

EXHIBIT E
(Standard Agreement)

PROTECTION OF CONFIDENTIALITY

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 EDD's confidential information to the public and mandate its protection against loss and against unauthorized access, use, disclosure, modification, or destruction.

The County of Orange must therefore, agree to the following security and confidentiality requirements:

I. ADMINISTRATIVE SAFEGUARDS

- a. Adopt policies and procedures to ensure use of EDD's confidential information solely for purposes specifically authorized under this Agreement that meets the requirements of Title 20, Code of Federal Regulations §603.10.
- 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, 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 County of Orange will comply with all applicable statutes, rules, and/or regulations and Agreement information security requirements, including but not limited to the following:
 - Unemployment Insurance Code §1094 (Disclosure Prohibitions)
 - Title 20, Code of Federal Regulations §603.9 and §603.10 (Federal Unemployment Compensation Safeguards and Security Requirements)
 - Civil Code §1798, et seq. (Information Practices Act)
 - 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. Except for State Agencies, agree to indemnify the EDD against any loss, cost, damage or liability resulting from violations of these applicable statutes, rules and/or regulations and Agreement information security requirements.
- e. Protect 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 EDD 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 uses of the information authorized by this Agreement.

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- g. Notify the EDD Information Security Office (ISO) at (916) 654-6231, immediately upon discovery, that there may have been a breach in security which has or may have resulted in compromise to the confidential information. For purposes of this section, immediately is defined within 24 hours of discovery of the breach. The notification shall be by phone and the caller shall speak directly with a person in the EDD ISO. **It is not sufficient to simply leave a message.** The notification must include a detailed description of the incident (such as time, date, location, and circumstances) and identifying responsible personnel (name, title and contact information). The verbal notification shall be followed with an email notification to <InformationSecurityOffice@edd.ca.gov>.

II. MANAGEMENT SAFEGUARDS

- a. Acknowledge that the confidential information obtained by the County of Orange under this Agreement remains the property of 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, and
 - Sanctions specified in federal and state unemployment compensation laws and of any other relevant statutes against unauthorized disclosure of confidential information provided by EDD.
- c. Require that all personnel assigned to work with the information provided by EDD complete the EDD Confidentiality Agreement (Attachment E1).
- d. Return the following completed documents to the EDD Contract Services Group:
- EDD Indemnity Agreement (Attachment E2): Required to be completed by the County of Orange Chief Financial Officer or authorized Management Representative, unless County of Orange is a State Agency.
 - EDD Statement of Responsibility Information Security Certification (Attachment E3): Required to be completed by the Information Security Officer or authorized Management Representative.
- e. Permit EDD to make on-site inspections to ensure that the terms of this Agreement are being met. Make available to EDD staff, on request and during on-site reviews, copies of the EDD Confidentiality Agreement (Attachment E1) completed by personnel assigned to work with EDD's confidential information and hereby made a part of this Agreement
- f. Maintain a system of records sufficient to allow an audit of compliance with the requirements under subsection (d) of this part. Permit 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 Social Security Act §1137(a)(5)(B).

III. USAGE, DUPLICATION, AND REDISCLOSURE SAFEGUARDS

- a. Use 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 Unemployment Insurance (UI) Code. Section 1095(u) of the Unemployment Insurance Code does not authorize the use of EDD's confidential information by any private collection agency.

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- 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 EDD information to any person or entity not specifically authorized in this Agreement is strictly prohibited. Personnel assigned to work with 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.
- 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 EDD confidential documents in a physically secure manner at all times to prevent unauthorized access.
- d. Store 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 County of Orange 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 EDD confidential data 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 EDD's data, based on job function.
- g. Direct all personnel permitted to use 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 data is not left unattended in printers where unauthorized personnel may access them.
- h. Dispose of confidential information obtained from EDD, and any copies thereof made by the County of Orange, after the purpose for which the confidential information is disclosed is served. Disposal means return of the confidential information to 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.