspension.

5.4.5. Any notice or service related to suspension actions or proceedings must be provided by certified mail, return receipt requested.

5.5. Vendor Debarment. The Director may debar a vendor on the basis of one or more of the grounds for debarment contained in W. Va. Code § 5A-3-33d or if the vendor has been declared ineligible to participate in procurement related activities under federal laws and regulation.

5.5.1. Debarment proceedings shall be conducted in accordance with W. Va. Code § 5A-3-33e and these rules. A vendor that has received notice of the proposed debarment by certified mail, return receipt requested, must respond to the proposed debarment within 30 working days after receipt of notice or the debarment will be instituted without further notice. A vendor is deemed to have received notice, notwithstanding the vendor's failure to accept the certified mail, if the letter is addressed to the vendor at its last known address. After considering the matter and reaching a decision, the Director shall notify the vendor of his or her decision by certified mail, return receipt requested.

5.5.2. Any vendor, other than a vendor prohibited from participating in federal procurement, undergoing debarment proceedings is permitted to continue participating in the state's procurement process until a final debarment decision has been reached. Any contract that a debarred vendor obtains prior to a final debarment decision shall remain in effect for the current term, but may not be extended or renewed. Notwithstanding the foregoing, the Director may cancel a contract held by a debarred vendor if the Director determines, in his or her sole discretion, that doing so is in the best interest of the State. A vendor prohibited from participating in federal procurement will not be permitted to participate in the state's procurement process during debarment proceedings.

5.5.3. If the Director's final debarment decision is that debarment is warranted and notice of the final debarment decision is mailed, the Purchasing Division shall reject any bid submitted by the debarred vendor, including any bid submitted prior to the final debarment decision if that bid has not yet been accepted and a contract consummated.

5.5.4. Pursuant to W.Va. Code § 5A-3-33e(e), the length of the debarment period will be specified in the debarment decision and will be for a period of time that the Director finds necessary and proper to protect the public from an irresponsible vendor.

5.5.5. List of Debarred Vendors. The Director shall maintain and publicly post a list of debarred vendors on the Purchasing Division's website.

5.5.6. Related Party Debarment. The Director may pursue debarment of a related party at the same time that debarment of the original vendor is proceeding or at any time thereafter that the Director determines a related party debarment is warranted. Any entity that fails to provide the Director with full, complete, and accurate information requested by the Director to determine related party

status will be presumed to be a related party subject to debarment.

## 5.6. Damages.

5.6.1. A vendor who fails to perform as required under a contract shall be liable for actual damages and costs incurred by the state.

5.6.2. If any commodities delivered under a contract have been used or consumed by a spending unit and on testing the commodities are found not to comply with specifications, no payment may be approved by the Spending Unit for the merchandise until the amount of actual damages incurred has been determined.

5.6.3. The Spending Unit shall seek to collect damages by following the procedures established by the Office of the Attorney General for the collection of delinquent obligations.

## Credits

History: Filed 4-1-19, eff. 4-1-19; Filed 4-16-21, eff. 5-1-21.

Current through register dated May 7, 2021. Some sections may be more current. See credits for details.

W. Va. C.S.R. § 148-1-5, WV ADC § 148-1-5

**End of Document**

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EXHIBIT B To:  
REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY  
CONTRACTS UNDER FEDERAL AWARDS (2 C.F.R. § 200.317):

Prevailing Wage Determination

- Not Applicable Because Contract Not for Construction
- Federal Prevailing Wage Determination on Next Page