



Vocational Nurse Scholarship Program (VNSP)

For Fiscal Year 2024-25 Grant Guide

Purpose: This Grant Guide is intended to serve as a comprehensive resource of program information and details. Applicants will find steps to complete their application and Grantees can review program requirements to complete their service obligation. **Please read this guide, in full, prior to contacting program staff.**

All applicants must agree to the terms and conditions prior to receiving funds. The Department of Health Care Access and Information will not make changes to the terms and conditions specified in this Grant Guide.

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Section I: VNSP Grant Information

A. Background and Mission

The Department of Health Care Access and Information (HCAI) works to increase and diversify California’s healthcare workforce by providing scholarships and loan repayments to health professional students and graduates who provide direct patient care in those communities.

VNSP is funded through a \$5 surcharge for renewal and licensure fees of Vocational Nurses (LVNs) in California. In exchange for a 12-month service obligation practicing and providing direct patient care in an underserved community, eligible applicants may receive up to \$4,000. The purpose of this program is to increase the number of appropriately trained Licensed Vocational Nurses (LVNs) providing direct patient care in an underserved area or qualified facility within California.

B. Eligibility Requirements

1. Provider Eligibility Requirements

To be eligible for a VNSP award, each applicant must:

- Start training program by September 30, 2024
- Be enrolled in a minimum of six semester units, or its equivalent, until program completion
- Has a GPA of 2.0 or greater for most recent academic performance or equivalent
- Maintain a GPA of 2.0 or greater, until program completion
- Must graduate after March 31, 2025
- Not have any other existing service obligations with other entities, including other HCAI programs
- Not be in breach of any other HCAI service obligation
- Commit to providing a 12-month service obligation in an underserved area or qualifying facility providing 32 hours or more per week of direct patient care within six months of graduation
- Be a California resident
- Complete and submit the application through the [HCAI Funding Portal](#) by December 13, 2024, at 3:00 p.m.

2. Eligible Disciplines

VNSP applicants must be currently accepted or enrolled in a certificate, diploma, or accredited Associate degree program that prepares them to become a Licensed Vocational Nurse.

3. Eligible Geographic and Site Designations for a Service Obligation

For a facility to qualify, it must be in one of the following eligible geographic or approved site designations:

• Children’s Hospital	• Primary Care Shortage Area (PCSA)
• Correctional Facility	• Public School Facility
• County-Operated Health Facility	• Registered Nursing Shortage Area (RNSA)
• Federally Qualified Health Center (FQHC)	• Rural Health Clinic
• Health Professional Shortage Area – Mental Health (HPSA-MH)	• Skilled Nursing Facility
• Health Professional Shortage Area –	• State-Operated Health Facility

Primary Care (HPSA-PC)	
• Medically Underserved Area – (MUA)	• Substance Use Facility
• Native America Health Center	• Veteran’s Facility
• Non-profit Facility	•

NOTE: Temp agencies and management services companies are not an eligible employer. To be eligible while working for one of these companies, the facility you provide direct client care services in must be one of the eligible geographic or site designations listed above.

NOTE: If you are providing services via telehealth, your employer must have a physical office in California, and it must be one of the eligible geographic or site designations listed above.

4. Eligible Cost of Attendance (For 1 Year)

You must indicate that you have costs associated with schooling to be eligible for an award. The cost of attendance (CoA) is the total amount it will cost for you to attend your program for one year. The CoA may include the following expenses:

- Tuition and fees
- On-campus room and board (or housing and food allowance for off-campus students)
- Allowances for books, supplies, transportation, loan fees, and, if application, dependent care.

The CoA must reflect the costs associated for **one year only**. If the cost for the entire program is provided, the cost for one year must be clearly indicated.

The CoA must be obtained by your school’s website or financial aid office. Screenshots are acceptable.

C. Award Amounts and Available Funding

1. Available Funding

Approximately \$20,000 is available to support students enrolled in eligible certificate, diploma, or accredited associate degree program.

In the event there is additional state funding available, HCAI has the discretion to make additional awards.

2. Award Amount

The maximum award amount for the Vocational Nurse Scholarship Program (VNSP) is **\$4,000**. HCAI may award full, partial, or no funding to an applicant based on the applicant’s success in meeting the selection criteria, and the amount of available funds. Applicants will not be awarded more than their total cost of attendance for **one year** of the program.

VNSP’s goal is to encourage and retain providers who provide healthcare at eligible VNSP worksites in underserved communities in California. A grantee may apply for an additional VNSP award for each year they are eligible. For each award, the Grantee will be required to serve an additional one-year service obligation. To remain eligible, the individual must still be enrolled in an eligible advanced practice healthcare graduate or postgraduate degree program and meet all the other VNSP eligibility requirements.

A new application must be submitted to be considered for an award, as each service obligation requires a separate contract, and will not be considered a continuation of a previous agreement. Applicants not selected for an award may apply for the next cycle.

D. Initiating an Application

The applicant is responsible for providing all necessary information and ensuring that the information contained in the application is accurate.

Applicants must register and submit all applications (including all required forms, documents and/or attachments) through the web-based eApp <https://funding.hcai.ca.gov/>.

New applicants must first register as a user to access the application materials. Returning applicants must use their previous email and password to login. Section II: Provider eApp Technical Guide contains information regarding how to register and complete your application.

Applicants may apply for more than one HCAI scholarship or loan repayment program at a time. However, if awarded for both, you may only accept one.

E. Service Obligation

Grantees must, within six months of graduation from an accredited college or career institution from a qualified program, provide full-time service in direct patient care for a term of at least 12 months in either an eligible geographic or approved site designation.

“Full-time Service” is defined as a minimum of 32 hours of direct patient care per week.

“Direct Patient Care” means the provision of health care services provided directly to individuals being treated for or suspected of having physical or mental illness. Direct patient care includes both, face-to-face and telehealth-based preventative care and first line supervision.

“First-line supervision” is defined as directly supervising staff who provide direct patient/client care services.”

1. Worksite Absences

Grantees can take up to **four (4) weeks** during the Term of this Agreement, away from their approved worksite for any leave of absence approved by their worksite, except otherwise required in order to comply with applicable federal and state laws, without affecting their service obligation.

Should Grantee take more than **four (4) weeks** as stated above and HCAI agrees to this, HCAI and Grantee agree to amend the term of this Agreement to extend the service obligation for each day of absence over the allowable **four (4) weeks**.

2. Communication Requirements

Grantee must email HCAI within these specified timeframes for the following reasons:

- **15 calendar days if you:**
 - Have any change in full-time status, including but not limited to, a decrease in the number of hours providing direct patient care (falling below 32 hours), termination, resignation, or leave of absence in excess of the time permitted outlined under “Worksite Absences”.
- **30 calendar days if you:**
 - Have any change in worksite. HCAI will verify if the new worksite is eligible. An

Employment Verification Form (EVF) must be submitted to Program Officer via email.

- Change in your name, residential address, phone number and/or email address. Your eApp “Profile” page must be updated to reflect this change prior to contacting Program Officer via email.
- **90 calendar days if you:**
 - File a petition with HCAI for modification of the amount to be paid or repaid and/or the time of repayment regarding a potential breach in contract.

NOTE: It is highly recommended to contact your Program Officer prior to these changes taking effect.

F. Evaluation and Scoring Procedures

Attachment A: Evaluation and Scoring Criteria: Applying does not guarantee you will be awarded.

HCAI may make multiple awards. Please refer to Attachment A: Evaluation and Scoring Criteria. Final awards include consideration of the following elements:

1. At the time of application closing, HCAI will review each application for the presence or absence of required information in conformance with the submission requirements.
2. HCAI may reject applications that contain false or misleading information.
3. HCAI will use the evaluation criteria in Attachment A: Evaluation and Scoring Criteria to score applications and will grant awards to the highest scored applications.

G. Award Process

HCAI will notify selected applicants after finalizing all award decisions. The award process time can vary depending upon the number of applications received. HCAI will use DocuSign to send contract documents to Grantee for review and signatures. Once the grant agreement is sent out via DocuSign, the Awardee will have seven business days to accept their grant agreement, by signing the grant agreement, or to decline their grant agreement via DocuSign.

NOTE: Please make sure to check your “Junk/Spam” folders for the grant agreement.

Contract Termination

Awardee may terminate their agreement without penalty, no later than 45 days before the end of the fiscal year in which HCAI entered into the agreement. To request a termination of agreement, the Awardee must:

1. Submit a written request via email with their reason for termination of the agreement.
2. Repay all amounts paid to the Awardee pursuant to their agreement. The awardee shall make all repayments before the end of the fiscal year in which the awardee received payment from HCAI.

HCAI will close out the contract, effective immediately. No penalties will be due back to HCAI, and the Awardee will be allowed to apply again in the future.

NOTE: Once the contract is administratively closed, this action cannot be reversed.

H. Grant Agreement Deliverables

The Grantee shall:

- Submit two (2) Progress Reports through the eApp, during the 12-month service obligation. The schedule of these reports is based on the date you begin working at your approved worksite.

I. Required Grant Documentation

- Contact Program Officer via email to request a Graduation Date Verification (GDV) form within 30 days after graduating from program and/or **anytime** there is a change in worksite.
- Contact Program Officer via email to request an Employment Verification Form (EVF) within 60 days after graduating and **anytime** there is a change in worksite.
- Contact Program Officer via email to request and submit a Payee Data Record form (STD204) **anytime** there is a change in the Grantee's name and/or residential address.

J. Post Award and Payment Provisions

1. HCAI expects the Grantee will begin performance of the grant agreement on the start date listed on the grant documents. Work performed, and payments before the grant agreement start date, will not count towards the requirements for the grant agreement.
2. Grantees may terminate the Agreement, no later than 45 days before the end of the fiscal year in which HCAI entered into the agreement. To request a termination, Grantee must:
 - a. Submit a written request via email.
 - b. Repay all amounts paid to the Grantee pursuant to this Agreement. The Grantee shall make all repayments before the end of the fiscal year in which the Grantee received payment from HCAI.
3. The State Controller's Office (SCO) mails a paper check directly to the Grantee's mailing address on file. **Note: Please ensure HCAI has your most recent mailing address on file to avoid delay in payment.** See Attachment B: Sample Grant Agreement, Section D: Payment Provisions and Reporting Requirements for detailed information.
4. HCAI cannot provide tax advice to Grantees. HCAI are not tax professionals and tax consequences may vary depending on the Grantee. For this reason, Grantees should seek professional tax advice.
5. As a Grantee, HCAI may reach out to you periodically during and after your service commitment and ask you to complete a survey. Your participation is vital to our ability to demonstrate the effectiveness of programs such as this one and advocate for future funding to participants such as you. If you receive a survey from us, it will likely contain questions about your education/training status and employment. We hope that you will take the time to complete such surveys - typically not more than one or two per year and not for more than five (5) years after your service commitment concludes.

NOTE: All scholarship Grantees will receive an IRS 1099 form for their scholarship award.

K. Breach Policy

HCAI reserves the right to recover monies for the Grantee's failure to perform the obligations

set forth in the grant agreement. Refer to Attachment B: Sample Grant Agreement – Section G: Breach for detailed information.

L. Key Dates

The key dates for the program year are as follows:

Event	Date	Time
Application Available	November 1, 2024	3:00 p.m.
Application Submission Deadline	December 13, 2024	3:00 p.m.
Anticipated Award Notice Date	February 2025	N/A
Proposed Grant Agreement Start Date	March 31, 2025	N/A

M. Resources

HCAI is committed to supporting applicants and awardees throughout the application and monitoring process of their service period. To achieve this goal, additional resource documentation has been provided below.

Please reference the following documents for additional information:

1. [Funding Eligibility Quiz](#): Take the quiz to find out if you are eligible to apply for a HCAI Loan Repayment, Scholarship, Grant, or Small and Rural Hospital Project Reimbursement.
2. [Program Frequently Asked Questions \(FAQs\)](#): Document answers commonly asked questions tailored toward applicants and awardees.
3. **Technical Assistance Guide**: Assist applicants and awardees with navigating the HCAI eApp Funding Portal and submitting required deliverables.

N. Contact Us

Please review all guides, in full, prior to contacting program staff. Any additional questions related to AHSP and the eApp, can be emailed to HCAI staff at HWDD-SCH@hcai.ca.gov. Please allow up to 24 hours for response.

Section II: Provider eApp Technical Guide

A. Provider eApp Technical Guide

1. Accessing the Application System

HCAI uses the eApp to allow healthcare providers and students to submit applications. This Grant Guide contains information you need to complete and submit an application in the eApp.

To access the eApp, go to <https://funding.hcai.ca.gov/>. To ensure proper functionality in the eApp, use Chrome or Microsoft Edge, as Internet Explorer is no longer supported. Using a Windows-based PC/laptop is recommended. We do **NOT** recommend accessing eApp, via smartphones, tablets, and/or iOS-based devices.

2. Registration and Login

All applicants must register in the eApp system before beginning an application. To register as a new user, click the “Create Account” button on the home page and follow the instructions.

After submitting your email address and creating a password, you will receive an email (from no-reply@hcai.ca.gov) with an account activation link. Click the link in the email to return to the eApp and complete your user Profile. After your user Profile page is complete, navigate to the “Apply Here” tab to begin your Application.

3. Submitting an Application

- By submitting the application, you agree to the grant Terms and Conditions.
- HCAI will not consider late/and or incomplete applications. For more detailed information, refer to Section I: Key Dates in this Grant Guide.
- Once you click the “Submit” button, you **cannot** go back to revise the application.
- The eApp will email you a confirmation of submission.

4. VNSP Application Components

A submitted application must contain all required information and conform to the Grant Guide format.

The VNSP application has seven sections for applicants to fill out:

1. General Information
2. Profile Information
3. Contact Information (**one contact required**)
4. Education Information
5. Professional Information
6. Scholarship program Verification
7. Employment History
8. Required Documents

- **Ensure you use an acceptable file format, or your application may be rejected. Examples of acceptable file formats are .jpg, .doc, .docx, and .pdf.**

9. Application Certification

Attachment A: Evaluation and Scoring Criteria

Core Categories	Guidelines	Points
Languages Spoken	20 points: Speaks one or more listed languages fluently/well enough to be able to provide direct care services to clients. 0 points: Does not speak more than one language.	20 points max
Medically Underserved Areas/Populations	Have you volunteered or worked in a medically underserved area or with medically underserved populations in the United States or overseas? 20 points: Yes 0 points: No	20 points max
Graduation Date	20 points: Graduation date is within 2025 . 0 points: Graduation date is later than December 31, 2025 .	20 points max
Economically Disadvantaged	As defined by the Scholarship for Disadvantaged Students program, have you been identified as having a disadvantaged background based on environmental and/or economic factors, or did you receive a federal Exception Financial Need Scholarship? 20 points: Yes 0 points: No	20 points max
Academic Performance	10 points: Student maintains a 3.0+ GPA 5 points: Student maintains a 2.0 – 2.99 GPA 0 points: Student maintains a GPA lower than 2.0	10 points max
Total Points		90 points max

Note: In the case of a tie, preference is given to students with an earlier graduation date and/or attending a California school.

Attachment B: Sample Grant Agreement

GRANT AGREEMENT BETWEEN THE
DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
AND
[GRANTEE NAME]
GRANT AGREEMENT NUMBER **[GRANT AGREEMENT NUMBER]**

THIS GRANT AGREEMENT (“Agreement”) is entered into on **[Grant Start Date]** by and between the State of California, Department of Health Care Access and Information (hereinafter “HCAI”) and **[Provider Name]** (hereinafter “Grantee”)

WHEREAS, HCAI supports healthcare accessibility through the promotion of a diverse and competent workforce while providing analysis of California’s healthcare infrastructure and coordinating healthcare workforce issues.

WHEREAS, HCAI seeks to accomplish its mission by encouraging healthcare students to provide healthcare in underserved communities throughout California through the **[Program Cycle Name]**.

WHEREAS, the **[Program Acronym]** provides support to healthcare students by providing scholarship incentives for healthcare educational programs.

WHEREAS, Grantee was selected by HCAI through duly adopted procedures to receive grant funds from **[Program Acronym]**.

NOW THEREFORE, HCAI and the Grantee agree as follows:

A. Definitions

1. “Abortion” (as defined by California Health and Safety code section 123464) means any medical treatment intended to induce the termination of a pregnancy except for the purpose of producing a live birth.
2. “Abortion-related services” includes induced abortions performed by a trained provider, under sanitary conditions, and using modern techniques (e.g., vacuum aspiration), or the use of high-quality medications with an effective regimen for medical abortion. Abortion-related service also includes miscarriage management, counseling and/or mental health services related to abortions, contraceptive services, links to other sexual and reproductive health services, and connections to the community, as defined under post-abortion care.”
3. “Approved Practice Site” and/or “Practice Site” is a facility within a “Medically Underserved Area (MUA)” (as defined in California Code of Regulations, title 22, section 97700.35), meaning a geographic area designated by the Director which meets one of the following sets of criteria:
 - a. A primary care “Health Professional Shortage Area - Primary Care (HPSA-PC)” as designated by the Secretary of the U.S. Department of Health and Human Services under the authority of section 254e of Title 42 of the United States Code Annotated.
 - b. A facility determined by the Director to have a shortage of nursing personnel (BSNSP ONLY) under section 128385 of the Health and Safety Code.

- c. "Health Professional Shortage Area - Mental Health (HPSA-MH)" means an area designated as such by the U.S. Department of Health and Human Services, Health Resources and Service Administration, Bureau of Health Professions' Shortage Designation Branch.
 - d. "Health Professional Shortage Area - Dental (HPSA-D)" (**AHSP and APHSP ONLY**) means an area designated as such by the U.S. Department of Health and Human Services, Health Resources and Service Administration, Bureau of Health Professions' Shortage Designation Branch.
 - e. A facility that is a California Nursing School (**BSNSP ONLY**), Children's Hospital, Correctional Facility, County-Operated Health Facility, Federally Qualified Health Center, Native American Health Center, Public School Facility, Rural Health Clinic, Skilled Nursing Facilities, State-Operated Health Facility, Substance Use Facility, and/or Veteran's Facility, Non-profit Facility.
4. "Deputy Director" means the Deputy Director of the Office of Health Workforce Development (OHWD) or their designee.
 5. "Direct Patient Care" means the provision of health care services provided directly to individuals being treated for or suspected of having physical or mental illnesses. Including, face-to-face and telehealth-based preventative care and first-line supervision. "First-line Supervision" means the direct supervision of staff who are providing direct patient/client care.
 6. "Full-Time Service" minimum of 32 hours per week providing direct patient care.
 7. "Grant Agreement/Grant Number" means Grant Number [**Grant Agreement Number**], awarded to Grantee.
 8. "Grantee" means an applicant who was selected by HCAI to receive grant funds.
 9. "Grant Funds" means the funds provided by HCAI to Grantee per this Agreement and under the [Program Acronym] for loan repayment assistance.
 10. "Program" means the [Program **Cycle Name**] [**Program Acronym**].
 11. "Program Application" means the grant application electronically submitted by Grantee and approved by HCAI.
 12. "Program Manager" means the HCAI manager responsible for the program.
 13. "Progress Report" means a report completed by the grantee and signed by their employer, certifying the grantee is meeting their contractual obligation to provide a minimum of 32 hours of direct patient care per week at an approved practice site. Progress reports are due every six (6) months.
 14. "Program Representative" (hereinafter "Program Officer") means the HCAI analyst that administers and oversees the loan repayment program and shall be the primary contact for the grantee during their service obligation.
 15. "State" means the State of California and includes all its Departments, Agencies, Committees and Commissions.

B. Term of the Agreement

This Agreement shall take effect on **[Contract Start Date]** and shall end on **[Contract End Date]**.

C. Scope of Work

Grantee agrees to the following Scope of Work. In the event of a conflict between the provisions of this section and the Grantee's Program Application, the provisions of this Scope of Work Section shall prevail:

The Grantee Shall:

1. For the period of **[Contract Start Date]** through **[Contract End Date]** be enrolled in a(n) eligible health educational program with a minimum of six semester units, or its equivalent, maintain a 2.0 GPA or better in the educational program listed on the approved Program Application for the duration of the program until a degree/certification is conferred, and complete service obligation in a qualifying facility.
 - a. Take not more than four (4) weeks during the Term of this Agreement from their approved worksite for any leave of absence approved by their worksite, unless required by federal and state laws, without affecting their service obligation.
 - b. Obtain approval from HCAI for more than four (4) weeks of leave and agree to amend the term of this Agreement to extend the service obligation for each day of absence over the four (4) weeks.
2. Within 30 days following graduation:
 - a. Submit a Graduation Date Verification (GDV) Form certifying Grantee was in good standing and graduated from the educational program listed on the approved Program Application.
3. Within a six-month period following graduation from the educational program listed on the approved Program Application:
 - a. Begin full-time (not less than 32 hours of direct patient care per week) in a qualified facility in California for a period of not less than 12 months.
 - b. Provide proof of full-time employment to HCAI, including hire date, position, and hours worked per week. HCAI will provide forms as needed to Grantee.
 - c. Provide a copy of licensure, registration or certificate including the license number issued by the appropriate California licensing board and/or certifying organization, if requested.
4. Apply all Grant Funds to the qualifying educational expense(s) due to the Cost of Attendance listed on the approved Program Application, during the term of this Agreement. Work performed, and payments made before the Grant Agreement start date, will not count towards the requirements for the Grant Agreement. Failure to adhere to this provision is a material breach of this Agreement and will result in penalties as described below.

5. Notify HCAI, in writing, of any changes to name, mailing address, phone number, and e-mail address changes within 30 days of the changes.
6. Grantee must notify HCAI within 30 days of any change in the place of employment. HCAI will verify if the new place of employment is an Approved Practice Site. Grantees shall contact their Program Officer (identified under Section K. HCAI and Grantee Contact Information) to verify eligibility of a potential new employer before switching places of employment.
7. Submit to HCAI all requested information and documents during the duration of the term of this Agreement **[Contract Start Date]** through **[Contract End Date]**. HCAI may request information including, Scholarship Program Verification Form (SPV), Graduation Date Verification (GDV) Form, Employment Verification Form (EVF), and Progress Reports.
8. Not contract with another entity to practice professionally for a period during the term of this Agreement for financial benefit, including tuition reimbursement, scholarships, loans, or a loan repayment. Grantee shall be ineligible to receive a scholarship under this Agreement until the conflicting obligation with any entity has been fulfilled. The “Public Service Loan Forgiveness (PSLF) Program” is not considered a service obligation.
9. HCAI intends to evaluate the effectiveness of this Program through periodic surveys of past participants. Grantee hereby acknowledges that HCAI may contact Grantee during the immediate five (5) years after the service obligation concludes for Program evaluation purposes.

D. Payment Provisions and Reporting Requirements

1. HCAI shall make a **one** payment of Grant Funds within the Service Term, from **[Contract Start Date]** to **[Contract End Date]**, payable directly to the Grantee. HCAI reserves the right to change payment provisions within the Agreement term, if needed.
2. Payments will be made pursuant to Government Code, Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927 et seq.
3. Service obligations will be monitored via the regular submission of progress reports by the Grantee on a bi-annual basis. HCAI reserves the right to increase or decrease the number of progress reports required to be submitted within the Agreement term, if needed. Nothing in this Agreement relieves the Grantee of the primary responsibility to repay the educational debts listed in the approved program application. Grantee shall be issued payment pursuant to HCAI receiving completed progress reports. Grantee will receive an automated email from no-reply@hcai.ca.gov when their progress report is available to download and submit in the Funding e-App portal. Progress reports will be available to download approximately one month prior to the due date.
4. The total obligation of HCAI under this Agreement shall be **[\$Award Amount]** and shall be payable as follows:
 1. **[\$PAYMENT]** once this Grant Agreement is executed on **[Grant Agreement Start Date]**.
5. Payments are conditioned upon HCAI’s receipt of documentation of the Grantee’s provision of the service obligation, and other documents as required by HCAI. Payment shall be made within 45 calendar days from the execution of this Agreement. Payments under this

Agreement are issued independent of any loan payment due date and may be made at any time within the term of this Agreement.

E. Award Tax

HCAI does not provide tax advice and this section may not be construed as tax advice from HCAI. Grantee should seek advice from an independent tax consultant on the financial implication(s) of any funds received from HCAI. HCAI does not withhold taxes from payments to Grantees. HCAI will issue an IRS 1099 form for this Agreement.

F. Budget Contingency Clause

1. Parties agree that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be void. In this event, HCAI shall have no liability to pay any funds to Grantee or to furnish any other consideration under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of the Program, HCAI shall have the option to either cancel this Agreement with no liability occurring to HCAI or offer an Agreement amendment to Grantee to reflect the reduced amount.

G. Breach

HCAI reserves the right to recover the following penalty for Grantee's failure to perform the obligations set forth in this Agreement:

1. For failure to start or complete Grantee's service obligation, HCAI shall recover all of the following:
 - a. An amount equal to 10% of the total award plus interest. The total amounts paid by HCAI to, or on behalf of, the Grantee for loan repayments for any period of obligated service not served; and
 - b. Of penalties resulting from Grantee's breach, an amount equal to the number of months of obligated service not completed by the Grantee multiplied by \$1,500.00.
2. Any amount HCAI is entitled to recover from the Grantee for breach of this Agreement shall be paid within one year of the date HCAI determines that the Grantee is in breach of this Agreement.
3. Per Government Code 16580-16586, HCAI has statutory authority to collect on any outstanding debts. HCAI may attempt to collect from the Franchise Tax Board or any Medi-Cal offsets. HCAI may contact the Employment Development Department, the Board of Equalization and/or a collection agency in an effort to obtain repayment of the funds owed.

4. Grantee shall be ineligible to apply for any HCAI Programs in the future if they materially breach their contract unless Grantee obtains relief under Section H.

By signing below, the Grantee has reviewed and acknowledged the terms under Section G: Breach.

[Grantee's Full Name]

Date

H. Provisions for Suspension, Waiver, Cancellation or Voluntary Termination of Service

1. Any service or payment obligation incurred by the Grantee will be canceled upon the Grantee's death.
2. HCAI may waive or suspend the Grantee's Service Obligation or payment obligation incurred under this Agreement if the Grantee is permanently incapacitated by illness or injury, which prevents Grantee from practicing his/her profession, or prevents Grantee from obtaining any other gainful employment. HCAI reserves the right to request medical or disability documentation as deemed necessary in order to complete the waiver or suspension request. Grantee must submit a written request to HCAI for waiver of suspension of Grantee's service obligations. A suspension of Grantee's obligation may be granted up to one year if Grantee's compliance is temporarily impossible or an extreme hardship. Additional time taken will extend the Service Term end date. (Note: A waiver permanently relieves the Grantee of all or part of the Service Obligation, however, waivers are not routinely granted and required a showing of compelling circumstances).
3. HCAI may provide for the partial or total waiver or suspension of any obligations of service or payment by Grantee whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.
4. Leave of absence for medical or personal reasons may be granted up to six months if the Grantee provides independent medical documentation of physical or mental health disability or personal circumstances, including terminal illness of an immediate family member, which results in the Grantee's temporary inability to perform their service obligation. Grantee must submit a written request to HCAI which must be approved at least 30 calendar days prior beginning any leave of absence. Periods of approved leave of absence of service will revise the Service Term end date after a Grant Agreement amendment.
5. If the Grantee plans to be away from his/her approved practice site(s) for paternity/maternity/adoption leave, the Grantee is required to inform HCAI at least 60 calendar days before taking the leave. HCAI allows Grantees to be away from their approved practice site(s) within the timeframes established by either the Family Medical Leave Act (up to 12 weeks), or other federal and state law; however, the Grantee must adhere to the leave policies of his/her approved practice site.

6. Call to Active Duty in the Armed Forces, leave of absence, or suspension of service may be granted to Grantees who are military reservists and are called to active duty; Grantees may be granted from six months to one year, beginning on the activation date described in the reservist's call to active duty order. In addition to the written request for suspension, a copy of the Order to active duty must be submitted to HCAI. The period of active duty will not be credited toward the service obligation. Periods of approved leave of absence of service will extend the Grantee's Agreement end date.
7. HCAI shall terminate the Agreement, no later than 45 days before the end of the state fiscal year in which the Agreement was entered into, if the Grantee:
 - a. Submits a written request for such termination; and
 - b. Repays all amounts paid to Grantee pursuant to this Agreement. Any repayments for a year of obligated service shall be made no later than the end of the fiscal year in which the Grantee completes such year of service.

I. Change of Practice Location

1. Grantee may request that HCAI permit him or her to change the practice location from one approved practice site to another. The request must be in writing and must be received and approved by HCAI, a minimum of 30 calendar days prior to the desired change. If the proposed transfer practice site is disapproved and the Grantee refuses assignment to another approved practice site, the Grantee may be placed in breach.
2. Grantees that voluntarily resign from their approved practice site(s) without prior approval from HCAI or are terminated by their approved practice site(s) for cause may be placed in breach. Grantee must notify HCAI in writing of immediate termination.
3. If Grantee becomes unemployed or is informed by his/her practice site of a termination date, Grantee must notify HCAI immediately in writing. The Agreement may be extended for the length of time the Grantee is without a practice site, so long as the period without a practice site does not exceed six months and so long as the employment is not a result of termination for cause. If additional time is needed, and the period without a practice site is not a result of termination for cause, Grantee may notify HCAI in writing, requesting additional time. HCAI will inform the Grantee of their decision in writing.

J. Executive Order N-6-22 – Russia Sanctions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-2-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with

sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

K. General Terms and Conditions

1. **Timeliness:** Time is of the essence in this Agreement. Grantee will submit required deliverables as specified and adhere to the deadlines as specified in this Agreement. Anticipating potential overlaps, conflicts, and scheduling issues, to adhere to the terms of the Agreement, is the sole responsibility of the Grantee.
2. **Final Agreement:** This Agreement, along with the Grantee's Application, exhibits and forms constitutes the entire and final agreement between the parties and supersedes all prior oral or written agreements or discussions. Any conflict between the provisions of this Agreement and the Grantee's application, exhibits, and forms, the provisions of this Agreement shall prevail.
3. **Cumulative Remedies:** A failure to exercise or a delay in exercising, on the part of HCAI, any right, remedy, power or privilege shall not operate as a waiver; nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.
4. **Ownership and Public Records Act:** All reports and the supporting documentation and data collected during the funding period which are embodied in those reports, shall become the property of the State and subject to the California Public Records Act (Gov. Code §§ 6250 et seq.).
5. **Independence from the State:** The Grantee, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.
6. **Waiver:** The waiver by HCAI of a breach of any provision of this Agreement by the Grantee will not operate or be construed as a waiver of any other breach. HCAI expressly reserves the right to disqualify Grantee from any future grant awards for failure to comply with the terms of this Agreement.
7. **Approval:** This Agreement is of no effect until signed by both parties. The Grantee may not commence performance until such approval has been obtained.
8. **Amendment:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or arrangement not incorporated in the Agreement is binding on any of the parties.

9. Assignment: This Agreement is not assignable by the Grantee, either in whole or in part, without the consent of HCAI in the form of a formal written amendment.
10. Indemnification: Grantee agrees to indemnify, defend and save harmless the State, its officers, agents, and employees from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by Grantee in the performance of this Agreement.
11. Disputes: Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement, shall be resolved as follows:
 - a. Grantee will discuss the dispute informally with the HCAI Program Manager. If unresolved, the dispute shall be presented, in writing, to the Deputy Director, stating the issues in dispute, the basis for Grantee's position, and the remedy sought. Grantee shall include copies of any documentary evidence and describe any other evidence that supports their position with their submission to the Deputy Director.
 - b. Within ten working days after receipt of the written grievance from the Grantee, the Deputy Director or their designee shall make a determination and respond in writing to the Grantee indicating the decision and reasons for it.
 - c. Within ten working days of receipt of the Deputy Director's decision, Grantee may appeal to the HCAI Chief Deputy Director stating why the Grantee does not agree with the Deputy Director's Decision. The Chief Deputy Director or designee (who shall not be the Deputy Director or their Designee) shall meet with Grantee within 20 working days of receipt of Grantee's appeal. During this meeting, Grantee and HCAI may present evidence in support of their positions.
 - d. Within ten working days after meeting with Grantee, the HCAI Chief Deputy Director or their designee shall respond in writing to the Grantee with their decision. The Chief Deputy Director's decision will be final.
12. Termination for Cause: In addition to the Breach provisions above, HCAI may terminate this Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Agreement at the time and in the manner provided. Grantee shall return any unused Agreement Funds that were previously provided to Grantee as of the date of termination.
13. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
14. Unenforceable Provision: If any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

L. HCAI and Grantee Contact Information

The representatives of HCAI and the contact information for each party during the term of this agreement are listed below. Direct all inquiries to:

State Agency: Department of Health Care Access and Information	HCAI Program Awarded Under: [Name of Program]
Section/Unit: Office of Health Workforce Development	Grantee's First Name, Last Name: [Grantee's Full Name]
Program Officer Name: [Program Officer Full Name]	Address: [Address 1]
Address: 2020 West El Camino Avenue, Suite 1222 Sacramento, CA 95833	Phone Number 1: [Phone 1]
Phone: [Program Officer Main Phone]	Phone Number 2: [Phone 2]
Email: [Program Officer Primary Email]	Email: [Email Address]

M. Parties' Acknowledgement:

By signing below, the Department of Health Care Access and Information (HCAI) and Grantee acknowledge that this Agreement accurately reflects the understanding of HCAI and Grantee with respect to the rights and obligations under this Agreement.

[Grantee's Full Name]

Date

For the Department of Health Care Access and Information:

Procurement and Contract Services Manager Date
