

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Treasurer / Tax Collector

BOARD AGENDA: 5.B.3  
AGENDA DATE: May 23, 2023

**SUBJECT:**

Approval to Authorize the Treasurer-Tax Collector to Enter into an Agreement with the State of California Employment Development Department for Wage, Claim, Employer, and Client Address Data to Enhance Revenue Recovery Collection Services

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2023-0239**

On motion of Supervisor B. Condit Seconded by Supervisor Chiesa  
and approved by the following vote,

Ayes: Supervisors: B. Condit, Chiesa, Grewal, C. Condit, and Chairman Pro Tempore Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

**MOTION:**

  
\_\_\_\_\_  
ATTEST: ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS**  
**AGENDA ITEM**

DEPT: Treasurer / Tax Collector

BOARD AGENDA:5.B.3  
AGENDA DATE: May 23, 2023

CONSENT: ☒

CEO CONCURRENCE: YES

4/5 Vote Required: No

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**SUBJECT:**

Approval to Authorize the Treasurer-Tax Collector to Enter into an Agreement with the State of California Employment Development Department for Wage, Claim, Employer, and Client Address Data to Enhance Revenue Recovery Collection Services

**STAFF RECOMMENDATION:**

1. Authorize the Treasurer-Tax Collector to sign an agreement with the State of California Employment Development Department for the period of July 1, 2023, through June 30, 2026.

**DISCUSSION:**

As an ancillary service, the State of California Employment Development Department (EDD) supplies employment data for working debtors, which enables local governments to access information needed to service judgments through writs of attachments to wages. This cost-effective resource has proven to be a valuable tool to increase collection revenue.

The Stanislaus County Treasurer-Tax Collector Revenue Recovery Division has used information from the EDD to enhance collections for the past 24 years. The contract may be renewed every three years; with the most recent contract expiring on June 30, 2023.

The Treasurer-Tax Collector is seeking approval to renew the contract for an additional three years, through June 30, 2026. The three-year cost of the contract is projected to be \$5,573, while the data provided under the Agreement is anticipated to contribute to approximately \$3 million in revenue over that same period, making the service highly cost-effective.

**POLICY ISSUE:**

Approval by the Board of Supervisors is required for the department to enter into an Agreement with the State of California Employment Development Department. The State of California Employment Development Department requires a resolution by the Board of Supervisors to support the signature authority, with the passing of this agenda item by the Board of Supervisors constituting such a resolution.

The Agreement with the State of California Employment Development Department for enhanced data complies with Penal Code 1463.007 (c)(4) requiring counties to maintain

a comprehensive collection program that engages in at least five of the following activities:

- (A) Sends delinquent debt to the Franchise Tax Board's Court-Ordered Debt Collections Program.
- (B) Sends delinquent debt to the Franchise Tax Board's Interagency Intercept Collections Program.
- (C) Initiates driver's license suspension or hold actions when appropriate for a failure to appear in court.
- (D) Contracts with one or more private debt collectors to collect delinquent debt.
- (E) Sends monthly bills or account statements to all delinquent debtors.
- (F) Contracts with local, regional, state, or national skip tracing or locator resources or services to locate delinquent debtors.
- (G) Coordinates with the probation department to locate debtors who may be on formal or informal probation.
- (H) Uses Employment Development Department employment and wage information to collect delinquent debt.
- (I) Establishes wage and bank account garnishments where appropriate.
- (J) Places liens on real property owned by delinquent debtors when appropriate.
- (K) Uses an automated dialer or automatic call distribution system to manage telephone calls.

Stanislaus County Treasurer-Tax Collector Revenue Recovery Division currently engages in seven of the 11 activities.

**FISCAL IMPACT:**

Based on the projected volume of requests, costs for this Agreement are projected at \$5,573 for this three-year Agreement. The average collections generated, using the enhanced data received from the State of California Employment Development Department are estimated at \$1 million per year for a total of \$3 million over this three-year Agreement.

**BOARD OF SUPERVISORS' PRIORITY:**

Approval of this agenda item supports the Board's priority of *Efficient Delivery of Public Services* by providing access to enhanced information, enabling Revenue Recovery to service judgments through writs of attachments to wages.

**STAFFING IMPACT:**

Existing Revenue Recovery staff will maintain collection activities with data received from the enhanced collection resource associated with this item.

**CONTACT PERSON:**

January Murillo, Chief of Revenue Recovery

(209) 525-4465

**ATTACHMENT(S):**

1. State of California Employment Development Department Standard Agreement

SCO ID:

Cleared  
CSGDist. 5/30/23 DL

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

0000000434

PURCHASING AUTHORITY NUMBER (If Applicable)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

Employment Development Department

CONTRACTOR NAME

Stanislaus County, Office of Treasurer and Tax Collector

2. The term of this Agreement is:

START DATE

July 1, 2023 or upon final approval

THROUGH END DATE

June 30, 2026

3. The maximum amount of this Agreement is:

\$5,572.80 Five Thousand Five Hundred Seventy-Two Dollars and Eighty Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	3
Attachment A-1	Specifications	3
Exhibit B	Budget Detail and Payment Provisions	2
+ - Exhibit C *	General Terms and Conditions	GTC 04/2017
+ - Exhibit D	Special Terms and Conditions	1
+ - Exhibit E	Protection of Confidentiality	3
+ - Attachment E-1	Vendor/Contractor Confidentiality Agreement	2
+ - Attachment E-2	Indemnification and Responsibility Agreement	1

Items shown with an asterisk (\*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

**CONTRACTOR**

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Stanislaus County, Office of Treasurer and Tax Collector

CONTRACTOR BUSINESS ADDRESS

P.O. Box 859

CITY

Modesto

STATE

CA

ZIP

95353

PRINTED NAME OF PERSON SIGNING

Donna Riley

TITLE

Treasurer Tax Collector

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

05/24/2023

APPROVED AS TO FORM:  
STANISLAUS COUNTY COUNSEL

BY

SLW

DATE: 4/20/23

**SCO ID:**

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

**STANDARD AGREEMENT**

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

0000000434

PURCHASING AUTHORITY NUMBER (If Applicable)

**STATE OF CALIFORNIA**

CONTRACTING AGENCY NAME

Employment Development Department

CONTRACTING AGENCY ADDRESS

722 Capitol Mall, MIC 62-C

CITY

Sacramento

STATE

CA

ZIP

95814

PRINTED NAME OF PERSON SIGNING

Ernesto McCorkle

TITLE

Manager, Contract Services Group

CONTRACTING AGENCY AUTHORIZED SIGNATURE

**Ernesto McCorkle**Digitally signed by Ernesto McCorkle  
Date: 2023.05.30 08:23:07 -07'00'

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

DGS Exemption Letter 54.6

**EXHIBIT A  
SCOPE OF WORK  
(Standard Agreement)**

This Agreement is entered into by and between the Employment Development Department, hereinafter referred to as the EDD, and the Stanislaus County, Office of Treasurer and Tax Collector, hereinafter referred to as the EDD Data Recipient. It sets forth the terms and conditions for the release and use of the EDD's confidential information.

**I. Purpose**

The EDD agrees to provide confidential Current Wage, Employer Address, Client Address, Current Unemployment Insurance Claim History and Current Disability Insurance Claim History information to the EDD Data Recipient. The EDD Data Recipient agrees to use the confidential information provided by the EDD for the purpose of (1) enabling the collection of expenditures for medical assistance services pursuant to Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code; and (2) assisting in the collection of money owed to the EDD Data Recipient by any individuals who are or have been directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.

**II. Legal Authority**

The EDD shall make this information available to the EDD Data Recipient pursuant to sections 1095(h) and (n)(1) of the Unemployment Insurance Code (UIC).

The EDD Data Recipient shall request and use the specified information in accordance with sections 1095(h) and (n)(1) of the UIC and section 1463.007 of the Penal Code.

**III. Agreement Representatives**

1. The EDD's contact persons are:

**AGREEMENT NEGOTIATIONS, CONFIDENTIALITY, AND TECHNICAL ASSISTANCE**

Michelle Xayavong or Designee  
Employment Development Department  
Information Security Office, MIC 33  
P.O. Box 826880  
Sacramento, CA 94280-0001

Phone: (916) 907-4657

E-mail: [Michelle.Xayavong@edd.ca.gov](mailto:Michelle.Xayavong@edd.ca.gov)

cc: [ISOPrivacyDisclosureUnit@edd.ca.gov](mailto:ISOPrivacyDisclosureUnit@edd.ca.gov)

**FISCAL**

Employment Development Department  
Accounts Receivable Unit, MIC 70  
P.O. Box 826217  
Sacramento, CA 94230-6217

Phone: (916) 654-9440

**EXHIBIT A  
SCOPE OF WORK  
(Standard Agreement)**

2. The EDD Data Recipient contact persons are:

**AGREEMENT NEGOTIATIONS AND ADMINISTRATION MATTERS**

Dolores Sarenana or Designee  
Assistant Treasurer-Tax Collector  
Stanislaus County  
Office of Treasurer and Tax Collector  
P.O. Box 859  
Modesto, CA 95353

Phone: (209) 525-6400  
E-mail: [sarenanad@stancounty.com](mailto:sarenanad@stancounty.com)

**FISCAL**

Donna Riley or Designee  
Treasurer-Tax Collector  
Stanislaus County  
Office of Treasurer and Tax Collector  
P.O. Box 859  
Modesto, CA 95353

Phone: (209) 525-4463  
E-mail: [rileyd@stancounty.com](mailto:rileyd@stancounty.com)

**DATA SECURITY AND INTEGRITY**

Eric McLoughlin or Designee  
Cyber Security Officer  
Stanislaus County  
Office of Treasurer and Tax Collector  
P.O. Box 859  
Modesto, CA 95353

Phone: (209) 525-4864  
E-mail: [mcloughline@stancounty.com](mailto:mcloughline@stancounty.com)



**EXHIBIT A  
SCOPE OF WORK  
(Standard Agreement)**

**INTERNAL DISTRIBUTION OF THE EDD PRODUCTS**

January Murillo or Designee  
Chief of Revenue Recovery  
Stanislaus County  
Office of Treasurer and Tax Collector  
P.O. Box 859  
Modesto, CA 95353

Phone: (209) 525-4465  
E-mail: [murilloj@stancounty.com](mailto:murilloj@stancounty.com)

3. Either party may make changes to their contact persons' name or contact information listed above by giving written notice to the other party. Said changes shall not require an amendment to this Agreement.

**ATTACHMENT A-1  
SPECIFICATIONS  
(Standard Agreement)**

**I. METHODOLOGY: CALIFORNIA DEPARTMENT OF TECHNOLOGY SERVICES SECURE ELECTRONIC TRANSMITTAL SERVICE**

1. The EDD Data Recipient submits a request for EDD confidential data under Customer Code **E00146** following the EDD specifications through the Secure Electronic Transmittal service hosted by the California Department of Technology Services (CDT).
2. The EDD retrieves and processes the Social Security Numbers (SSNs) submitted by the EDD Data Recipient.
3. On matching records the EDD produces the data files authorized under this agreement under the assigned customer code and submits the data files to the attention of the EDD Data Recipient through the secure electronic transmittal system.
4. The EDD Data Recipient retrieves the output data files from the secure electronic transmittal system within twenty (20) days of transfer.
5. On a quarterly basis the EDD invoices the EDD Data Recipient for all SSN transactions submitted and the cost of the secure electronic transmittal account.

**II. RESPONSIBILITIES**

**1. The EDD agrees to:**

- a. Set up a user account and password under the assigned customer code for the EDD Data Recipient to access the CDT secure electronic transmittal system.
- b. Provide training to the EDD Data Recipient to assist the EDD Data Recipient in the implementation of the secure electronic transmittal process.
- c. Provide user account administration to reset password, unlock user account, and/or modify user account. To request User Account support submit an email message to:

[Michelle.Xayavong@edd.ca.gov](mailto:Michelle.Xayavong@edd.ca.gov)  
cc: [ISOPrivacyDisclosureUnit@edd.ca.gov](mailto:ISOPrivacyDisclosureUnit@edd.ca.gov)

- d. Retrieve the EDD Data Recipient input file from the secure electronic transmittal temporary file storage repository on a daily basis and run the input file against the EDD databases.
- e. Provide the EDD Data Recipient the following read ready Abstract data files for those individuals whose submitted SSN match the EDD records:
  - (1) Wage and Claim Abstract (DE 507)
  - (2) Employer Address (DE 4989)
  - (3) Client Address
  - (4) Unemployment Insurance (UI) Claim History (Up to 2 years old)
  - (5) Disability Insurance (DI) Claim History (Up to 2 years old)

**ATTACHMENT A-1  
SPECIFICATIONS  
(Standard Agreement)**

- f. Transfer the response data file to the EDD Data Recipient, through the secure electronic transmittal system under the output Data Set Name (DSN):

<b>Wages:</b>	<b>em_abs_abs220_curwage_abs00146</b>
<b>Employer Address:</b>	<b>em_abs_abs260_empladr_abs00146</b>
<b>Current UI/DI Claim:</b>	<b>em_abs_abs200_abstrac_abs00146</b>

- g. Retain the output data file for a period of twenty (20) calendar days in the secure electronic transmittal temporary file repository. On the 21<sup>st</sup> day, the data file is automatically deleted.
- h. Invoice the EDD Data Recipient on a quarterly basis for all SSN transactions submitted and secure electronic transmittal account cost.
- i. Monitor and assess status of the data to ensure that the terms, conditions, and disclosure constraints stipulated in this Agreement are followed. This compliance review is part of the EDD contract monitoring process.

**2. The EDD Data Recipient agrees to:**

- a. Establish a new password at first logon to the user account.
- b. Change the user account password on or before 90 days, after which the account will be locked. A limit of five attempts to enter the password is allowed after which the account will be locked. To request User Account support submit an email message to:

**[Michelle.Xayavong@edd.ca.gov](mailto:Michelle.Xayavong@edd.ca.gov)**  
**[cc: ISOPrivacyDisclosureUnit@edd.ca.gov](mailto:ISOPrivacyDisclosureUnit@edd.ca.gov)**

- c. Request the file(s) authorized in this Agreement on an as needed basis during the period specified herein. The number of requests (SSNs) shall not exceed one million (1,000,000) SSNs on any daily cycle. Requests exceeding one million (1,000,000) SSNs will process the first one million (1,000,000) SSNs only. SSNs in excess of one million (1,000,000) will be discarded and the EDD Data Recipient will need to resubmit in a future cycle.
- d. Upload the request file into the secure electronic transmittal temporary file storage repository, on an as needed basis, under the input DSN:

**em\_abs\_abs010\_absreq\_abs00146**

- e. Retrieve the response data file from the secure electronic transmittal temporary file storage repository within twenty (20) calendar days from submission. On the 21<sup>st</sup> day, the data file is automatically deleted.
- f. Delete the retrieved response data file from the secure electronic transmittal temporary file storage repository before submitting a new request.
- g. **Pursuant to 20 C.F.R., Part 603.10(c)(1), if the EDD Data Recipient fails to comply with any provision of this Agreement, *including timely payment of the EDD's costs under this Agreement*, this Agreement shall be suspended and no further disclosures will be made until the EDD is satisfied that corrective action has been taken and there will be no further breach. In the absence of prompt and satisfactory corrective action, this Agreement will be cancelled, and the EDD Data Recipient shall surrender to the EDD all confidential information obtained under this Agreement which has not been previously returned to the EDD, and any other information relevant to the Agreement.**

**3. Joint Responsibilities. Both parties agree to:**

**ATTACHMENT A-1  
SPECIFICATIONS  
(Standard Agreement)**

- a. Designate staff to have primary responsibility for program liaison, coordination of activities, and to meet, when necessary, to further redefine specific program procedures.
- b. Not disclose any of the EDD or the EDD Data Recipient information to any person or agency other than those authorize specifically under this Agreement.
- c. Cooperate fully and furnish such assistance as may be mutually agreed upon by the parties hereto as being necessary and appropriate for proper performance of this Agreement.

**III. ACCURACY ASSESSMENT**

Individual employers and claimants report the information in the EDD's files. Since the EDD is not the originator of the information disclosed, the EDD cannot guarantee the accuracy of the information.

**EXHIBIT B**  
**BUDGET DETAILS AND PAYMENT PROVISIONS**  
**(Standard Agreement)**

**I. BUDGET DETAILS AND PAYMENT PROVISIONS**

- a. The maximum amount of this Agreement shall not exceed **Five Thousand Five Hundred Seventy-Two Dollars and Eighty Cents (\$5,572.80).**
- b. In consideration of the performance and completion of the foregoing in a satisfactory manner, and upon receipt of a detailed invoice, in triplicate, quarterly in arrears, the EDD Data Recipient shall reimburse EDD the total amount due, based on the following product rate structure:
- \$12.30 per month SFT Account Fee
  - A \$1,500.00 Administrative Fee. The administrative costs for contracting include the costs for development, processing, and maintenance of Agreement. Your Agreement will be charged the administrative cost divided by the number of quarters of the actual term of the contract to total \$1,500. These costs are computed in accordance with sections 8752 and 8752.1 of the State Administrative Manual; and
  - \$0.00121 per product charge
- c. The EDD Data Recipient shall be charged for the total number of products requested. Each SSN submitted may generate 1 to 5 products, depending on the types of Abstract System reports requested.
- d. The maximum amount of this Agreement has been computed based on an estimated 50,000 SSNs per quarter (**billing will be at value based on actual volume**), as follows:

EDD ABSTRACT	FORMULA		COST
Wage and Claim Abstract (DE 507)	1 product	$50,000 \times 0.00121 \times 12Q$	\$726.00
Employer Address (DE 4989)	1 product	$50,000 \times 0.00121 \times 12Q$	\$726.00
Client Address	1 product	$50,000 \times 0.00121 \times 12Q$	\$726.00
UI Claim History - Current	1 product	$50,000 \times 0.00121 \times 12Q$	\$726.00
DI Claim History - Current	1 product	$50,000 \times 0.00121 \times 12Q$	\$726.00
Administrative Fees			\$1,500.00
SFT Account Fee	$\$12.30 \times 12 \text{ Months} \times 3 \text{ Years}$		\$442.80
<b>Total for contract</b>			<b>\$5,572.80</b>

**EXHIBIT B**  
**BUDGET DETAILS AND PAYMENT PROVISIONS**  
**(Standard Agreement)**

- e. The EDD invoices will reference the EDD Agreement No. 0000000434 and the EDD Customer Code: **E00146**; and shall be submitted for payment to:

Donna Riley or designee  
Treasurer-Tax Collector  
Stanislaus County  
Office of Treasurer and Tax Collector  
P.O. Box 859  
Modesto, CA 95353

- f. The EDD Data Recipient payment must reference EDD Invoice Number, EDD Agreement No. 0000000434, and the EDD Customer Code: **E00146**; and be submitted to:

Employment Development Department  
Accounting Section, MIC 70  
P.O. Box 826217  
Sacramento, CA 94230-6217

**EXHIBIT D**  
**SPECIAL TERMS AND CONDITIONS**  
**(Standard Agreement)**

1. **Force Majeure**

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure." As used in this section, "Force Majeure" is defined as follows: Acts of war and riots, and acts of god such as earthquakes, floods, pandemics and other natural disasters, such that performance is impossible.

2. **Workforce Innovation and Opportunity Act**

The Contractor agrees to conform to nondiscrimination provisions of the Workforce Innovation and Opportunity Act (WIOA) and other federal nondiscrimination requirements as referenced in 29 CFR, parts 37 and 38.

3. **Termination**

This Agreement may be terminated by either party by giving written notice 30 days' prior to the effective date of such termination.

4. **Settlement of Disputes**

Any dispute concerning a question of fact arising under the term of this Agreement which is not disposed of within a reasonable period of time (ten days) by the Contractor and State employees normally responsible for the administration of this contract shall be brought to the attention of the Chief Executive Officer (or designated representative) of each organization for joint resolution.

5. **Executive Order N-6-22 – Russia Sanctions**

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (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.

**EXHIBIT E**  
**PROTECTION OF CONFIDENTIALITY**  
**(Standard Agreement)**

Federal and state confidentiality laws, regulations, and administrative policies classify all the Employment Development Department (EDD) information provided under this Agreement as confidential. The federal and state laws prohibit disclosure of the EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The EDD Data Recipient must therefore, agree to the following security and confidentiality requirements:

**I. ADMINISTRATIVE SAFEGUARDS**

- a. Adopt policies and procedures to ensure use of the EDD's confidential information solely for purposes specifically authorized under this Agreement that meet the requirements of section §603.10, Title 20 of the Code of Federal Regulations.
- b. Warrant by execution of this Agreement, that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee. In the event of a breach or violation of this warranty, the EDD shall have the right to annul this Agreement without liability, in addition to other remedies provided by law.
- c. Warrant and certify that in the performance of this Agreement, the EDD Data Recipient will comply with all applicable statutes, rules and/or regulations, and Agreement information security requirements, including but not limited to the following:
  - **California Unemployment Insurance Code §1094** (Disclosure Prohibitions)
  - **Title 20, Code of Federal Regulations §603.9 and §603.10** (Federal Unemployment Compensation Safeguards and Security Requirements)
  - **California Civil Code §1798, et seq.** (Information Practices Act)
  - **California Penal Code §502** (Computer Fraud Act )
  - **Title 5, U.S. Code §552a** (Federal Privacy Act Disclosure Restrictions)
  - **Title 42, U.S. Code §503** (Social Security Act)
  - **Title 18, U.S. Code §1905** (Disclosure of Confidential Information)
- d. Agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations by the EDD Data Recipient, and Agreement information security requirements that meet section 5305.8 of the State Administrative Manual.
- e. Protect the EDD's information against unauthorized access, at all times, in all forms of media. Access and use the information obtained under this Agreement only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and only for the purposes defined in this Agreement.
- f. Keep all the EDD's confidential information completely confidential. Make this information available to authorized personnel on a "need-to-know" basis, and only for the purposes authorized under this Agreement. "Need-to-know" refers to those authorized personnel who need information to perform their official duties in connection with the use of the information authorized by this Agreement.
- g. Immediately upon discovery, notify the EDD Information Security Office (ISO) at [InformationSecurityOffice@edd.ca.gov](mailto:InformationSecurityOffice@edd.ca.gov), that there may have been a breach in security which has or may have resulted in the disclosure of confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach.



**EXHIBIT E**  
**PROTECTION OF CONFIDENTIALITY**  
**(Standard Agreement)**

The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identify the EDD Data Recipient personnel responsible (name, title and contact information) for handling breach disclosures. **Please do not include any confidential information in the notification.**

**II. MANAGEMENT SAFEGUARDS**

- a. Acknowledge that the confidential information obtained by the EDD Data Recipient under this Agreement remains the property of the EDD.
- b. Instruct all personnel assigned to work with the information provided under this Agreement regarding the following:
  - Confidential nature of the EDD information.
  - Requirements of this Agreement.
  - Sanctions specified in federal and state unemployment compensation laws and any other relevant statutes against unauthorized disclosure of confidential information provided by the EDD.
- c. Require that all personnel assigned to work with the information provided by the EDD complete the EDD Confidentiality Agreement (Attachment E-1).
- d. Permit the EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to the EDD staff, on request and during on-site reviews, copies of the EDD Confidentiality Agreement (Attachment E-1) completed by personnel assigned to work with the EDD's confidential information, and hereby made a part of this Agreement.
- e. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (e) of this part. Permit the EDD to make on-site inspections to ensure that the requirements of federal and state privacy, confidentiality and unemployment compensation statutes and regulations are being met including but not limited to [§1137\(a\)\(5\)\(B\) of the Social Security Act](#).

**III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS**

- a. Use the EDD's confidential information only for purposes specifically authorized under this Agreement. The information is not admissible as evidence in any action or special proceeding except as provided under section 1094(b) of the UIC. Section §1095(u) of the UIC does not authorize the use of the EDD's confidential information by any private collection agency.
- b. Extraction or use of the EDD information for any purpose outside the purposes stated in this Agreement is strictly prohibited. The information obtained under this Agreement shall not be reproduced, published, sold, or released in original or any other form not specifically authorized under this Agreement.
- c. Disclosure of any of the EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with the EDD's confidential information shall not reveal or divulge to any person or entity any of the confidential information provided under this Agreement except as authorized or required by law.

**IV. PHYSICAL SAFEGUARDS**

- a. Take precautions to ensure that only authorized personnel are given access to physical, electronic and on-line files. Store electronic and hard copy information in a place physically secure from access by unauthorized persons. Process and store information in electronic format, such as magnetic tapes or discs, in such a way that unauthorized persons cannot retrieve the information by means of computer, remote terminal, or other means.

**EXHIBIT E**  
**PROTECTION OF CONFIDENTIALITY**  
**(Standard Agreement)**

- b. Secure and maintain any computer systems (network, hardware, and software applications) that will be used in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied as appropriate to secure data that may be used, transmitted, or stored on such systems in the performance of this Agreement.
- c. Store all the EDD's confidential documents in a physically secure manner at all times to prevent unauthorized access.
- d. Store the EDD's confidential electronic records in a secure central computer facility. Where in-use on a shared computer system or any shared data storage system, ensure appropriate information security protections are in place. The EDD Data Recipient shall ensure that appropriate security access controls, storage protections and use restrictions are in place to keep the confidential information in the strictest confidence and shall make the information available to its own personnel on a "need-to-know" basis only.
- e. Store the EDD's confidential information in encrypted format when recorded on removable electronic storage media, or on mobile computing devices such as a laptop computer.
- f. Maintain an audit trail and record data access of authorized users and authorization level of access granted to the EDD's data, based on job function.
- g. Direct all personnel permitted to use the EDD's data to avoid leaving the data displayed on their computer screens where unauthorized users may view it. Personnel should retrieve computer printouts as soon as they are generated so that the EDD's data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from the EDD, and any copies thereof made by the EDD Data Recipient, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to the EDD or destruction of the information utilizing an approved method of confidential destruction, which includes electronic deletion (following Department of Defense specifications) shredding, burning, or certified or witnessed destruction.

## VENDOR/CONTRACTOR CONFIDENTIALITY AGREEMENT

Information resources maintained by the State of California Employment Development Department (EDD) and provided to you may be confidential or sensitive. Confidential and sensitive information are not open to the public and require special precautions to protect it from wrongful access, use, disclosure, modification, and destruction. The EDD strictly enforces information security. If you violate these provisions, you may be subject to administrative, civil, and/or criminal action.

I, \_\_\_\_\_ an employee of **Stanislaus County, Office of Treasurer and Tax Collector**  
PRINT YOUR NAME PRINT YOUR EMPLOYER'S NAME

hereby acknowledge that the confidential and/or sensitive records of the Employment Development Department are subject to strict confidentiality requirements imposed by state and federal law including, but not limited to, the Unemployment Insurance Code (UIC) §§ 1094, 2111 and 2714, the California Civil Code (CC) § 1798 et seq., the California Penal Code (PC) § 502, 5 U.S.C § 552a, 18 U.S.C. § 1905, and 20 C.F.R. § 603

- I acknowledge that the Contract's Confidentiality and Data Security Monitor reviewed with me the confidentiality and security requirements, policies, and administrative processes of my organization and that of the EDD.
- I acknowledge responsibility for knowing the classification of the EDD information I work with and agree to refer questions about the classification of the EDD information (public, sensitive, confidential, Federal Tax Information) to the Contract's Data Security Monitor.
- I acknowledge privacy, confidentiality, and data security laws apply to the EDD information I have been granted access to by my employer, including, but not limited to, UIC §§ 1094, 2111 and 2714, California Government Code § 15619, CC § 1798.53, and PC § 502.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information may be punishable as a crime and/or result in civil action taken against me, and/or fines and penalties resulting from criminal prosecution or civil lawsuits, and/or termination of contract.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information for personal gain, curiosity, or any non-business related reason is a crime under state and federal laws.
- I acknowledge that wrongful access, inspection, use, modification, or disclosure of confidential information is grounds for immediate termination of my employer's Contract with the EDD.
- I acknowledge that I understand the penalty provisions of Internal Revenue Code (26 U.S.C. §§ 7431, 7213 and 7213A).
- I acknowledge that upon discovering a possible improper inspection or disclosure of Federal Tax Information (FTI), including breaches and security incidents, I must follow the proper incident reporting requirements issued by the EDD. If you think there is a mishandling of information: 1. Contact your EDD contract monitor 2. Contact the EDD Information Security Office to ensure the Office of Safeguards and the Treasury Inspector General for Tax Administration are notified of a possible issue involving FTI.
- I hereby agree to protect the EDD's information on either paper or electronic form in the following ways:
  - Access, inspect, use, disclose, modify, remove or destroy information only for the purpose of performing official duties
  - Never access, inspect, use, disclose, modify, remove, or destroy information for curiosity, personal gain, or any non-EDD and/or my organization's business related reason
  - Never post the EDD and/or other agency/entity confidential and proprietary information to social media, networking or other public websites
  - Secure confidential information in approved locations and destroy confidential information by approved methods
  - Never use personal devices, including but not limited to, laptops, cameras, video recorders, portable electronic devices containing cameras such as, iPads, tablets or mobile/smartphones, in the workplace to capture or record confidential information, including that which appears in the background in work areas.
  - Only use authorized state business devices to capture or record confidential information when there is a business need and meets the EDD's guidelines.
  - Never remove personal, sensitive, or confidential information from my work site without authorization
  - Follow encryption requirements for all personal, sensitive, or confidential information in any portable device or media

### CERTIFICATION

I expressly consent to the monitoring of my access to computer-based sensitive, personal, or confidential information by the Franchise Tax Board, the Employment Development Department, the California Department of Tax and Fee Administration, the Department of Motor Vehicles, the Board of Equalization, and any other State agency designated by them.

My signature verifies that I read and agree to comply with the state and federal laws listed on this form. I further understand that failure to comply with these laws may result in my being barred from accessing the EDD information or other information provided by the EDD and could result in criminal prosecution.

CONTRACTOR NAME (PRINT)	EMPLOYER (PRINT COMPANY NAME) <b>Stanislaus County, Office of Treasurer and Tax Collector</b>
CONTRACTOR SIGNATURE	DATE

## **Vendor/Contractor Confidentiality Agreement Completion Instructions**

The Vendor/Contractor Confidentiality Agreement, DE 7410C, informs all EDD vendors and contractors of their information security responsibilities.

**EDD Vendors/Contractors and Supplemental Personnel must complete the following before given access to EDD confidential information by the EDD:**

- A. Complete the Information Security and Privacy Awareness training. Review the DE 7420, "Information Security Requirements for Employees and Contractors with Access to Confidential Information".
- B. Read and acknowledge individual information security responsibilities. Review and sign the DE 7410C, "Vendor/Contractor Confidentiality Agreement".

**NOTE: Failure to sign the Vendor/Contractor Confidentiality Agreement does not exempt the vendor/contractor or non-EDD staff from their responsibility to ensure that the EDD's confidential information assets are protected.**

Additional information is available upon request. Please see:

- DE 7410F, "Vendor/Contractor Fact Sheet"

## **EMPLOYMENT DEVELOPMENT DEPARTMENT INDEMNITY AGREEMENT**

In consideration of access to the EDD information which is personal, sensitive, or confidential, the EDD Data Recipient agrees to indemnify the EDD against any and all liability costs, damages, attorney fees, and other expenses the EDD may incur by reason of or as a result of any unauthorized use of the personal, sensitive, or confidential information or any violation of the "Confidentiality Agreement" by any and all employees of the EDD Data Recipient.

This obligation shall be continuous and may not be changed or modified unless agreed to in writing.

In addition, I understand that the following penalties may be incurred for any such misuse of the EDD Information by the EDD Data Recipient to the extent authorized by law:

1. Any individual who has access to returns, reports, or documents maintained by the EDD who does not maintain the confidentiality of the information or publishes or opens the information to public inspection in any manner may be punished by imprisonment in the county jail for up to one year or a fine of \$20,000.00 or both. (Unemployment Insurance Code §§ 2111 and 2122).
2. Any person who intentionally discloses information, not otherwise public, which they knew or should have known was obtained from personal information maintained by a state agency, shall be subject to civil action for invasion of privacy by the individual to whom the information pertains. (California Civil Code §1798.53).
3. Any unauthorized access to the EDD computer data, computer systems, or unauthorized use of the EDD data is punishable by a fine or imprisonment in the county jail or both. (California Penal Code §502).

## **INFORMATION SECURITY STATEMENT OF RESPONSIBILITY**

By EDD Data Recipient's signature on the STD 213, EDD Data Recipient attests that it has in place the safeguards and security requirements stated in this Agreement that meet the requirements of sections 13400 - 13407 of the California Government Code and sections 603.9 and 603.10 of Title 20 of the Code of Federal Regulations. The EDD Data Recipient therefore accepts responsibility for ensuring compliance with these requirements, as set forth in Exhibit "E" of the **EDD Agreement No. 0000000434**.