

**MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE**  
**SOUTH CAROLINA**  
**DEPARTMENT OF SOCIAL SERVICES**  
**AND THE GREENVILLE TECHNICAL COLLEGE**  
**CONTRACT # 4400009236**

This Memorandum of Understanding (MOU) is entered into effective as of October 1, 2014, by and between the South Carolina State Department of Social Services, Post Office Box 1520, Columbia, SC 29202-1520, hereinafter referred to as "DSS" and, the Greenville Technical College, 506 S.Pleasantburg Drive, Greenville SC, 29607, hereinafter referred to as "GTC."

WHEREAS, DSS is the single state agency designated by the Governor of South Carolina as being responsible for the efficient and effective administration of programs under the Supplemental Nutrition Assistance Program (SNAP or Food Stamp) Program, Title IV-E of the Social Security Act (Child Welfare), the Temporary Assistance for Needy Families (TANF) program, and other Federal-State programs designed to enable individuals, children and their families to live, grow and thrive; and

WHEREAS, DSS also plays an important role in the administration of Title XIX under the supervision and control of the South Carolina Department of Health and Human Services (DHHS). DSS, for example, administers Targeted Case Management for several populations and is responsible for Medicaid Administrative Activities (MAA) designed to improve the efficiency and effectiveness of Medicaid program in South Carolina; and

WHEREAS, the success of the services to individuals, children and their families for which DSS is responsible depends heavily upon the ability of DSS to partner with other public and private organizations that have demonstrated their ability to provide the supportive services that are key components in the case plans prepared and managed by DSS; and

WHEREAS, GTC, a member of the South Carolina Technical and Comprehensive Education System, is a public, two year institution of higher education; and

WHEREAS, GTC programs and services provide a variety of associate degrees, diplomas and certificates; and

WHEREAS, through its programs and services, GTC provides training and education opportunities and strengthens the economic and social vitality of the community; and

WHEREAS, both DSS and GTC desire to strengthen their partnership through mutually productive collaboration, fueled by leveraging the local, State, and private funding available to GTC with the Federal funding available through DSS;

NOW, THEREFORE, DSS and GTC enter into this agreement effective October 1, 2014 and, unless sooner terminated as provided in Section IV herein, shall continue in full force and effect through September 30, 2019.

# I. Responsibilities of the Parties

## A. Responsibilities of GTC.

Within the terms of the MOU, GTC agrees to provide the following services in the manner and method herein stipulated:

1. GTC agrees to submit Task Orders for the review and approval of DSS. Each Task Order shall contain the following information:
  - a. Description of Services and Purpose – Each Task Order shall contain a description of the scope of services and purpose of the services to be provided by GTC.
  - b. Location of Services – The location(s) of services is presumed to be Statewide unless otherwise specified.
  - c. Budget – The program budget for the services to be provided pursuant to this MOU are to be included in each Task Order. Each Task Order's budget shall clearly delineate the Federal funding anticipated and the source of non-Federal ("matching") funds which may be required under the appropriate Federal funding source.
  - d. Fees for Services – GTC shall not be allowed to collect fees for services provided under any Task Order unless DSS has approved the fee schedule and the Task Order budget has been adjusted to reflect the reduction in costs associated with those fees.
2. GTC agrees to provide DSS or its designee with access to relevant information for its review to promote coordination and conformity with applicable Federal and State policy governing the Federal-State programs for which DSS is responsible.

3. GTC agrees to participate in all relevant training upon the request of DSS.
4. GTC shall participate in such meetings as DSS determines are appropriate for the efficient and effective administration of the Federal-State programs for which DSS is responsible.
5. GTC will submit quarterly to DSS a claim for appropriate reimbursement under the Federal-State program(s) most relevant to each Task Order.
6. This claim will be in the form and format established by DSS.
7. GTC agrees to allow DSS to deduct from its payments to GTC five percent (5%) of Federal revenues received by DSS related to the reimbursement to GTC under each Task Order. The reasonableness of this monitoring fee will be reviewed annually and may be adjusted, with the approval of both parties.
8. GTC agrees to use ("reinvest") the remaining ninety-five percent (95%) of Federal revenues generated under this MOU to cover its direct and indirect costs related to this MOU and to expand services to individuals and families. GTC agrees to report quarterly to DSS the use of these reinvested funds during the past quarter and planned use of reinvested funds during the coming quarter.

**B. Responsibilities of DSS**

1. DSS agrees to use the funds deducted from its payments to GTC as provided in Section I, A, Item 7 above, to fund administrative, training, technical assistance, and quality assurance activities related to the claims of GTC.
2. DSS agrees to provide GTC, in a timely manner, such information as may come to the attention of DSS related to GTC's role in administering the Federal-State activities under the supervision of DSS.
3. DSS agrees to review all GTC policies and procedures related to the Federal-State programs for which DSS is responsible and are a part of each Task Order.
4. DSS agrees to provide training and technical assistance to GTC staff as may be needed to enable GTC to administer each Task Order in a manner consistent with State and Federal policy.
5. DSS agrees to monitor GTC performance and otherwise supervise the work of GTC in administering each Task Order's activities, providing direction and assisting GTC in corrective actions as appropriate.

6. DSS agrees to convene and participate in such meetings as may be appropriate for the efficient and effective administration of the Task Orders for which GTC is responsible.
- C. Monitoring. Consistent with its responsibilities as the Single State Agency and under authority delegated to it by DHHS, DSS agrees to supervise the activities provided by GTC under this agreement. Consistent with this relationship, GTC shall collect, maintain, and report statistical data and/or information as requested by DSS. Such information will be used for project monitoring and evaluation and will be subject to Section III. herein. At any time during normal business hours and as often as DSS and U.S. Department of Health and Human Services (USDHHS) or the U.S. Department of Agriculture (USDA) may deem necessary, GTC shall make all program records and service delivery sites open to DSS, USDA, and USDHHS in order that they may perform program reviews. DSS, USDA, and USDHHS shall have the right to examine and make copies, excerpts, or transcripts from all records, contact the client for documentation of income or service delivery, and to on-site reviews of all matters relating to service delivery as specified by this MOU.
- D. Compliance by GTC. The obligation of DSS to make payment shall be conditioned upon full and faithful compliance by GTC with all stipulations, covenants, and conditions of this MOU.
- E. Safeguarding Information. GTC and DSS shall safeguard the use and disclosure of information concerning applicants for and recipients of services in accordance with applicable Federal and State laws including, but not limited to, Internal Revenue Service laws, and shall restrict access to, and use and disclosure of such information only in compliance with said laws and regulations.
- F. Conditions for MOU Continuation. No longer than thirty (30) days after DSS has conducted a review of records or performance, DSS will issue to the President of GTC a report of such review. If the report identifies deficiencies, it will specify conditions for MOU continuation. Such conditions will state both the corrective action which must be taken and the time frame in which such action must be taken. GTC shall have at a minimum thirty (30) days from the receipt of the report delivered by certified mail to respond to any deficiencies noted in the report. The MOU and/or Task Order(s) will be terminated effective any date that GTC fails to meet the specified conditions. This MOU section will automatically terminate on any date that GTC fails to meet specified condition(s) without any further action by DSS. Notice of termination will follow.
- G. Payment for Allowable Expenditures Only. DSS will make payment only for allowable expenditures reasonably and necessarily incurred by GTC in the

course of providing services pursuant to this MOU. Payment by DSS for services provided pursuant to this MOU constitute payment in full to GTC and GTC shall not bill, request, demand, solicit or in any manner receive or accept payment or contributions from a client or any other person, family member, relative, organization or entity for care or services to a client except as may otherwise be allowed under the Federal regulations or in accordance with DSS policy. Any collection of payment or deposits in violation of this section shall be grounds for termination of this MOU and reimbursement for any services to clients made after such collection or attempt to collect may be denied by DSS and shall be subject to recoupment of for any client payment made.

## II. Reimbursement Procedures

- A. Request for Reimbursement. DSS will provide reimbursement only for allowable expenditures reasonably and necessarily incurred by GTC in the course of this MOU. Invoices must be prepared on GTC's letterhead stationery, signed in ink and submitted in a timely manner consistent with the procedures established by DSS.
- B. Form of Report or Request. Requests or reports shall be filed upon the designated form to be provided by DSS and completed in accordance with detailed instructions to be furnished for the applicable form.
- C. Time of Filing. Requests or reports will be filed quarterly.
- D. Failure to File Report or Request. If GTC fails to file any required report within the above specified time, all funds due to GTC shall be withheld by DSS until the late report is filed.
- E. Final Financial Request. If the MOU is terminated, or if during the last month of the MOU period it is known that a GTC will not receive a MOU for a subsequent period, the final reimbursement request due will not be paid until the final financial report is reviewed.

## III. Audits and Records

At any time during normal business hours and as often as DSS, the State Auditor, the Office of the Attorney General, General Accountability Office, the Department of Social Services (DSS), and any other appropriate Federal agency and/or the designee of any of the above may deem necessary, GTC shall immediately make available for examination all records of GTC with respect to all matters covered by this MOU. GTC shall permit any of the above to audit, examine, make copies, excerpts, or transcripts from such records and contact and conduct private interviews with GTC clients and employees and on-site reviews of all matters relating to service delivery. If any audit, litigation, claim, or other action involving the records has been initiated prior to the expiration of a

three (3) year period since the date of MOU termination/expiration, this Article and the terms hereunder shall continue to apply until the action is completed and the issues are resolved.

A. AUDIT REQUIREMENTS. GTC agrees that it shall comply with any Federal and/or state audit requirements.

1. Audits of GTC. Should GTC expend \$500,000 or more in Federal financial assistance from all sources in fiscal years ending on or after June 30, 1997 it shall obtain an annual audit in accordance with the Single Audit Act and the revised Office of Management and Budget (OMB) Circular A-133.
2. Additional Audit Requirements - State Funds. Organizations that receive more than \$75,000 in state funds from DSS in a fiscal year are required to obtain an annual financial audit. This Audit shall be performed in accordance with auditing standards and generally accepted accounting principles as defined by the AICPA.
3. Filing Audit Reports. Each organization required to have an audit shall supply a copy of such audit, data collection form, reporting package, any management letters associated with the audit, and GTC's corrective action plan to the South Carolina Department of Social Services, Office of Audit Services, Post Office Box 1520, Columbia, South Carolina 29202-1520, within thirty (30) calendar days of the receipt of such report but not later than nine (9) months after the end of the organization's fiscal year.
4. Working Paper. Working papers are to be retained by the audit firm and must be available for examination by DSS or its designee for at least three (3) years following the issuance of the audit report. Retention of working papers beyond three (3) years is required where questioned costs and/or practices have not been resolved with DSS.

B. CORRECTIVE ACTION PLANS. When the audit describes weaknesses in Internal Controls and/or Program compliance, GTC must submit a corrective action plan to eliminate the weaknesses indicating the actions taken, actions to be taken, dates of anticipated completion, and contact person responsible, or submit an explanation of specific reasons why no corrective action is required. The corrective action plan must be submitted along with the audit report or reporting package within thirty (30) days of the receipt of the final audit report/management letter. Corrective action should be initiated within six (6) months of the receipt of the audit report and proceed as rapidly as possible. In the event that an audit report contains audit exceptions or disallowances, it is agreed that the following procedures shall be used in

making the appropriate audit adjustment(s):

1. Notice of Exception and Disallowances. DSS shall furnish GTC with written notice containing the adjustment for each exception. Such notice shall state the total sum disallowed and that payment is due to DSS in the full amount within thirty (30) days after the receipt of notice. Notice will be sent to GTC by certified mail. Audit exceptions or disallowances shall be accepted as final unless appealed within thirty (30) days of receipt of the notice of disallowance. Payment shall be made within thirty (30) days from the receipt of notice of disallowance regardless of the filing of an appeal.
  2. Disallowances Sums, Set-Off. Any provision for Agreement resolution notwithstanding, DSS is authorized to recoup at any time after receipt of the notice of disallowances any funds owed to DSS. The means of recoupment shall be by withholding and/or offsetting such funds for which DSS may be obligated to GTC under this or any previous and/or future Agreements. Provided, however, if GTC can demonstrate that such withholding or set-off would constitute a serious hazard to the quality of services, DSS may, in its sole discretion, grant such repayment terms as may be determined by DSS to be consonant with sound business practice.
  3. Interest Provision/Repayment (for Disallowed Amounts). GTC shall pay interest on the disallowed amount with said interest accruing from the thirtieth (30th) day following the date of receipt of the notice of disallowance. GTC may request that they be permitted to make repayment on an installment payment schedule. Such request must be made in writing within thirty (30) days of the receipt of the notice of disallowance and must contain evidence to support GTC's allegation of financial inability to pay the sum in full. At the sole option of DSS, DSS may agree in writing to permit GTC to repay pursuant to an installment payment schedule. The legal interest rate [S.C. Code Ann. §34-31-20(B)] plus two percent (2%) is DSS rate on extended / installment repayment.
  4. Audits During and After the Agreement Period. The provisions of this Article shall apply to audits commenced during the Agreement period and audits commenced after termination of this MOU and for a period of three (3) years thereafter.
- C. ACCURACY OF DATA AND REPORTS. GTC agrees that all statements, reports, and claims, financial and otherwise, shall be certified as true, accurate, and complete, and GTC shall not submit those claims, statements, or reports which it knows, or has reason to know, are not properly prepared or payable pursuant to Federal and state laws, applicable regulations, this MOU,

and DSS policy.

1. Maintenance of Records. GTC must maintain an accounting system with supporting fiscal records adequate to assure that claims for funds are in accordance with this MOU and all applicable laws, regulations, and policies. GTC shall keep one (1) copy of the OMB approved Data Collection Form and one (1) copy of the OMB A-133 reporting package on file for three (3) years from the date of submission to the Federal Clearinghouse. GTC further agrees to retain all financial and programmatic records, supporting documents, and statistical records under this MOU for a period of three (3) years after the expiration of this MOU. Property and equipment records must be maintained until three (3) years after transfer, replacement, sale, or junking of the item. If any audit, litigation, claims, or other actions involving the records have been initiated prior to the expiration of the three (3) year period, the records shall be retained until completion of the action and resolution of all issues.

#### IV. Termination of Agreement

- A. Termination for Lack of Funds. In the event DSS determines that sufficient appropriations are not made to pay the obligations under the MOU or specific Task Order, DSS shall terminate the MOU or Task Order. Termination shall be effective without penalty or termination costs. DSS shall have the sole responsibility for determining the availability of such Federal, state, and local funds.
- B. Termination for Breach of Agreement. This MOU or Task Order may be canceled and terminated by either party at any time within the Agreement period whenever it is determined by such party that the other party has materially breached or otherwise materially failed to comply with its obligation hereunder.
- C. Termination for Breach of Previous Agreements or Non-Payment of Previous Audit Exceptions. This MOU or Task Order may be cancelled or terminated by DSS at any time within the Agreement period if GTC, after exhaustion of all administrative and judicial appeals, has failed to make payment in full to DSS for audit disallowances pursuant to any previous agreements between the parties.
- D. Notice of Termination. In the event of any termination of this MOU or Task Order under this Section, the party terminating the agreement shall give notice of such termination in writing to the other party. Notice of termination shall be sent by certified mail, return receipt, unless otherwise provided by law and shall be effective upon receipt of such notice.



- E. Termination for Failure to Meet Conditions for Agreement Continuation. This MOU or Task Order shall be terminated effective any date that GTC fails to meet the specified condition for Agreement continuation imposed as a result of monitoring, review, or audit findings.
- F. Termination in Best Interest of either party (DSS or GTC) and/or Client. Either party (DSS or GTC) has the right to terminate this MOU or Task Order if it decides in its sole discretion that termination is in the interest of either party and/or its clients. The terminating party must provide the other party at least a thirty (30) day written notice.
- G. Filing of Final Invoice. Upon termination of this MOU or Task Order under this section, GTC shall submit a final invoice as prescribed in this MOU before the seventh (7) day after the date of the termination.

#### V. General Covenants and Conditions

In addition to all other stipulations, covenants, and conditions contained herein, the parties to this MOU agree to the following covenants and conditions:

1. All applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970, as amended (U.S.C. 7401, et seq.).
2. Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and regulations issued pursuant thereto, 45 CFR Part 80.
3. Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e) in regard to employees or applicants for employment.
4. Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving or benefiting from federal financial assistance, and regulations issued pursuant thereto (45 CFR Part 84, 1994).
5. The Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101 et seq.), which prohibits discrimination on the basis of age in programs or activities receiving or benefiting from federal financial assistance.
6. The Omnibus Budget Reconciliation Act of 1981, P.L. 97-35, which prohibits discrimination on the basis of sex and religion in programs and activities receiving or benefiting from federal financial assistance.
7. Americans with Disabilities Act, (42 U.S.C. Sections 12101 et seq.), and regulations issued pursuant thereto, 42 CFR Parts 35 and 36.

8. Drug Free Workplace Acts, S.C. Code Ann. §§44-107-10 et seq. (1976, as amended), and the Federal Drug Free Workplace Act of 1988 as set forth in 45 CFR Part 76, Subpart F (1994).
  9. Health Insurance Portability and Accountability Act of 1996 (HIPPA)(45 C.F.R.), PART 164.502(e), 164.504(e), 164.532(d) and (e).
- B. Safety Precautions. SCDSS assumes no responsibility with respect to accidents, illnesses, or other claims arising out of any work undertaken with the assistance of federal and/or state funds. The GTC is expected to take necessary steps to insure or protect itself and its personnel. The GTC shall comply with all applicable local, state, and federal occupational and safety acts, rules, and regulations.
- C. Titles. All titles used herein are for the purpose of clarification and reference only.
- D. Attorney's Fees and Legal Services. No attorney-at-law shall be engaged through the use of any funds provided by SCDSS pursuant to the terms of this Agreement. Further, with the exception of the attorney's fees awarded in accordance with S.C. Code Ann. §§15-77-30 (1976, as amended), SCDSS shall under no circumstances become obligated to pay attorney's fees or the cost of legal action to the GTC. The GTC shall and will pay attorney fees to SCDSS as the court may adjudge reasonable in addition to the amount of judgment and costs.
- E. Restrictions on Lobbying. In accordance with 31 U.S.C. 1352, funds received through this Agreement may not be expended to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal Agreement, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Agreement, grant, loan, or cooperative agreement. This restriction is applicable to all sub-contractors.
- F. Integration and Amendment. This Agreement shall be construed to be the complete integration of all understandings between the parties hereto. No prior or contemporaneous addition, deletion, or other amendment shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect, unless embodied in a written Agreement executed and approved by both parties or added as an

attachment specifically authorized in this Agreement.

- G. **Equipment.** The GTC is expressly prohibited from making any equipment purchases through this Agreement without prior written approval from SCDSS. Equipment shall be considered any item with an acquisition cost of One Thousand Dollars (\$1,000) or more (including taxes and any other ancillary charges) per unit and a useful life of one (1) year or more. All equipment purchases made through this Agreement without prior written approval from SCDSS shall be considered unallowable and shall be an audit exception. Such purchases shall result in an audit exception/disallowance. Title to equipment purchased with funds through this Agreement shall be vested in and retained by SCDSS. The GTC must establish and maintain a record of all property purchased in accordance with the provisions of this Agreement.
- H. **Non-Waiver of Breach and/or Rights.** The parties agree that the execution and any performance of any provision of this Agreement, or the continued payment of GTC by SCDSS, shall in no way affect the right of SCDSS to enforce the provisions of this Agreement. Nor shall the waiver by SCDSS of any breach of any provision hereof be taken or held to be waiver of any succeeding breach of such provision, or as a waiver of the provision itself. All rights or obligations are hereby preserved, protected, and reserved.
- I. **Severability and Conformity with Law.** The provisions of this Agreement and performance hereunder are subject to all laws, regulations, ordinances and codes of the federal, state, and local governments. All terms of this Agreement shall be construed in a manner consistent with the aforesaid; and should any of the terms hereof conflict with any of the aforesaid, then the terms shall be deemed modified to conform therewith; and the remaining provisions of this Agreement shall not be invalidated. The GTC agrees to comply with all the aforesaid laws and regulations as may be promulgated during the term of this Agreement.
- J. **Federal or State Law and Regulation.** Reference to or attached copies of Federal or State regulations or law are believed to be the most current, but it is the GTC's responsibility to obtain updates, amendments, or other changes of these.
- K. **Political Activity.** None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used in the performance of this Agreement for any partisan political activity, or to further the election or defeat of any candidate for public office or any activity in violation of the "Hatch Act".
- L. **Reporting of Fraudulent Activity.** If at any time during the term of this Agreement, the GTC becomes aware of or has reason to believe by

whatever means that, under this or any other program administered by SCDSS, a recipient of or applicant for services, an employee of the GTC or SCDSS, or its employees, have improperly or fraudulently applied for or received benefits, monies, or services pursuant to this or any other Agreement, such information shall be reported by the GTC directly to SCDSS.

- M. Incorporation of Schedules/Appendices. All schedules or appendices attached to this Agreement are expressly made a part hereof and incorporated by reference. Whenever this Agreement sets a higher standard than contained in a schedule or attachment, the standard set in the body of the Agreement shall prevail.
- N. Insurance. The GTC agrees to obtain and keep in effect comprehensive insurance covering loss of property by theft, fire, or vandalism with respect to all property purchased with any funds provided by SCDSS. Such insurance shall be maintained until the time such property is no longer in the possession of the GTC, whenever that may be. The GTC further agrees to obtain and keep in effect any other policies of insurance which may be required by law and prudent business practices for its operations.
- O. Disclaimer. GTC understands and agrees that SCDSS disallows and disclaims all responsibility for any liability for losses, damage, claims, demands, or costs from third parties asserted against it as a result of operations performed by the GTC herein in the performance of this agreement; and, the GTC acknowledges and agrees that it is an independent GTC and does not act as an agent, servant, or employee of SCDSS or the State of South Carolina in the performance of this Agreement.
- P. Hold Harmless. The GTC shall hold and save SCDSS, its officers, agents, and employees harmless from liability of any nature or kinds, including costs and expenses, for or on account of any suits initiated or injury or damages sustained by any persons or property resulting in whole or in part from the negligent or intentional acts or omissions of any employee, agent, or representative of the GTC. This Provision shall not apply to any S.C. State Agency, the Federal Government, or another state.
- Q. S.C Law Clause. Upon award of a Agreement under this proposal, the person, partnership, association, or corporation to whom the award is made must comply with the laws of South Carolina which require such person or entity to be authorized and/or licensed to do business in this State. Notwithstanding the fact that applicable statutes may exempt or exclude the successful proposer from requirements that it be authorized and/or licensed in this state, by submission of a signed proposal, the proposer agrees to subject itself to the jurisdiction and process of the

courts of the State of South Carolina as to all matters and disputes arising or to arise under the Agreement and the performance thereof, including any questions as to the liability for taxes, licenses, or fees levied by the State.

- R. Procurement Codes. When applicable, the GTC must comply with the terms and conditions of both federal and state procurement codes in the acquisition of equipment and supplies and in all subcontracts.
- S. Security and Confidentiality of Personally Identifying and other Confidential Client Information GTC will be fully responsible for the security of the storage, processing, compilation, and transmission of all personally identifying and other confidential client data supplied to it by SCDSS, and of all equipment, storage facilities, transmission facilities on or from which any such data is stored, processed, compiled, or transmitted.
  - 1. GTC will not access, use, or disclose such data supplied by SCDSS beyond its limited authorization under this agreement or for any purpose outside the scope of this agreement.
  - 2. GTC will protect such data in a secure environment and ensure that its computer site(s) and related infrastructure will have adequate physical security and that in situations such as remote terminals or other office work sites where all the requirements of a secure area with restricted access cannot be maintained, the equipment shall receive the highest level of protection and shall be consistent with Internal Revenue Service publication requirements on alternate work sites. GTC will not allow any such data supplied to it by SCDSS to be held on mobile, remote, or portable storage devices.
  - 3. GTC will protect the confidentiality of such data in accordance with the requirements of all applicable state and federal laws, regulations, standards, and guidelines, as well as all applicable industry standards, including, but not limited to, Internal Revenue Service requirements, federal information processing standards, the federal Privacy Act, Payment Card Industry (PCI) data security standards, and functional and assurance requirements for the operating security features of its systems.
  - 4. GTC will ensure that appropriate background checks are performed on each employee/agent/sub-contractor to whom it grants access to any such data; that it will ensure that an appropriate and effective authorization process for user access is maintained; that it will ensure that each of its employees and agents to whom data is disclosed is notified in writing of the confidentiality and security requirements of

this agreement and of criminal and civil sanctions under applicable laws; and that it will notify SCDSS immediately in writing if the relationship ends between GTC and any employee /agent /subcontractor to whom it granted access or who obtained access to any SCDSS data.

5. GTC will immediately notify SCDSS of the extent of the breach of security, the reason therefore, the sources, the affected data, and mitigation actions in the event of any unauthorized disclosure or loss of such data supplied to it by SCDSS in the event of any unauthorized disclosure or loss of such data supplied to it by SCDSS. GTC will provide a reasonable forecast of just compensation to those individuals whose information has been breached as noted above to include: (1) timely and adequate notice of the facts surrounding the compromise of information; (2) actual damages sustained by the individual as a result of the breach and any prescribed or ordered damages; and (3) two (2) years of credit monitoring services, at no cost to such individual.
6. GTC must, prior to disposal, all floppy disks, CDs, magnetic tape, hard drives (desktop and server), data DVDs, zip drives, and any other media used in containing sensitive data supplied to it by SCDSS, destroy in compliance with federal and industry legal and standard operating procedures standards to sufficiently ensure that data is non-recoverable, prior to disposal of any such media, equipment, data holders. All hardcopy records that contain sensitive data must be disposed of through a cross cut paper shredder or equivalent secure destruction process.
7. GTC must, prior to any disclosure of data or information supplied to it by SCDSS, regardless of instance or whether court-ordered, legally mandated, or otherwise, timely notify SCDSS in writing of its intent to disclose and secure the prior written permission of SCDSS before disclosure.

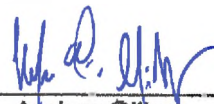
IN WITNESS WHEREOF, DSS and GTC, by their authorized agents, have executed this MOU effective as of the first day of October 2014.

SOUTH CAROLINA  
DEPARTMENT OF  
SOCIAL SERVICES

GREENVILLE  
TECHNICAL COLLEGE

"DSS"

BY: \_\_\_\_\_

  
Amber Gillum  
Acting State Director

"GTC"

BY: \_\_\_\_\_

  
Jacqueline DiMaggio  
Chief Financial Officer