

0150-10655-0002

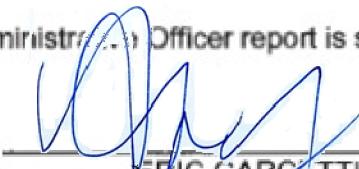
**TRANSMITTAL**

TO The City Council	DATE 8/17/17	COUNCIL FILE NO.
FROM The Mayor		COUNCIL DISTRICT

**Authorization to Execute Standard Agreement HI-1718-25 to Accept HICAP Grant Funds  
from the California Department of Aging and Execute Proposed Contract with the Center  
for Health Care Rights for the Provision of HICAP Services**

The attached City Administrator's Officer report is submitted for your consideration.

(Ana Guerrero)

  
ERIC GARCETTI  
MAYOR

**Report From**  
**OFFICE OF THE CITY ADMINISTRATIVE OFFICER**  
**Analysis of Proposed Contract**  
**(\$25,000 or Greater and Longer than Three Months)**

To: The Mayor	Date: 08-15-17	C.D. No. All	CAO File No.: 0150-10655-0002
Contracting Department/Bureau: Department of Aging		Contact: Jacob Wood	
Reference: Transmittal to the Mayor dated July 12, 2017			
Purpose of Contract: Standard Agreement HI-1718-25 to accept 2017-2020 Health Insurance Counseling and Advocacy Program (HICAP) funding and execute a new contract with the Center for Health Care Rights to provide HICAP services.			
Type of Contract: (X) New contract    ( ) Amendment	Contract Term Dates: July 1 2017 to June 30, 2018		
Contract/Amendment Amount: <b>HI-1718-25</b> Proposed amount: \$ 1,999,636 + Prior award(s) \$ 0 = Total \$ 1,999,636			
CHCR Contract Proposed amount \$ 636,635 + Prior award(s) \$ 790,471 = Total \$ 1,427,106			
Source of funds: Older Americans Act and State Health Insurance and Assistance Program (SHIP) funds from the California Department of Aging			
Name of Contractor: Center for Health Care Rights			
Address: 520 S. La Fayette Park Place, Suite 214, Los Angeles, CA 90057			
1. Council has approved the purpose	Yes	No	N/A*
2. Appropriated funds are available	X		
3. Charter Section 1022 findings completed	X		
4. Proposals have been requested	X		
5. Risk Management review completed	X		
6. Standard Provisions for City Contracts included	X		
7. Workforce that resides in the City: %	*N/A = not applicable    ** Contracts over \$100,000		
b. Good Faith Effort Outreach**    X			
c. Equal Benefits Ordinance    X			
d. Contractor Responsibility Ordinance    X			
e. Slavery Disclosure Ordinance    X			
f. Bidder Certification CEC Form 50    X			

## RECOMMENDATIONS

That the City Council, subject to the approval of the Mayor:

1. Approve the 2017-18 Health Insurance Counseling and Advocacy Program Budget and Standard Agreement HI-1718-25;
2. Authorize the General Manager of the Department of Aging, or designee, to execute Standard Agreement HI-1718-25, subject to the review and approval of the City Attorney as to form and legality;
3. Authorize the General Manager of the Department of Aging, or designee, to execute the proposed contract with the Center for Health Care Rights based upon the HICAP Fiscal Year 2017-18 grant funding (see Attachment 1), subject to review and approval of the City Attorney as to form and compliance with the City's contracting requirements;

 AC	Analyst	08170073c	 Assistant CAO	 City Administrative Officer
CAO 661 Rev. 5/2007				

4. Authorize the Controller to:

A. Establish new accounts and appropriate \$672,292 within the HICAP Fund Number 47Y for the period from July 1, 2017 to June 30, 2018 as follows:

<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02P102	Aging	\$ 35,657
02PD01	HICAP 9 month	\$172,199
02PDD1	HICAP 3 month	\$ 62,052
02PD12	HICAP 12 month	\$402,384
	Total	\$672,292

B. Increase appropriations within Fund 100 – Department 02 and transfer funds on an as-needed basis as follows:

<u>Fund No.</u>	<u>Dept.</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From: 47Y	02	02P102	Aging	\$35,657
To: 100	02	001010	Salaries, General	\$35,657

C. Authorize the Controller to disburse funds to recommended service provider upon submission of proper demand from the General Manager of the Department of Aging, or designee;

5. Authorize the General Manager of the Department of Aging, or designee, to prepare Controller instructions for technical adjustments, subject to the approval of the City Administrative Officer; and authorize the Controller to implement the instructions.

## SUMMARY

In accordance with Executive Directive No. 3, the Department of Aging (Department) requests approval of the 2017-18 HICAP budget (Attachment 1), and authorization to execute Standard Agreement HI-1718-25 (Attachment 2) with the California Department of Aging to accept \$1,999,636 in Health Insurance Counseling and Advocacy Program (HICAP) grant funds (C.F. 17-0755). Standard Agreement HI-1718-25 will provide HICAP grant funds for a period of three years, comprised of \$672,292 for Fiscal Year 17-18, \$690,473 for Fiscal Year 18-19, and \$690,473 for Fiscal Year 19-20. Exhibit B, Article I, Section D of Standard Agreement HI-1718-25, included as Attachment 2, states that the agreement is valid and enforceable only if sufficient funds are available. The Department requests an appropriation of the amount budgeted only for Fiscal Year 17-18, of \$672,292. Requests for appropriations of amounts budgeted for Fiscal Years 18-19 and 19-20 will be made on future dates.

The Department also requests approval to negotiate and execute a contract with the Center for Health Care Rights (Contractor) for the delivery of HICAP services (Attachment 3). The total funding for the contract is \$636,635 for a term of one year. The term of the agreement is retroactive to July 1, 2017, and will expire on June 03, 2018. Section 803 of the Pro-Forma agreement, included as Attachment 3, includes ratification language acknowledging services performed prior to the execution of the agreement.

HICAP is an Older Californians Act Community-Based Services Program which provides counseling, community education, and outreach events to Medicare beneficiaries and is the primary local source of information and assistance with Medicare benefits, prescription drug plans and health plans. The State Health Insurance and Assistance Program (SHIP) is a federal grant program which provides support for local programs assisting Medicare beneficiaries. SHIP is a major funding component of HICAP. The total of the Fiscal Year 17-18 HICAP funds is \$672,292. Of the total amount, \$35,657 will fund the administrative costs of the Department, and \$636,635 will fund the contract for HICAP services.

In January 2015, the Mayor and City Council authorized the Department to release 27 Requests for Proposals (RFP) for the selection of contractors for operation of the multipurpose senior centers and to provide various senior services, including HICAP (C.F. 14-1660). The Department released the RFP's on January 29, 2015.

In February 2015, the Department conducted two (2) Proposers Conferences for all interested parties of the subject RFP. The conferences were conducted to respond to questions specific to each program RFP. The Department staff provided technical assistance to all perspective bidders from January 29, 2015 through March 2, 2015, the duration of time between release and due date of the RFP's. The HICAP RFP proposal submitted by the Contractor was the sole response to the HICAP RFP. The proposal was evaluated by Department staff based on criteria included in the RFP.

In accordance with Charter Section 1022, the Personnel Department determined that City employees did not have the expertise to perform the work.

To the best of our knowledge, the Contractor has complied with the City's contracting requirements, policies and procedures. The proposed contract is subject to review by the City Attorney as to form.

## **FISCAL IMPACT**

Funding for the proposed recommendations is provided by State Health Insurance and Assistance Program funds for the Health Insurance Counseling and Advocacy Program from the California Department of Aging. There is no additional impact on the General Fund. Approval of these proposed recommendations is in compliance with the City's Financial Policies, as one-time funding is being used for one-time expenditures.

*RHL:AC:08170073c*

Attachments

## HICAP BUDGET - SUMMARY (All Years)

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2017 - 6/30/20	<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/17			PSA No:	25
COST CATEGORY	Federal Funds		State Funds		Local Funds	TOTAL FUNDS
<b>AAA ADMINISTRATION</b>	<b>HICAP Federal Admin</b>		<b>HICAP Reimb. Admin</b>	<b>HICAP Fund Admin</b>	<b>Program Income / Other Funds</b>	<b>TOTAL</b>
Personnel		0	71,328	35,643	0	106,971
Operating Expenses		0	0	0	0	0
Indirect Admin		0	0	0	0	0
<b>TOTAL HICAP ADMINISTRATION</b>		0	71,328	35,643	0	106,971
<b>HICAP PROGRAM</b>	<b>HICAP Federal Program</b>		<b>HICAP Reimb. Program</b>	<b>HICAP Fund Program</b>	<b>Program Income / Other Funds</b>	<b>TOTAL FUNDS</b>
Direct Services		0	0	0	0	0
Subcontractor Subrecipient Services		685,513	804,839	402,313	0	1,892,665
<b>TOTAL HICAP PROGRAM</b>		685,513	804,839	402,313	0	1,892,665
<b>TOTAL HICAP BUDGET</b>		685,513	876,167	437,956	0	1,999,636

HICAP Legal Representation Services are provided:  Yes  
[W&I Code, Section 9541 (c) (3)]

Payment Method: Reimbursement  Request for Funds

HHS Approved Indirect Cost Rate(s):

### FOR STATE USE ONLY

AAA-BASED TEAM / FISCAL SPECIALIST	DATE	TEAM COACH	DATE
>	>	>	>

## **AAA ADMINISTRATION BUDGET - FEDERAL & LOCAL FUNDS**

**CONTRACT NO: HI 1718-25**

\* Equipment exceeding \$500 must be reported on Property page

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**AAA ADMINISTRATION BUDGET - STATE & LOCAL FUNDS (12 MONTH)**

CONTRACT NO: HI1718-25

BUDGET PERIOD: 7/1/2017 - 6/30/2018		<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017	PSA No: 25			
PERSONNEL		Monthly Wage Rate FTE	Total Annual FTE % of Time Worked	HICAP Reimb. Salaries & Wages	HICAP Fund Salaries & Wages	Local Funds Salaries & Wages	TOTAL
Position Classification:							
Senior Management Analyst I		9,873	7.00%	8,000	1,000		9,000
Management Analyst		8,359	21.00%	13,000	9,000		22,000
Accountant II		6,558	5.00%	2,776	1,881		4,657
							0
							0
							0
							0
							0
<b>TOTAL SALARIES &amp; WAGES</b>				<b>23,776</b>	<b>11,881</b>	<b>0</b>	<b>35,657</b>
<b>STAFF BENEFITS</b>							0
<b>TOTAL PERSONNEL</b>				<b>23,776</b>	<b>11,881</b>	<b>0</b>	<b>35,657</b>
OPERATING EXPENSES							
Rent:	Sq ft:		Sq ft Rate (mo.):				
*Equipment (List item below)			Quantity				
							0
							0
							0
							0
							0
							0
							0
Travel:							0
Other Operating Expenses (List):							0
							0
							0
							0
							0
							0
<b>TOTAL OPERATING EXPENSES</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>INDIRECT COSTS</b>							0
<b>TOTAL STATE &amp; LOCAL ADMINISTRATION</b>				<b>23,776</b>	<b>11,881</b>	<b>0</b>	<b>35,657</b>

\* Equipment exceeding \$500 must be reported on Property page

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## **HICAP DIRECT SERVICES BUDGET - FEDERAL & LOCAL FUNDS**

CONTRACT NO: HI 1718-25

\* Equipment exceeding \$500 must be reported on Property page

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**AAA DIRECT SERVICES BUDGET - STATE & LOCAL FUNDS (12 MONTH)**

CONTRACT NO: HI 1718-25

\* Equipment exceeding \$500 must be reported on Property page

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**HICAP SUBCONTRACTOR SUBRECIPIENT SERVICES SCHEDULE - 12 Month**

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2017 - 6/30/2018	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017		PSA No.	25
SubContractors Subrecipients	HICAP 9 Month Federal Funds	HICAP 3 Month Federal Funds	HICAP Reimbursement Program	HICAP Fund Program	Program Income and Other Local Funds	TOTAL CONTRACTED SERVICES
Name: Center for Health Care Rights	172,199	62,052	268,279	134,105		636,635
Address: 520 S. La Fayette Park Pl.,LA,CA						
Telephone: (213) 383-4519						
Contact Person: Ms. Aileen Harper						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
<b>TOTAL HICAP CONTRACTED SERVICES</b>	<b>9 MONTH FED.</b> 172,199	<b>3 MONTH FED.</b> 62,052	<b>HICAP REIMB.</b> 268,279	<b>HICAP FUND</b> 134,105	<b>LOCAL FUNDS</b> 0	<b>TOTAL</b> 636,635

Budget Contracted expenses from all funding sources

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## HICAP PROPERTY/EQUIPMENT BUDGETED

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2017 - 6/30/2018	<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017	PSA No: 25		
ITEM DESCRIPTION	EXPECTED ACQUIRE DATE	Purpose/Justification	Per Unit Cost	FUNDING USED Select from dropdown	HICAP COST
<b>AAA ADMIN EQUIPMENT</b>	Include all property with a unit cost exceeding \$500				
				HICAP Federal	
				HICAP Reimb.	
				HICAP Fund	
				None	
				None	
				<b>AAA ADMINISTRATION - EQUIPMENT PURCHASES TOTAL</b>	
					0
<b>AAA DIRECT PROGRAM EQUIPMENT</b>	Include all property with a unit cost exceeding \$500				
				HICAP Federal	
				None	
				<b>AAA DIRECT PROGRAM - EQUIPMENT PURCHASES TOTAL</b>	
					0
				<b>TOTAL AAA EQUIPMENT PURCHASES</b>	
					0
<b>SUBCONTRACTOR SUBRECIPIENT EQUIPMENT</b>	Include all property with a unit cost exceeding \$500				
				HICAP Reimb.	
				None	
				<b>SUBRECIPIENT CONTRACTOR EQUIPMENT PURCHASES TOTAL</b>	
					0
				<b>TOTAL EQUIPMENT PURCHASES BUDGETED</b>	
					0

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AAA ADMINISTRATION BUDGET - FEDERAL & LOCAL FUNDS

CONTRACT NO: HI 1718-25

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**AAA ADMINISTRATION BUDGET - STATE & LOCAL FUNDS (12 MONTH)**

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2018 - 6/30/2019		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017		PSA No: 25
<b>PERSONNEL</b>		Monthly Wage Rate FTE	Total Annual FTE % of Time Worked	HICAP Reimb. Salaries & Wages	HICAP Fund Salaries & Wages	Local Funds Salaries & Wages
Position Classification:						<b>TOTAL</b>
Senior Management Analyst I		10,096	7.00%	8,000	1,000	9,000
Management Analyst		8,547	21.00%	13,000	9,000	22,000
Accountant II		8,708	6.00%	2,776	1,881	4,657
						0
						0
						0
						0
						0
<b>TOTAL SALARIES &amp; WAGES</b>				23,776	11,881	0
<b>STAFF BENEFITS</b>						0
<b>TOTAL PERSONNEL</b>				23,776	11,881	0
<b>OPERATING EXPENSES</b>				HICAP Reimb.	HICAP Fund	Local Funds
Rent:	Sq ft:	Sq ft Rate (mo.):				
*Equipment (List item below):			Quantity			
						0
						0
						0
						0
						0
						0
Travel:						0
Other Operating Expenses (List):						0
						0
						0
						0
						0
<b>TOTAL OPERATING EXPENSES</b>				0	0	0
<b>INDIRECT COSTS</b>						0
<b>TOTAL STATE &amp; LOCAL ADMINISTRATION</b>				23,776	11,881	0
						35,657

\* Equipment exceeding \$500 must be reported on Property page

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## HICAP DIRECT SERVICES BUDGET - FEDERAL & LOCAL FUNDS

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2018 - 6/30/2019		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017		PSA No: 25
<b>PERSONNEL</b>		Monthly Wage Rate FTE	Total Annual FTE % of Time Worked	<b>9 Month Salaries &amp; Wages</b>	<b>3 Month Salaries &amp; Wages</b>	<b>Local Funds Salaries &amp; Wages</b>
Position Classification:						<b>TOTAL</b>
						0
						0
						0
						0
						0
						0
						0
						0
						0
						0
						0
<b>TOTAL SALARIES &amp; WAGES</b>			0	0	0	0
<b>STAFF BENEFITS</b>						0
<b>TOTAL PERSONNEL</b>			0	0	0	0
<b>OPERATING EXPENSES</b>				<b>9 Month</b>	<b>3 Month</b>	<b>Local Funds</b>
Rent:	Sq ft:	Sq ft Rate (mo.):				
*Equipment (List item below):			Quantity			
						0
						0
						0
						0
						0
						0
Travel:						0
Other Operating Expenses (List):						0
						0
						0
						0
						0
						0
<b>TOTAL OPERATING EXPENSES</b>			0	0	0	0
<b>INDIRECT COSTS</b>						0
<b>TOTAL FEDERAL &amp; LOCAL DIRECT SERVICES</b>			0	0	0	0

\* Equipment exceeding \$500 must be reported on Property page

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**AAA DIRECT SERVICES BUDGET - STATE & LOCAL FUNDS (12 MONTH)**

CONTRACT NO: HI 1718-25

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**HICAP SUBCONTRACTOR SUBRECIPIENT SERVICES SCHEDULE - 12 Month**

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2018 - 6/30/2019	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE 4/13/2017		PSA No: 25	
SubContractors Subrecipients	HICAP 9 Month Federal Funds	HICAP 3 Month Federal Funds	HICAP Reimbursement Program	HICAP Fund Program	Program Income and Other Local Funds	TOTAL CONTRACTED SERVICES
Name: Center for Health Care Rights	186,155	66,277	268,280	134,104		654,816
Address: 520 S. La Fayette Park Pl., LA, CA						
Telephone: (213) 383-4519						
Contact Person: Ms. Aileen Harper						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
<b>TOTAL HICAP CONTRACTED SERVICES</b>	<b>9 MONTH FED.</b>	<b>3 MONTH FED.</b>	<b>HICAP REIMB.</b>	<b>HICAP FUND</b>	<b>LOCAL FUNDS</b>	<b>TOTAL</b>
	186,155	66,277	268,280	134,104	0	654,816

Budget Contracted expenses from all funding sources

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## HICAP PROPERTY/EQUIPMENT BUDGETED

CONTRACT NO: HF 1718-25

BUDGET PERIOD: 7/1/2018 - 6/30/2019		<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017	PSA No: 25	
ITEM DESCRIPTION	EXPECTED ACQUIRE DATE	Purpose/Justification	Per Unit Cost	FUNDING USED Select from dropdown	HICAP COST
AAA ADMIN EQUIPMENT		Include all property with a unit cost exceeding \$500			
				HICAP Federal	
				HICAP Reimb.	
				HICAP Fund	
				None	
				None	
AAA ADMINISTRATION - EQUIPMENT PURCHASES TOTAL 0					
AAA DIRECT PROGRAM EQUIPMENT		Include all property with a unit cost exceeding \$500			
				HICAP Federal	
				None	
AAA DIRECT PROGRAM - EQUIPMENT PURCHASES TOTAL 0					
TOTAL AAA EQUIPMENT PURCHASES 0					
SUBCONTRACTOR SUBRECIPIENT EQUIPMENT		Include all property with a unit cost exceeding \$500			
				HICAP Reimb.	
				None	
SUBRECIPIENT CONTRACTOR EQUIPMENT PURCHASES TOTAL 0					
TOTAL EQUIPMENT PURCHASES BUDGETED 0					

AAA ADMINISTRATION BUDGET - FEDERAL & LOCAL FUNDS

CONTRACT NO: HI 1718-25

\* Equipment exceeding \$500 must be reported on Property page

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**AAA ADMINISTRATION BUDGET - STATE & LOCAL FUNDS (12 MONTH)**

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2019 - 6/30/2020		<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017		PSA No: 25
<b>PERSONNEL</b>		Monthly Wage Rate FTE	Total Annual FTE % of Time Worked	HICAP Reimb. Salaries & Wages	HICAP Fund Salaries & Wages	Local Funds Salaries & Wages
Position Classification:						<b>TOTAL</b>
Senior Management Analyst I		10,096	7.00%	8,000	1,000	9,000
Management Analyst		8,547	21.00%	13,000	9,000	22,000
Accountant II		6,706	5.00%	2,776	1,881	4,657
						0
						0
						0
						0
						0
<b>TOTAL SALARIES &amp; WAGES</b>				23,776	11,881	0
<b>STAFF BENEFITS</b>						0
<b>TOTAL PERSONNEL</b>				23,776	11,881	0
<b>OPERATING EXPENSES</b>				HICAP Reimb.	HICAP Fund	Local Funds
Rent:	Sq ft:		Sq ft Rate (mo.):			
*Equipment (List item below):			Quantity			
						0
						0
						0
						0
						0
Travel:						0
Other Operating Expenses (List):						0
						0
						0
						0
						0
<b>TOTAL OPERATING EXPENSES</b>				0	0	0
<b>INDIRECT COSTS</b>						0
<b>TOTAL STATE &amp; LOCAL ADMINISTRATION</b>				23,776	11,881	0
						35,657

\* Equipment exceeding \$600 must be reported on Property page

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#### **HICAP DIRECT SERVICES BUDGET - FEDERAL & LOCAL FUNDS**

CONTRACT NO: HI 1718-25

\* Equipment exceeding \$500 must be reported on Property page

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## AAA DIRECT SERVICES BUDGET - STATE & LOCAL FUNDS (12 MONTH)

**CONTRACT NO: HI 1718-2**

\* Equipment exceeding 5500 must be reported on Property page

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**HICAP SUBCONTRACTOR SUBRECIPIENT SERVICES SCHEDULE - 12 Month**

CONTRACT NO: HI 1718-25

BUDGET PERIOD: 7/1/2019 - 6/30/2020	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017		PSA No:	25
SubContractors Subrecipients	HICAP 9 Month Federal Funds	HICAP 3 Month Federal Funds	HICAP Reimbursement Program	HICAP Fund Program	Program Income and Other Local Funds	TOTAL CONTRACTED SERVICES
Name: Center for Health Care Rights	149,121	49,709	268,280	134,104		601,214
Address: 520 S. La Fayette Park Pl., LA, CA						
Telephone: (213) 383-4519						
Contact Person: Ms. Aileen Harper						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
Name:						0
Address:						
Telephone:						
Contact Person:						
<b>TOTAL HICAP CONTRACTED SERVICES</b>	<b>9 MONTH FED.</b>	<b>3 MONTH FED.</b>	<b>HICAP REIMB.</b>	<b>HICAP FUND</b>	<b>LOCAL FUNDS</b>	<b>TOTAL</b>
	149,121	49,709	268,280	134,104	0	601,214

Budget Contracted expenses from all funding sources

For questions or accessibility assistance with this financial document, please contact [CDAFiscalTeam@aging.ca.gov](mailto:CDAFiscalTeam@aging.ca.gov).

**HICAP PROPERTY/EQUIPMENT BUDGETED**

**CONTRACT NO: HI 1718-25**

BUDGET PERIOD: 7/1/2019 - 6/30/2020	<input checked="" type="checkbox"/> ORIGINAL	<input type="checkbox"/> REVISION #	SUBMISSION DATE: 4/13/2017	PSA No: 25	
ITEM DESCRIPTION	EXPECTED ACQUIRE DATE	Purpose/Justification	Per Unit Cost	FUNDING USED Select from dropdown	HICAP COST
<b>AAA ADMIN EQUIPMENT</b> Include all property with a unit cost exceeding \$500					
				HICAP Federal	
				HICAP Reimb.	
				HICAP Fund	
				None	
				None	
<b>AAA ADMINISTRATION - EQUIPMENT PURCHASES TOTAL</b> 0					
<b>AAA DIRECT PROGRAM EQUIPMENT</b> Include all property with a unit cost exceeding \$500					
				HICAP Federal	
				None	
<b>AAA DIRECT PROGRAM - EQUIPMENT PURCHASES TOTAL</b> 0					
<b>TOTAL AAA EQUIPMENT PURCHASES</b> 0					
<b>SUBCONTRACTOR SUBRECIPIENT EQUIPMENT</b> Include all property with a unit cost exceeding \$500					
				HICAP Reimb.	
				None	
<b>SUBRECIPIENT CONTRACTOR EQUIPMENT PURCHASES TOTAL</b> 0					
<b>TOTAL EQUIPMENT PURCHASES BUDGETED</b> 0					

For questions or accessibility assistance with this financial document, please contact [CDAFiscalTeam@aging.ca.gov](mailto:CDAFiscalTeam@aging.ca.gov).

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

Attachment 2

AGREEMENT NUMBER
HI-1718-25
REGISTRATION NUMBER

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

STATE AGENCY'S NAME

California Department of Aging

CONTRACTOR'S NAME

City of Los Angeles Department of Aging

2. The term of this  
Agreement is: July 1, 2017 through June 30, 2020

3. The maximum amount  
of this Agreement is: \$1,999,636  
One million, nine hundred and ninety-nine thousand, six hundred and thirty-six and 00/100 dollars

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.

Exhibit A – Scope of Work

5 pages

Exhibit B – Budget Detail, Payment Provisions, and Closeout

9 pages

Exhibit C\* – General Terms and Conditions

GTC 04/2017

Check mark one item below as Exhibit D:

<input checked="" type="checkbox"/>	Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)	33 pages
<input type="checkbox"/>	Exhibit - D* Special Terms and Conditions	

Exhibit E – Additional Provisions

5 pages

*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 [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language)*

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

<b>CONTRACTOR</b>		<b>California Department of General Services Use Only</b>
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)		
City of Los Angeles Department of Aging		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
221 N. Figueroa Street, Suite 500, Los Angeles, CA 90012-4390		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME		
California Department of Aging		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Glenn Wallace, Manager, Contracts and Business Services Section		
ADDRESS		
1300 National Drive, Suite 200, Sacramento CA. 95834		

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**

STD 213 (Rev 06/03)

**AGREEMENT NUMBER**

HI-1718-25

**REGISTRATION NUMBER**

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

**STATE AGENCY'S NAME**

California Department of Aging

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**CONTRACTOR'S NAME**

City of Los Angeles Department of Aging

2. The term of this Agreement is: July 1, 2017 through June 30, 2020

3. The maximum amount of this Agreement is: \$1,999,636 One million, nine hundred and ninety-nine thousand, six hundred and thirty-six and 00/100 dollars

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.

#### **Exhibit A – Scope of Work**

---

5 pages

#### Exhibit B – Budget Detail, Payment Provisions, and Closeout

9 pages

#### Exhibit C\* – General Terms and Conditions

GTC 04/2017

Check mark one item below as Exhibit D:

Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement)

33 pages

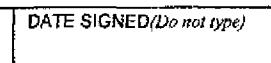
Exhibit - D\* Special Terms and Conditions

#### **Exhibit E – Additional Provisions**

5 pages

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<b>CONTRACTOR</b>		<b>California Department of General Services Use Only</b>
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.) <b>City of Los Angeles Department of Aging</b>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)  	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
221 N. Figueroa Street, Suite 500, Los Angeles, CA 90012-4390		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME		<input checked="" type="checkbox"/> Exempt per: Older Californians Act
<b>California Department of Aging</b>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)  	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Glenn Wallace, Manager, Contracts and Business Services Section		
ADDRESS		
1300 National Drive, Suite 200, Sacramento CA 95834		

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

AGREEMENT NUMBER

**HI-1718-25**

REGISTRATION NUMBER

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STATE AGENCY'S NAME

California Department of Aging

CONTRACTOR'S NAME

City of Los Angeles Department of Aging

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3. The maximum amount \$1,999,636  
of this Agreement is: One million, nine hundred and ninety-nine thousand, six hundred and thirty-six and 00/100 dollars

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Exhibit A – Scope of Work 5 pages

Exhibit B – Budget Detail, Payment Provisions, and Closeout 9 pages

Exhibit C\* – General Terms and Conditions GTC 04/2017

Check mark one item below as Exhibit D:

Exhibit - D Special Terms and Conditions (Attached hereto as part of this agreement) 33 pages  
 Exhibit - D\* Special Terms and Conditions

Exhibit E – Additional Provisions 5 pages

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 [www.ols.dgs.ca.gov/Standard+Language](http://www.ols.dgs.ca.gov/Standard+Language)

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

**CONTRACTOR**

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

City of Los Angeles Department of Aging

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

221 N. Figueroa Street, Suite 500, Los Angeles, CA 90012-4390

**California Department of General Services Use Only**

**STATE OF CALIFORNIA**

AGENCY NAME

California Department of Aging

BY (Authorized Signature)

DATE SIGNED (Do not type)



PRINTED NAME AND TITLE OF PERSON SIGNING

Glenn Wallace, Manager, Contracts and Business Services Section

ADDRESS

1300 National Drive, Suite 200, Sacramento CA, 95834

Exempt per:  
Older Californians Act

STATE OF CALIFORNIA  
**STANDARD AGREEMENT**  
STD 213 (Rev 06/03)

AGREEMENT NUMBER <b>HI-1718-25</b>
---------------------------------------

REGISTRATION NUMBER
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California Department of Aging

CONTRACTOR'S NAME

City of Los Angeles Department of Aging

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5 pages

Exhibit B – Budget Detail, Payment Provisions, and Closeout

9 pages

Exhibit C\* – General Terms and Conditions

GTC 04/2017

Check mark one item below as Exhibit D:

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33 pages

Exhibit - D\* Special Terms and Conditions

Exhibit E – Additional Provisions

5 pages

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<b>CONTRACTOR</b>		<i>California Department of General Services Use Only</i>
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)		
City of Los Angeles Department of Aging		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
221 N. Figueroa Street, Suite 500, Los Angeles, CA 90012-4390		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME		
California Department of Aging		
BY (Authorized Signature)	DATE SIGNED (Do not type)	
		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Glenn Wallace, Manager, Contracts and Business Services Section		
ADDRESS		
1300 National Drive, Suite 200, Sacramento CA. 95834		
		<input checked="" type="checkbox"/> Exempt per: Older Californians Act

STATE OF CALIFORNIA  
CALIFORNIA DEPARTMENT OF AGING  
**LOCAL ASSISTANCE CONTRACT CHECKLIST**  
CDA 9007 (NEW 6/16)

All documents listed in Sections A and B are required to execute your contract unless otherwise noted.

---

## SECTION A

- All documents must identify the Contractor's legal name exactly as shown on the Standard Agreement (STD. 213).
- Each contract package must stand on its own. For example, if you have more than one contract with the California Department of Aging (CDA) you may have one Insurance Certificate to cover all contracts, but must include a copy of the Certificate in each contract package you return to CDA.
- Return Section A documents to:

California Department of Aging  
Attn: Contract Analyst  
1300 National Drive, Suite 200  
Sacramento, CA 95834

- Four Standard Agreements (STD. 213)** – Print and sign four copies of the Standard Agreement (STD. 213) with *original signatures*. Signature stamps will not be accepted.
- Resolution or Meeting Minutes** authorizing execution of this Contract – The contract number(s) must be referenced in the Resolution or Meeting Minutes. If the Resolution or Meeting Minutes do not also authorize the signing of Amendments, another Resolution or Meeting Minutes will be needed to amend this Contract. If Meeting Minutes are submitted they must be signed off as approved or the following month's Meeting Minutes must be submitted indicating the previous Meeting Minutes were approved.
  - Public Entity – Resolution from the Board of Supervisors or equivalent governing body is required.
  - Nonprofit – Resolution from the Board of Directors is required.
- Contractor/Vendor Statement of Confidentiality (CDA 1024)** – A signed copy must be returned for each different contract number.
- The following documents must reference the contract number(s) or Letter of Self-Insurance. The coverage shall be for the *entire term* of the Contract and must meet the conditions in Exhibit D, Article XI. of the Contract.
  - General Liability Certificate of Insurance\***
  - Automobile Liability Certificate of Insurance\***
  - Professional Liability Certificate of Insurance (does not apply to Title V contracts)**

*\*Requires the additional insured statement to name the California Department of Aging and/or the State of California as the additional insured.*

STATE OF CALIFORNIA  
CALIFORNIA DEPARTMENT OF AGING  
**LOCAL ASSISTANCE CONTRACT CHECKLIST**  
CDA 9007 (NEW 6/16)

**SECTION B**

**Budget form**

- The following budget forms are found on the [CDA website](#):
  - Area Plan Budget (CDA 122)
  - Financial Alignment (FA) Contract Budget (CDA 229FA)
  - Health Insurance Counseling and Advocacy Program (HICAP) Budget (CDA 229)
  - Medicare Improvements for Patients and Providers Act (MIPPA) Budget (CDA 229m)
  - Senior Community Services Employment Program (Title V) Budget (CDA 35)
  - Supplemental Nutrition Assistance Program-Education (SNAP-Ed) Budget (CDA 2000)
- Submit budget forms to [FiscalTeam@aging.ca.gov](mailto:FiscalTeam@aging.ca.gov).

Use the following email subject line and file naming convention for each budget you prepare and submit: Identify your PSA\_## (first), Program, Period, and process. If applicable, specify the original or revision number (e.g., PSA 24 AP FY1617 Original Budget). Incorporate the amounts shown in the Budget Display into the original budget form. Ensure allocation Transfer Requests correspond to the Budget Display requirements.

**Work plan**

- The FA work plan is found on the [CDA website](#).
- The MIPPA work plan is found on the [MIPPA section of the CDA website](#).
- Submit FA and MIPPA work plans to [HICAPTeam2@aging.ca.gov](mailto:HICAPTeam2@aging.ca.gov).
- SNAP-Ed CDA-approved contract work plans are completed prior to the SNAP-ED contract release and do not need to be resubmitted.
- Work plans are not required to execute Area Plan, HICAP, or Title V contracts.

State of California  
California Department of Aging  
CDA 303

Agreement #: HI-1718-25  
Date: 07/01/17  
Amendment #: -  
Amendment Date: -

**Exhibit B - Budget Detail, Payment Provisions, and Closeout**

**HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM**  
**Budget Display**  
**July 1, 2017 - June 30, 2020**

**City of Los Angeles Department of Aging**

PROJECT	PROGRAM BASELINE	ONE-TIME ONLY	TOTAL	NET CHANGE															
<b>PROJECTED: STATE FISCAL YEAR 2017-2018</b>																			
<b>HICAP Funds (July 1, 2017-June 30, 2018)</b>																			
Reimbursements (Ins Fund)	HIRL <sup>a, f</sup>	292,056	-	292,056															
State HICAP Fund	HIHL <sup>a, f</sup>	145,985	-	145,985															
Federal SHIP Funds	HIFL <sup>b, f</sup>	172,199	-	172,199															
Federal SHIP Funds	HIFL <sup>b, c, g</sup>	62,052	-	62,052															
<b>STATE FISCAL YEAR 2017-18 (12 MONTHS) TOTAL</b>		<b>672,292</b>	-	<b>672,292</b>															
<b>PROJECTED: STATE FISCAL YEAR 2018-2019</b>																			
<b>HICAP Funds (July 1, 2018-June 30, 2019)</b>																			
Reimbursements (Ins Fund)	HIRL <sup>a, e, f, g</sup>	292,056	-	292,056															
State HICAP Fund	HIHL <sup>a, e, f, g</sup>	145,985	-	145,985															
Federal SHIP Funds	HIFL <sup>b, c, f, g</sup>	186,155	-	186,155															
Federal SHIP Funds	HIFL <sup>b, d, f, g</sup>	66,277	-	66,277															
<b>STATE FISCAL YEAR 2018-19 (12 MONTHS) TOTAL</b>		<b>690,473</b>	-	<b>690,473</b>															
<b>PROJECTED: STATE FISCAL YEAR 2019-2020</b>																			
<b>HICAP Funds (July 1, 2019-June 30, 2020)</b>																			
Reimbursements (Ins Fund)	HIRL <sup>a, e, f, g</sup>	292,056	-	292,056															
State HICAP Fund	HIHL <sup>a, e, f, g</sup>	145,985	-	145,985															
Federal SHIP Funds	HIFL <sup>b, d, f, g</sup>	198,830	-	198,830															
<b>STATE FISCAL YEAR 2019-2020 (12 MONTHS) TOTAL</b>		<b>636,871</b>	-	<b>636,871</b>															
<b>3 YEAR SUMMARY: JULY 1, 2017 - JUNE 30, 2020</b>																			
<b>TOTAL HICAP Funds (July 1, 2017-June 30, 2020)</b>																			
Reimbursements (Ins Fund)	HIRL	876,167	-	876,167															
State HICAP Fund	HIHL	437,956	-	437,956															
Federal SHIP Funds	HIFL	685,513	-	685,513															
<b>3 YEAR CONTRACT TOTAL</b>		<b>1,999,636</b>	-	<b>1,999,636</b>															
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">The maximum allowable expenditure for Administration by project funding:</td> <td style="padding: 2px;"></td> <td style="padding: 2px;">SFY 2017-18</td> <td style="padding: 2px;">SFY 2018-19</td> <td style="padding: 2px;">SFY 2019-20</td> </tr> <tr> <td style="padding: 2px;">Reimbursements (Ins Fund)</td> <td style="padding: 2px;">HIRL</td> <td style="padding: 2px;">23,776</td> <td style="padding: 2px;">23,776</td> <td style="padding: 2px;">23,776</td> </tr> <tr> <td style="padding: 2px;">State HICAP Fund</td> <td style="padding: 2px;">HIHL</td> <td style="padding: 2px;">11,881</td> <td style="padding: 2px;">11,881</td> <td style="padding: 2px;">11,881</td> </tr> </table>					The maximum allowable expenditure for Administration by project funding:		SFY 2017-18	SFY 2018-19	SFY 2019-20	Reimbursements (Ins Fund)	HIRL	23,776	23,776	23,776	State HICAP Fund	HIHL	11,881	11,881	11,881
The maximum allowable expenditure for Administration by project funding:		SFY 2017-18	SFY 2018-19	SFY 2019-20															
Reimbursements (Ins Fund)	HIRL	23,776	23,776	23,776															
State HICAP Fund	HIHL	11,881	11,881	11,881															
Federal Funds for this contract are provided by using the following Administration for Community Living (ACL) grants:																			
CFDA#	Project Title	Project	Award #	Effective Date															
92.324	State Health Insurance Assistance Program	HIFL	90SAPG0052-01	4/1/2017															
92.324	State Health Insurance Assistance Program	HIFL	To Be Announced	4/1/2018															
92.324	State Health Insurance Assistance Program	HIFL	To Be Announced	4/1/2019															
<p><sup>a</sup> Funds must be obligated by June 30 for each SFY in which they were allocated. Final expenditures must be reported in closeout by 8/15/20.</p> <p><sup>b</sup> Funds must be expended by 3/31/20 and final expenditures reported in closeout by 5/15/20.</p> <p><sup>c</sup> Funds will not be available until 4/1/2018 or until a Notice of Award is received.</p> <p><sup>d</sup> Funds will not be available until 4/1/2018 or until a Notice of Award is received.</p> <p><sup>e</sup> Funds will not be available until July 1 of each SFY in which they are allocated or upon enactment of the Budget Act.</p> <p><sup>f</sup> The allocated amount is subject to change pending availability of funds.</p> <p><sup>g</sup> The allocations are subject to change pending updated Medicare Beneficiary Population factor data.</p>																			

**Scope of Work – Exhibit A  
HI 1718 Contract**

**EXHIBIT A  
(Standard Agreement)**

**SCOPE OF WORK**

1. The Contractor agrees to provide to the California Department of Aging (CDA) the services described herein Agreement number HI-1718-25.
2. The services shall be performed in Planning and Service Area(s): 25.
3. The services shall be provided as needed.
4. The project representatives during the term of this agreement will be:

State Agency: California Department of Aging	Contractor: City of Los Angeles Department of Aging
Name: Fiscal, Data & Planning Manager	Name: Laura Trejo
Phone (916) 419-7556	Phone: (213) 252-4023
Fax: (916) 928-2510	Fax: (213) 252-4020

Direct all contract inquiries to:

State Agency: California Department of Aging	Contractor: City of Los Angeles Department of Aging
Section/Unit: Business Services and Contracts	Section/Unit: Area Agency On Aging
Attention: Christian Margedant	Attention: Dale Osborne
Address: 1300 National Drive, Suite 200 Sacramento, CA 95834	Address: 221 N. Figueroa Street, Suite 500, Los Angeles, CA, 90012-4390
Phone: (916) 419-7157	Phone: (213) 202-5636
Fax: (916) 928-2500	Fax: (213) 473-5980
Email: Christian.Margedant@aging.ca.gov	Email: dale.osborne@lacity.org

The parties may change their representatives upon providing ten days written notice to the other party. Said changes do not require an amendment to this agreement.

**Scope of Work - Exhibit A  
HI 1718 Contract**

**ARTICLE I. PROGRAM DEFINITIONS**

- A. "Eligible Service Population" means Medicare beneficiaries, including Medicare beneficiaries by virtue of a disability, and those persons imminent of Medicare eligibility [Welf. & Inst. Code § 9541(a), (c)(2)], and the public at large who are eligible to receive HICAP community education services. [Welf. & Inst. Code § 9541(c)(1), (c)(4)-(6)]
- B. "Health Insurance Counseling and Advocacy Program" (HICAP) means a program designed to provide Medicare beneficiaries and those imminent of becoming eligible for Medicare with counseling and advocacy about Medicare, private health insurance, and related health care coverage plans for the purpose of preserving service integrity on a Statewide basis. [Welf. & Inst. Code § 9541]
- C. "Medicare Modernization Act 2005 (MMA) State Funds" means the 2005 augmentation of HICAP State funds as defined in Welf. & Inst. Code § 9757.5(h).
- D. "State Health Insurance Assistance Program" (SHIP) means a national program supported by the federal Administration for Community Living (ACL) that offers one-on-one counseling and assistance to people with Medicare and their families. Through federal grants directed to states, SHIPs provide free counseling and assistance via telephone and face-to-face interactive sessions, public education presentations and programs, and media activities. In California, SHIP is the same program as the Health Insurance Counseling and Advocacy Program (HICAP). This term may be used interchangeably with HICAP.
- E. "Program Income" means revenue generated by the Contractor or Subcontractor from contract-supported activities, and may include:
  - 1. Voluntary contributions received from a participant or responsible party as a result of the service.
  - 2. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement.
  - 3. Royalties received on patents and copyrights from contract-supported activities.
  - 4. Proceeds from the sale of items fabricated under a contract agreement.

**Scope of Work - Exhibit A  
HI 1718 Contract**

**ARTICLE II. SCOPE OF WORK**

The Contractor, whether providing HICAP directly or through a subcontract, shall:

- A. Ensure statutory provisions of HICAP [Welf. & Inst. Code § 9541] are met. Services shall be provided in accordance with all applicable laws, regulations, this Agreement, SHIP Basic Grant Program Terms and Conditions, the HICAP Program Manual, and any other subsequent CDA Program Memos (PM), provider bulletins or similar instructions issued during the term of this Agreement.
- B. Maintain and, if applicable, distribute a current HICAP Program Manual and related CDA requirements to all HICAP Counselors and responsible persons to ensure ready access to standards, policies, and procedures. Additionally, all counselors shall be provided the latest HICAP Counselor Handbook. [Welf. & Inst. Code § 9100(c)-(d); § 9541(b)(1)-(2)]
- C. Provide timely notice to CDA of any changes to the Program or changes in the status of the Contractor or Subcontractor that could restrict the operations of, or access to, HICAP services. These changes include, but are not limited to, personnel changes, program or project phone number changes, headquarters office address changes and mailing address changes. If subcontracted, the Contractor will forward this information to CDA.
- D. Submit the name of the HICAP Program Manager to CDA within thirty (30) days of initial employment. If subcontracted, the Contractor will forward this information to CDA.
- E. Conduct recruitment, training, coordination, and registration of health insurance counselors, including a large contingent of volunteer counselors, Long-Term Care Counselors, Long-Term Care Community Educators, designed to expand services as broadly as possible. New counselors shall be recruited, trained, and registered in compliance with state law and the HICAP Program Manual.
- F. Ensure that the standard HICAP work week business hours, during which HICAP is open to the public, shall be five (5) days a week, Monday through Friday, from at least 9 a.m. to 4 p.m., except on holidays.
- G. Ensure that public telephone access is available during normal business hours, Monday through Friday, 9 a.m. to 4 p.m. In the event clients cannot receive personal assistance immediately, they must be offered an opportunity to leave their name, a message, and return telephone number with an answering service or on an answering machine. Calls from clients leaving messages must be returned within two (2) business days.

**Scope of Work - Exhibit A**  
**HI 1718 Contract**

**ARTICLE II. SCOPE OF WORK (Continued)**

- H. Provide a written disclosure statement or its equivalent to counseling clients prior to counseling, as prescribed by CDA in the HICAP Program Manual.  
[Welf. & Inst. Code § 9541(f)(4)]
- I. Provide community education designed to inform the public about Medicare, Medicare supplement and long-term care insurance options, Medicare Advantage plans, related managed health care plans, and insurance topics.  
[Welf. & Inst. Code § 9541(c)(1), (c)(4)-(6)]
- J. Refer instances of suspected misrepresentation in advertising or sales of services provided by Medicare, managed health care plans, and life and disability insurers and agents, in accordance with the HICAP Program Manual.  
[Welf. & Inst. Code § 9541(e)]
- K. Ensure that the HICAP Program Manager and/or designated representative shall attend all CDA required HICAP training sessions or conferences, in order to maintain program knowledge, efficiency, and competency.  
[Welf. & Inst. Code § 9541(f)(7)]
- L. Maintain a program data collection and reporting system as specified in Exhibit E of this Agreement.
- M. Meet the minimum performance requirements in the Area Plan Service Unit Plan (SUP). Programs will be notified of new performance requirements in a CDA PM.
- N. Ensure the submission of program information and support documentation, to the CDA, for the development of required reports. These include, but are not limited to, the SHIP Grant Application, Supplemental Grant Funding Applications, and the SHIP Grant Mid-term Report. The information and documentation will be sent in the format requested, in a timely manner, and at intervals as determined by CDA.
- O. Ensure processes are in place to provide program evaluation and quality assurance, including but not limited to, client satisfaction surveys and questionnaires.
- P. Ensure referral services for legal representation with respect to Medicare appeals, Medicare related managed care appeals, and other related insurance problems, excluding the filing of lawsuits against private insurers or managed health care plans.
- Q. Ensure that if legal services are provided directly or through a subcontract, the following conditions must be met:

**Scope of Work - Exhibit A  
HI 1718 Contract**

**ARTICLE II. SCOPE OF WORK (Continued)**

1. HICAP legal representation and technical program support shall be provided by or under the direction of a Supervising Attorney who is trained in Medicare law and who is in good standing with the California Bar.
2. Legal representation services shall be limited to Medicare, Medicare Part D issues, Medicare savings programs, low-income subsidy issues, long-term care insurance, managed care, and related health care coverage plans. [Welf. & Inst. Code § 5941(c)(3)]
3. HICAP legal representation shall be subject to the understanding that the legal representation and legal advocacy shall not include the filing of lawsuits against private insurers or managed health care plans. [Welf. & Inst. Code § 5941(c)(3)]
4. Contracted legal representation services shall not commence without a formal referral from the HICAP Program Manager to the Supervising Attorney, and only after a preliminary counseling session determines the need for referral.

The Supervising Attorney shall report the performance of legal services in accordance with HICAP reporting instructions.

**R. Perform the following if subcontracting for HICAP program services:**

1. Enter into contracts with subcontractors to operate the HICAP and provide HICAP counseling, informal advocacy, outreach, education and legal representation to Medicare beneficiaries within the contracted service area pursuant to Welf. & Inst. Code § 9541(c)(3), the HICAP Program Manual as issued by CDA, and any other subsequent CDA PMs, provider bulletins or similar instructions issued during the term of this Agreement.
2. Ensure all applicable provisions required within this Agreement are included in any subcontract entered into by the Contractor to carry out the terms of this Agreement.
3. Review, approve, and monitor subcontractors' budgets and expenditures and any subsequent amendments and revisions to budgets. The Contractor shall, to the extent feasible, ensure that all budgeted funds are expended by the end of each fiscal year.
4. Conduct onsite monitoring once every two (2) years, and evaluate and document subcontractors' performance and compliance with this Agreement. [45 CFR 1321.11]
5. Provide training, support and technical assistance to the Subcontractor as needed and respond in writing to all written requests from subcontractors for guidance and interpretation of instructions.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B**  
**HI 1718 Contract**

**ARTICLE I. FUNDS**

**A. Expenditure of Funds**

1. The Contractor shall expend all funds received hereunder in accordance with this Agreement.
2. Any reimbursement for authorized travel and per diem shall be at rates not to exceed those amounts paid by the State in accordance with the California Department of Human Resources' (CalHR) rules and regulations.

In State:

- Mileage -  
<http://www.calhr.ca.gov/employees/Pages/travel-personal-vehicle.aspx>
- Per Diem (meals and incidentals) -  
<http://www.calhr.ca.gov/employees/Pages/travel-meals.aspx>
- Lodging -  
<http://www.calhr.ca.gov/employees/Pages/travel-lodging-reimbursement.aspx>

Out of State: <http://www.calhr.ca.gov/employees/Pages/travel-out-of-state.aspx>

This is not to be construed as limiting the Contractor from paying any differences in costs, from funds other than those provided by CDA, between the CalHR rates and any rates the Contractor is obligated to pay under other contractual agreements. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State. [2 CCR 599.615 et seq.]

The Contractor agrees to include these requirements in all contracts it enters into with subcontractors to provide services pursuant to this Agreement.

3. CDA reserves the right to refuse payment to the Contractor or disallow costs for any expenditure, as determined by CDA to be: out of compliance with this Agreement, unrelated or inappropriate to contract activities, when adequate supporting documentation is not presented, or where prior approval was required but was either not requested or not granted.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B  
HI 1718 Contract**

**ARTICLE I. FUNDS (Continued)**

**B. Accountability for Funds**

1. The Contractor shall maintain accounting records for funds received under the terms and conditions of this Agreement. These records shall be separate from those for any other funds administered by the Contractor, and shall be maintained in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards. [45 CFR 75]

2. **Financial Management Systems**

The Contractor shall meet the stipulations for Financial management and standards for financial management systems outlined in 45 CFR 75.302 including but not limited to:

- a. Financial Reporting.
- b. Accounting Records.
- c. Complete Disclosure.
- d. Source Documentation.
- e. Internal Control.
- f. Budgetary Control.
- g. Cash Management (written procedures).
- h. Allowable Costs (written procedures).

**C. Unexpended Funds**

Upon termination, cancellation, or expiration of this Agreement, or dissolution of the entity, the Contractor shall return to the State immediately upon written demand, any funds provided under this Agreement, which are not payable for goods or services delivered prior to the termination, cancellation, or expiration of this Agreement, or the dissolution of the entity.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B  
HI 1718 Contract**

**ARTICLE I. FUNDS (Continued)**

**D. Funding Contingencies**

1. It is understood between the parties that this Agreement may have been written before ascertaining the availability or appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government or the Budget Acts of the appropriate fiscal years for purposes of this program(s). In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or the Legislature that may affect the provisions, terms, or funding of this Agreement in any manner.
3. **Limitation of State Liability**

Payment for performance by the Contractor shall be dependent upon the availability of future appropriations by the Legislature or Congress for the purposes of this Contract and approval of an itemized budget. No legal liability on the part of the State for any payment may arise under this Contract until funds are made available, the itemized budget is received and approved by the State, and the Contractor has received an executed contract.

**4. Funding Reduction(s)**

- a. If funding for any State fiscal year is reduced or deleted by the Department of Finance, Legislature, or Congress for the purposes of this program, the State shall have the option to either:
  - i. Terminate the Contract pursuant to Exhibit D, Article XII., A of this Agreement, or
  - ii. Offer a contract amendment to the Contractor to reflect the reduced funding for this Contract.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B**  
**HI 1718 Contract**

**ARTICLE I. FUNDS (Continued)**

- b. In the event the State elects to offer an amendment, it shall be mutually understood by both parties that:
  - i. The State reserves the right to determine which contracts, if any, under this program shall be reduced.
  - ii. Some contracts may be reduced by a greater amount than others, and
  - iii. The State shall determine at its sole discretion the amount that any or all of the contracts shall be reduced for the fiscal year.

**E. Interest Earned**

1. Interest earned on federal advance payments deposited in interest-bearing accounts must be remitted annually to CDA. Interest amounts up to \$500 per year may be retained by the Contractor and subcontractors for administrative expenses. [45 CFR 75.305 (b)(9)]
2. Interest earned on advances of federal funds shall be identified as non-match cash.
3. The Contractor must maintain advance payments of federal awards in interest-bearing accounts, unless the following apply: [45 CFR 75.305 (b)(8)]
  - a. The Contractor receives less than \$120,000 in federal awards per year.
  - b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on federal cash balances.
  - c. The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.
  - d. A foreign government or banking system prohibits or precludes interest bearing accounts.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B**  
**HI 1718 Contract**

**ARTICLE II. BUDGET AND BUDGET REVISION**

- A. The Contractor shall be compensated for expenses only as itemized in the approved Budget with the exception of line item budget transfers as noted in this Exhibit and shall not be entitled to payment for these expenses until this Agreement is approved and executed by CDA. The approved budget is hereby incorporated by reference into this Agreement as a part of Exhibit B.
- B. The Budget must set forth in detail the reimbursable items, unit rates and extended total amounts for each line item. The Contractor's budget shall include, at a minimum, the following items when reimbursable under this Agreement:
  1. Personnel Costs - monthly, weekly, or hourly rates, as appropriate and personnel classifications together with the percentage of time to be charged to this Agreement.
  2. Fringe Benefits.
  3. Contractual Costs - subcontract and consultant cost detail.
  4. Indirect Costs.
  5. Rent - specify square footage and rate.
  6. Supplies.
  7. Equipment - detailed descriptions and unit costs.
  8. In State Travel - mileage reimbursement rate, lodging, per diem and other costs.
  9. Out of State Travel - any travel outside the State of California including mileage reimbursement rate, lodging, per diem and other costs.
  10. Other Costs - a detailed list of other operating expenses.
- C. The Contractor shall ensure that the Subcontractor shall submit a budget, which shall be incorporated by reference into the Subcontract and will have, at a minimum, the categories listed in Section B. above.
- D. Unless otherwise specified by CDA, the final budget revision must be submitted at least ninety (90) days prior to the ending date of the Contract.

**Budget Detail, Payment Provisions, and Closeout – Exhibit B**  
**HI 1718 Contract**

**ARTICLE II. BUDGET AND BUDGET REVISION (Continued)**

**E. Indirect Costs**

1. The maximum reimbursement amount allowable for indirect costs is ten percent (10%) of the Contractor's and/or Subcontractor's direct costs, excluding in-kind contributions and nonexpendable equipment unless there is an accepted negotiated rate. [45 CFR 75.414 (c) (1) and (f)].
2. Contractors requesting reimbursement for indirect costs shall retain on file an approved indirect cost rate or an allocation plan documenting the methodology used to determine the indirect costs.
3. Indirect costs exceeding the ten percent (10%) maximum may be budgeted as in-kind and used to meet the minimum matching requirements (Title III and Title VII only).
4. For major Institutes of Higher Education and major nonprofit organizations, indirect costs must be classified within two broad categories: "Facilities" and "Administration." "Facilities" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. "Administration" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). [45 CFR 75.414(a)]

**ARTICLE III. PROGRAM SPECIFIC FUNDS**

**A. Program Income**

1. No Program Income is required under the terms and conditions of this Agreement.
2. No fees may be charged for services although contributions or donations may be requested. Signs and literature about HICAP services may indicate that donations are welcome and may suggest donation amounts. HICAP clients are not to be pressured to make donations. All contributions or donations, either in cash or in goods and services, provided specifically to the HICAP, shall be spent on activities related to HICAP. Voluntary contributions received from a client or responsible party for services rendered by HICAP shall be reported as Program Income. (Applicable to HICAP program only.)

**Budget Detail, Payment Provisions, and Closeout – Exhibit B**  
**HI 1718 Contract**

**ARTICLE III. PROGRAM SPECIFIC FUNDS**

**B. One-Time-Only (OTO) Funds**

OTO funds, if any, are non-transferable between funding sources and are to be used for the purposes for which they were originally allocated. This means that OTO funds can only be used in the program in which they were accrued.

**C. Matching Contributions**

No match is required under the terms and conditions of this Agreement.

**D. Administration**

Contractor Administration shall be no more than ten percent (10%) of the total program allocation.

**ARTICLE IV. PROGRAM SPECIFIC BUDGET AND BUDGET REVISION**

- A. The Contractor shall submit electronically the original HICAP Budget with the annual updates by May 1, unless otherwise instructed by CDA..**
- B. The Contractor shall submit electronically a budget revision thirty (30) days after receiving an amended Budget Display with changes in funding levels, unless otherwise instructed by CDA.**
- C. The final date to submit a budget revision is March 1<sup>st</sup> of the Contract period unless otherwise specified by CDA. CDA will not accept any budget revision after the Contract period has expired.**
- D. Line Item Budget Transfers**

The Contractor may transfer contract funds between line items under the following terms and conditions:

- 1. The Contractor shall submit a revised budget to CDA for any line item budget transfer of funds that is ten percent (10%) or more of the total budget.**
- 2. The Contractor shall maintain a written record of all budget changes and clearly document line item budget changes. The record shall include the date of the transfer, the amount, and the purpose. This record shall be available to CDA upon request and shall be maintained in the same manner as all other financial records.**

**Budget Detail, Payment Provisions, and Closeout – Exhibit B  
HI 1718 Contract**

**ARTICLE IV. PROGRAM SPECIFIC BUDGET AND BUDGET REVISION (Continued)**

- E. In the event that programs are changed from direct services to contracted services or contracted services to direct services, the Contractor shall submit a revised budget to CDA, prior to implementation of said change. An amendment to this Agreement shall be required in accordance with Exhibit D, Article XV.

**ARTICLE V. PAYMENT**

- A. The Contractor shall prepare and submit a monthly expenditure report in an electronic format as instructed by CDA by the 30<sup>th</sup> of each month.
- B. Payments will be made to reimburse expenditures reported unless payment method was established as a Request for Funds basis for the contract term at the time of contract execution.
- C. During the Contract period, requests to expedite payments shall be reviewed and based on an analysis of the Contractor's need to provide services.

**ARTICLE VI. CLOSEOUT**

- A. All contractors must submit Closeout Reports to CDA, as instructed by CDA.
- B. All contractors must submit the Report of Property Purchased with Agreement Funds (CDA 32) with the Closeout Report.
- C. Closeout reporting documents must be addressed to the CDA Fiscal Team.
- D. Final expenditures must be reported to CDA in accordance with the budget display in Exhibit B. If the expenditures reported by the Contractor exceed the advanced amount, CDA will reimburse the difference to the Contractor up to the contract amount. If the expenditures reported by the Contractor are less than the advanced amount, CDA will invoice the Contractor for the unspent funds.

The invoice is due immediately upon receipt or no later than 30 days from the date on the invoice.

**Special Terms and Conditions - Exhibit D  
HI 1718 Contract**

**ARTICLE I. DEFINITIONS AND RESOLUTIONS OF LANGUAGE CONFLICTS**

**A. General Definitions**

1. "Agreement" or "Contract" means the Standard Agreement (Std. 213), Exhibits A, B, C, D and E, an approved Budget Display as identified in Exhibit B, and if applicable, a Work Plan or Budget Summary, which are hereby incorporated by reference, amendments, and any other documents incorporated by reference; unless otherwise provided for in this Article.
2. "Contractor" means the Area Agency on Aging (AAA) awarded funds under this Agreement and is accountable to the State and/or federal government for use of these funds and is responsible for executing the provisions for services provided under this Agreement.
3. "CCR" means California Code of Regulations.
4. "CFR" means Code of Federal Regulations.
5. "DUNS" means the nine-digit, Data Universal Numbering System number established and assigned by Dun and Bradstreet, Inc., to uniquely identify business entities..
6. "Cal. Gov. Code" means California Government Code.
7. "OMB" means the federal Office of Management and Budget.
8. "Cal. Pub. Con. Code" means the California Public Contract Code.
9. "Cal. Civ. Code" means California Civil Code
10. "Reimbursable item" also means "allowable cost" and "compensable item."
11. "State" and "Department" mean the State of California and the California Department of Aging (CDA) interchangeably.
12. "Subcontractor" means the legal entity that receives funds from the Contractor to carry out part of a federal award identified in this Agreement.
13. "Subcontract" means any form of legal agreement between the Contractor and the Subcontractor, including an agreement that the Contractor considers a contract, including vendor type Agreements for providing goods or services under this Agreement.
14. "Vendor" means an entity selling goods or services to the Contractor or Subcontractor during the Contractor or Subcontractor's performance of the Agreement.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE I. DEFINITIONS AND RESOLUTIONS OF LANGUAGE CONFLICTS (Continued)**

15. "USC" means United States Code.
16. "HHS" means United States Department of Health and Human Services.
17. "OAA" means Older American Act.

B. Resolution of Language Conflicts

The terms and conditions of this federal award and other requirements have the following order of precedence, if there is any conflict in what they require:

1. The Grant Terms and Conditions.
2. The Older American Act and other applicable federal statutes and their implementing regulations.
3. If applicable, the Older Californians Act and other California State codes and regulations.
4. Standard Agreement (Std. 213), all Exhibits and any amendments thereto.
5. Any other documents incorporated herein by reference including, if applicable, the federal HHS terms and conditions found in Part II of the HHS Grant Policy Statement. The HHS Grant Policy Statement is available under the HHS Policy Requirements Topic at <https://www.hhs.gov/grants/grants/grants-policies-regulations/index.html>
6. Program memos and other guidance issued by CDA.

**ARTICLE II. ASSURANCES**

A. Law, Policy and Procedure, Licenses, and Certificates

The Contractor agrees to administer this Agreement and require any subcontractors to administer their subcontracts in accordance with this Agreement, and with all applicable local, State, and federal laws and regulations including, but not limited to, discrimination, wages and hours of employment, occupational safety, and to fire, safety, health, and sanitation regulations, directives, guidelines, and/or manuals related to this Agreement and resolve all issues using good administrative practices and sound judgment. The Contractor and its subcontractors shall keep in effect all licenses, permits, notices, and certificates that are required by law.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

**B. Subcontracts**

The Contractor shall require language in all subcontracts to require all subcontractors to comply with all applicable State and federal laws.

**C. Nondiscrimination**

The Contractor shall comply with all federal statutes relating to nondiscrimination. These include those statutes and laws contained in the Contractor Certification Clauses (CCC 307), which is hereby incorporated by reference. In addition, the Contractor shall comply with the following:

**1. Equal Access to Federally-Funded Benefits, Programs and Activities**

The Contractor shall ensure compliance with Title VI of the Civil Rights Act of 1964 [42 USC 2000d; 45 CFR 80], which prohibits recipients of federal financial assistance from discriminating against persons based on race, color, religion, or national origin.

**2. Equal Access to State-Funded Benefits, Programs and Activities**

The Contractor shall, unless exempted, ensure compliance with the requirements of Cal. Gov. Code § 11135 et seq., and 2 CCR § 11140 et seq., which prohibit recipients of state financial assistance from discriminating against persons based on race, national origin, ethnic group identification, religion, age, sex, sexual orientation, color, or disability. [22 CCR § 98323]

**3. California Civil Rights Laws**

The Contractor shall, ensure compliance with the requirements of California Public Contract Code § 2010 by submitting a completed California Civil Rights Laws Certification, prior to execution of this Agreement. The certificate is available at:  
<http://www.dgs.ca.gov/ols/Forms.aspx>

The California Civil Rights Laws Certification ensures Contractor compliance with the Unruh Civil Rights Act (Cal. Civ. Code § 51) and the Fair Employment and Housing Act (Cal. Gov. Code § 12960), and ensures that Contractor internal policies are not used in violation of California Civil Rights Laws.

**4. The Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. [42 USC 12101 et seq.]**

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

5. The Contractor agrees to include these requirements in all contracts it enters into with subcontractors to provide services pursuant to this Agreement.

**D. Standards of Work**

The Contractor agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to accepted professional standards.

**E. Conflict of Interest**

1. The Contractor shall prevent employees, consultants, or members of governing bodies from using their positions for purposes including, but not limited to, the selection of subcontractors, that are, or give the appearance of being, motivated by a desire for private gain for themselves or others, such as family, business, or other ties. In the event that the State determines that a conflict of interest exists, any increase in costs associated with the conflict of interest may be disallowed by the State and such conflict may constitute grounds for termination of the Agreement.
2. This provision shall not be construed to prohibit employment of persons with whom the Contractor's officers, agents, or employees have family, business, or other ties, so long as the employment of such persons does not result in a conflict of interest (real or apparent) or increased costs over those associated with the employment of any other equally qualified applicant, and such persons have successfully competed for employment with the other applicants on a merit basis.

**F. Covenant Against Contingent Fees**

1. The Contractor warrants that no person or selling agency has been employed or retained to solicit this Agreement. There has been no agreement to make commission payments in order to obtain this Agreement.
2. For breach or violation of this warranty, CDA shall have the right to terminate this Agreement without liability or at its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingency fee.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

**G. Payroll Taxes and Deductions**

The Contractor shall promptly forward payroll taxes, insurances, and contributions, including State Disability Insurance, Unemployment Insurance, Old Age Survivors Disability Insurance, and federal and State income taxes withheld, to designated governmental agencies as required by law.

**H. Facility Construction or Repair**

This section applies only to Title III funds and not to other funds allocated to other Titles under the OAA. Title III funds may be used for facility construction or repair.

1. When applicable for purposes of construction or repair of facilities, the Contractor shall comply with the provisions contained in the following and shall include such provisions in any applicable agreements with subcontractors:
  - a. Copeland "Anti-Kickback" Act. [18 USC 874, 40 USC 3145] [29 CFR 3]
  - b. Davis-Bacon Act. [40 USC 3141 et seq.] [29 CFR 5]
  - c. Contract Work Hours and Safety Standards Act. [40 USC 3701 et seq.] [29 CFR 5, 6, 7, 8]
  - d. Executive Order 11246 of September 14, 1965, entitled "Equal Employment Opportunity" as amended by Executive Order 11375 of October 13, 1967, as supplemented in Department of Labor Regulations. [41 CFR 60]
2. Payments are not permitted for construction, renovation, alteration, improvement, or repair of privately-owned property which would enhance the owner's value of such property except where permitted by law and by CDA.
3. When funding is provided for construction and non-construction activities, the Contractor must obtain prior written approval from CDA before making any fund or budget transfers between construction and non-construction.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

**I. Contracts in Excess of \$100,000**

If all funding provided herein exceeds \$100,000, the Contractor shall comply with all applicable orders or requirements issued under the following laws:

1. Clean Air Act, as amended. [42 USC 7401]
2. Federal Water Pollution Control Act, as amended. [33 USC 1251 et seq.]
3. Environmental Protection Agency Regulations. [40 CFR 29] [Executive Order 11738]
4. State Contract Act [Cal. Pub. Con. Code §10295 et seq.]
5. Unruh Civil Rights Act [Cal. Pub. Con. Code § 2010]

**J. Debarment, Suspension, and Other Responsibility Matters**

1. The Contractor certifies to the best of its knowledge and belief, that it and its subcontractors:
  - a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.
  - b. Have not, within a three-year period preceding this Agreement, been convicted of, or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction or contract under a public transaction; violation of federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
  - c. Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification.
  - d. Have not, within a three-year period preceding this Agreement, had one or more public transactions (federal, State, or local) terminated for cause or default.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

2. The Contractor shall report immediately to CDA in writing, any incidents of alleged fraud and/or abuse by either the Contractor or subcontractors.
3. The Contractor shall maintain any records, documents, or other evidence of fraud and abuse until otherwise notified by CDA.
4. The Contractor agrees to timely execute any and all amendments to this Agreement or other required documentation relating to the Subcontractor's debarment/suspension status.

**K. Agreement Authorization**

1. If a public entity, the Contractor shall submit to CDA a copy of an approved resolution, order, or motion referencing this Agreement number authorizing execution of this Agreement. If a private nonprofit entity, the Contractor shall submit to CDA an authorization by the Board of Directors to execute this Agreement, referencing this Agreement number.
2. These documents, including minute orders must also identify the action taken.
3. Documentation in the form of a resolution, order, or motion by the Governing Board of the AAA is required for the original and each subsequent amendment to this Agreement. This requirement may also be met by a single resolution from the Governing Board of the Contractor authorizing the AAA Director or designee to execute the original and all subsequent amendments to this Agreement.

**L. Contractor's Staff**

1. The Contractor shall maintain adequate staff to meet the Contractor's obligations under this Agreement.
2. This staff shall be available to the State for training and meetings which the State may find necessary from time to time.

**M. DUNS Number and Related Information**

1. The DUNS number must be provided to CDA prior to the execution of this Agreement. Business entities may register for a DUNS number at <http://www.dnb.com/duns-number.html>.
2. The Contractor must register the DUNS number and maintain an "Active" status within the federal System for Award Management available online at <https://www.sam.gov/portal/SAM/#1>.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE II. ASSURANCES (Continued)**

3. If CDA cannot access or verify "Active" status the Contractor's DUNS information, which is related to this federal subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System (SAM.gov) due to errors in the Contractor's data entry for its DUNS number, the Contractor must immediately update the information as required.

**N. Corporate Status**

1. The Contractor shall be a public entity, private nonprofit entity, or Joint Powers Authority (JPA). If a private nonprofit corporation or JPA, the Contractor shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of this Agreement.
2. The Contractor shall ensure that any subcontractors providing services under this Agreement shall be of sound financial status.
3. Any subcontracting private entity or JPA shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of this Agreement.
4. Failure to maintain good standing by the contracting entity shall result in suspension or termination of this Agreement with CDA until satisfactory status is restored. Failure to maintain good standing by a subcontracting entity shall result in suspension or termination of the subcontract by the Contractor until satisfactory status is restored.

**O. Lobbying Certification**

The Contractor, by signing this Agreement, hereby certifies to the best of its knowledge and belief, that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency; a Member of Congress; an officer or employee of Congress; or an employee of a Member of Congress; in connection with the awarding of any federal contract; the making of any federal grant; the making of any federal loan; the entering into of any cooperative agreement; and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

**Special Terms and Conditions - Exhibit D**  
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**ARTICLE II. ASSURANCES (Continued)**

2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.
3. The Contractor shall require that the language of this certification be included in the award documents for all subcontracts at all tiers (including contracts under grants, loans, and cooperative agreements which exceed \$100,000) and that all subcontractors shall certify and disclose accordingly.
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into.
5. This certification is a prerequisite for making or entering into this transaction imposed by 31 USC 1352.
5. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

P. The Contractor and its Subcontractor/Vendors shall comply with Governor's Executive Order 2-18-2011, which bans expenditures on promotional and marketing items colloquially known as "S.W.A.G." or "Stuff We All Get."

**ARTICLE III. AGREEMENT**

A copy of this executed Agreement is on file and available for inspection at the California Department of Aging, 1300 National Drive, Suite 200, Sacramento, California 95834.

**ARTICLE IV. COMMENCEMENT OF WORK**

Should the Contractor or subcontractor begin work in advance of receiving notice that this Agreement is approved, that work may be considered as having been performed at risk as a mere volunteer and may not be reimbursed or compensated.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE V. SUBCONTRACTS**

- A.** The Contractor is responsible for carrying out the terms of this Agreement, including the satisfaction, settlement, and resolution of all administrative, programmatic, and fiscal aspects of the program(s), including issues that arise out of any subcontracts, and shall not delegate or contract these responsibilities to any other entity. This includes, but is not limited to, disputes, claims, protests of award, or other matters of a contractual nature. The Contractor's decision is final and the Subcontractor has no right of appeal to CDA.
- B.** The Contractor shall, in the event any subcontractor is utilized by the Contractor for any portion of this Agreement, retain the prime responsibility for all the terms and conditions set forth, including but not limited to, the responsibility for preserving the State's copyrights and rights in data in accordance with Article XIX of this Exhibit, for handling property in accordance with Article VII. of this Exhibit, and ensuring the keeping of, access to, availability of, and retention of records of subcontractors in accordance with Article VI. of this Exhibit.
- C.** The Contractor shall not obligate funds for this Agreement in any subcontracts for services beyond the ending date of this Agreement.
- D.** The Contractor shall have no authority to contract for, or on behalf of, or incur obligations on behalf of the State.
- E.** The Contractor shall maintain on file copies of subcontracts, memorandums and/or Letters of Understanding which shall be made available for review at the request of CDA.
- F.** The Contractor shall monitor the insurance requirements of its subcontractors in accordance with Article XI of this Exhibit.
- G.** The Contractor shall require language in all subcontracts to require all subcontractors to indemnify, defend, and save harmless the Contractor, its officers, agents, and employees from any and all claims and losses accruing to or resulting from any subcontractors, suppliers, laborers, and any other person, firm, or corporation furnishing or supplying work services, materials, or supplies in connection with any activities performed for which funds from this Agreement were used and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Subcontractor(s) in the performance of this Agreement.
- H.** The Contractor shall ensure that the Subcontractor will complete all reporting and expenditure documents requested by CDA. These reporting and expenditure documents shall be sent to the Contractor in a timely manner and at intervals as determined by CDA.

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**ARTICLE V. SUBCONTRACTS (Continued)**

- I. The Contractor shall, prior to the awarding of a subcontract to any for-profit entity, submit the following to CDA for review and approval:
  1. The Request for Proposal or Invitation for Bid.
  2. All bid proposals received.
  3. The proposal or bid evaluation documentation, along with the Contractor's rationale for awarding the subcontract to a for-profit entity. [22 CCR 7362]

Where a program may be subcontracted to a for-profit organization, the Contractor should include in its contract with the for-profit entity, a requirement for performance of a program-specific audit of the subcontracted program by an independent audit firm.

- J. The Contractor shall require all subcontractors to maintain adequate staff to meet the Subcontractor's Agreement with the Contractor. This staff shall be available to the State for training and meetings which the State may find necessary from time to time.
- K. If a private nonprofit corporation, the Subcontractor shall be in good standing with the Secretary of State of California and shall maintain that status throughout the term of the Agreement.
- L. The Contractor shall refer to 2 CFR 200.330, Subpart D - Subrecipient and Contractor Determinations and 45 CFR 75.351, Subpart D - Subrecipient and Contractor Determinations in making a determination if a subcontractor relationship exists. If such a relationship exists, then the Contractor shall follow the procurement requirements in the applicable OMB Circular.
- M. The Contractor shall utilize procurement procedures as follows:
  1. The Contractor shall obtain goods and services through open and competitive awards. Each Contractor shall have written policies and procedures, including application forms, for conducting an open and competitive process, and any protests resulting from the process.
  2. For goods and services purchased with Title III or Title VII funds, the procurement procedures must include, at a minimum, the requirements set forth in 22 CCR 7352. The only exception is contained in 22 CCR 7360(a). The Contractor issuing a noncompetitive award must comply with 22 CCR 7360(b)-(d).

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**ARTICLE VI. RECORDS**

- A. The Contractor shall maintain complete records which shall include, but not be limited to, accounting records, contracts, agreements, a reconciliation of the "Financial Closeout Report" (CDA Closeout) to the audited financial statements, single audit report, and general ledgers, and a summary worksheet identifying the results of performing an audit resolution of its subcontractors in accordance with Article X. of this Exhibit. This includes the following: Letters of Agreement, insurance documentation, memorandums and/or Letters of Understanding, patient or client records, and electronic files of its activities and expenditures hereunder in a form satisfactory to CDA. All records pertaining to this Agreement must be made available for inspection and audit by the State or its duly authorized agents, at any time during normal business hours.
- B. All such records, including confidential records, must be maintained and made available by the Contractor: (1) until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by CDA's Audit Branch, (2) for such longer period, if any, as is required by applicable statute, by any other clause of this Agreement, or by Sections A and C of this Article, and (3) for such longer period as CDA deems necessary.
- C. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for the same periods as specified in Section A above. The Contractor shall ensure that any resource directories and all client records remain the property of CDA upon termination of this Agreement, and are returned to CDA or transferred to another contractor as instructed by CDA.
- D. In the event of any litigation, claim, negotiation, audit exception, or other action involving the records, all records relative to such action shall be maintained and made available until every action has been cleared to the satisfaction of the State and is so stated in writing to the Contractor.
- E. Adequate source documentation of each transaction shall be maintained relative to the allowability of expenditures reimbursed by the State under this Agreement. If the allowability of expenditures cannot be determined because records or documentation of the Contractor are nonexistent or inadequate according to guidelines set forth in 2 CFR 200.302 and 45 CFR 75.302, the expenditures will be questioned in the audit and may be disallowed by CDA during the audit resolution process.
- F. All records containing confidential information shall be handled in a confidential manner in accordance with the requirements for information integrity and security, and in accordance with guidelines set forth in this Article, and Article XVIII. After the authorized period has expired, confidential records shall be shredded and disposed of in a manner that will maintain confidentiality.

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**ARTICLE VII. PROPERTY**

- A. Unless otherwise provided for in this Article, property refers to all assets used in operation of this Agreement.
  - 1. Property includes land, buildings, improvements, machinery, vehicles, furniture, tools, and intangibles, etc.
  - 2. Property does not include consumable office supplies such as paper, pencils, toner cartridges, file folders, etc.
- B. Property meeting all of the following criteria is subject to the reporting requirements:
  - 1. Has a normal useful life of at least one (1) year.
  - 2. Has a unit acquisition cost of at least \$500 (a desktop or laptop setup, including all peripherals is considered a unit, if purchased as a unit).
  - 3. Is used to conduct business under this Agreement.
- C. Additions, improvements, and betterments to assets meeting all of the conditions in Section B above must also be reported. Additions typically involve physical extensions of existing units. Improvements and betterments typically do not increase the physical size of the asset. Instead, improvements and betterments enhance the condition of an asset (e.g., extend life, increase service capacity, and lower operating costs). Examples of assets that might be improved and bettered include roads, bridges, curbs and gutters, tunnels, parking lots, streets and sidewalks, drainage, and lighting systems.
- D. Intangibles are property which lack physical substance but give valuable rights to the owner. Examples of intangible property include patents, copyrights, leases, and computer software. By contrast, hardware consists of tangible equipment (e.g., computer printer, terminal, etc.). Costs include all amounts incurred to acquire and to ready the intangible asset for its intended use. Typical intangible property costs include the purchase price, legal fees, and other costs incurred to obtain title to the asset.
- E. The Contractor shall keep track of property purchased with funds from this Agreement, and submit to CDA annually with the Closeout, in electronic form, a cumulative inventory of all property furnished or purchased by either the Contractor or the Subcontractor with funds awarded under the terms of this Agreement or any predecessor Agreement for the same purpose. The Contractor shall use the electronic version of the Report of Property Furnished/Purchased with Agreement Funds (CDA 32) to report property to CDA, unless otherwise directed by CDA.

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**ARTICLE VII. PROPERTY (Continued)**

The Contractor shall record the following information when property is acquired:

1. Date acquired.
2. Item description (include model number).
3. CDA tag number or other tag identifying it as State of California property.
4. Serial number (if applicable).
5. Purchase cost or other basis of valuation.
6. Fund source.

**F. Disposal of Property**

1. Prior to disposal of any property purchased by the Contractor or the Subcontractor with funds from this Agreement or any predecessor Agreement, the Contractor must obtain approval from CDA for all items with a unit cost of \$500 or more. Disposition, which includes sale, trade-in, discarding, or transfer to another agency may not occur until approval is received from CDA. The Contractor shall email to CDA the electronic version of the Request to Dispose of Property (CDA 248). CDA will then instruct the AAA on disposition of the property. Once approval for disposal has been received from CDA, the item(s) shall be removed from the Contractor's inventory report.
2. The Contractor must remove all confidential, sensitive, or personal information from CDA property prior to disposal, including removal or destruction of data on computing devices with digital memory and storage capacity. This includes, but is not limited to magnetic tapes, flash drives, personal computers, personal digital assistants, cell or smart phones, multi-function printers, and laptops.

**G.** Any loss, damage, or theft of equipment shall be investigated, fully documented and the Contractor shall promptly notify CDA.

**H.** The State reserves title to all State-purchased or financed property not fully consumed in the performance of this Agreement, unless otherwise required by federal law or regulations or as otherwise agreed by the parties.

**I.** The Contractor shall exercise due care in the use, maintenance, protection, and preservation of such property during the period of the project, and shall assume responsibility for replacement or repair of such property during the period of the project, or until the Contractor has complied with all written instructions from CDA regarding the final disposition of the property.

**Special Terms and Conditions - Exhibit D**  
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**ARTICLE VII. PROPERTY (Continued)**

- J. In the event of the Contractor's dissolution or upon termination of this Agreement, the Contractor shall provide a final property inventory to the State. The State reserves the right to require the Contractor to transfer such property to another entity, or to the State.
- K. To exercise the above right, no later than one hundred twenty (120) days after termination of this Agreement or notification of the Contractor's dissolution, the State will issue specific written disposition instructions to the Contractor.
- L. The Contractor shall use the property for the purpose for which it was intended under the Agreement. When no longer needed for that use, the Contractor shall use it, if needed, and with written approval of the State for other purposes in this order:
  - 1. For another CDA program providing the same or similar service.
  - 2. For another CDA-funded program.
- M. The Contractor may share use of the property and equipment or allow use by other programs, upon written approval from CDA. As a condition of the approval, CDA may require reimbursement under this Agreement for its use.
- N. The Contractor or subcontractors shall not use equipment or supplies acquired under this Agreement with federal and/or State monies for personal gain or to usurp the competitive advantage of a privately-owned business entity.
- O. If purchase of equipment is a reimbursable item, the equipment to be purchased will be specified in the Budget Summary.
- P. The Contractor shall include the provisions contained in this Article in all its subcontracts awarded under this Agreement.

**ARTICLE VIII. ACCESS**

The Contractor shall provide access to the federal or State contracting agency, the California State Auditor, the Comptroller, General of the United States, or any of their duly authorized federal or State representatives to any books, documents, papers, and records of the Contractor or subcontractor which are directly pertinent to this specific Agreement for the purpose of making an audit, examination, excerpts, and transcriptions. The Contractor shall include this requirement in its subcontracts.

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**ARTICLE IX. MONITORING AND EVALUATION**

- A. Authorized State representatives shall have the right to monitor and evaluate the Contractor's administrative, fiscal and program performance pursuant to this Agreement. Said monitoring and evaluation may include, but is not limited to, administrative processes, fiscal, data and procurement components. This will include policies, procedures, procurement, audits, inspections of project premises, interviews of project staff and participants, and when applicable, inspection of food preparation sites.
- B. The Contractor shall cooperate with the State in the monitoring and evaluation processes, which include making any administrative, program and fiscal staff available during any scheduled process.
- C. The Contractor shall monitor contracts and subcontracts to ensure compliance with laws, regulations, and the provisions of contracts that may have a direct and/or material effect on each of its CDA funded programs.
- D. The Contractor is responsible for maintaining supporting documentation including financial and statistical records, contracts, subcontracts, monitoring reports, and all other pertinent records until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by CDA.

**ARTICLE X. AUDIT REQUIREMENTS**

- A. Contractors that expend \$750,000 or more in federal funds shall arrange for an audit to be performed as required by the Single Audit Act of 1984, Public Law 98-502; the Single Audit Act Amendments of 1996, Public Law 104-156; and 2 CFR 200.501 to 200.521 [formerly OMB Circular A-133]. A copy shall be submitted to the:

California Department of Aging  
Attention: Audit Branch  
1300 National Drive, Suite 200  
Sacramento, California 95834

The copy shall be submitted within thirty (30) days after receipt of the Auditor's report or nine (9) months after the end of the audit period, whichever occurs first, or unless a longer period is agreed to in advance by the cognizant or oversight agency.

For purposes of reporting, the Contractor shall ensure that State-funded expenditures are displayed discretely along with the related federal expenditures in the single audit report's "Schedule of Expenditures of Federal Awards" (SEFA) under the Catalog of Federal Domestic Assistance (CFDA) number.

For State contracts that do not have CFDA numbers, the Contractor shall ensure that the State-funded expenditures are discretely identified in the SEFA by the appropriate program name, identifying grant/contract number, and as passed through CDA.

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**ARTICLE X. AUDIT REQUIREMENTS (Continued)**

- B.** The Contractor shall perform a reconciliation of the "Financial Closeout Report" to the audited financial statements, single audit, and general ledgers. The reconciliation shall be maintained and made available for CDA review.
- C.** The Contractor shall, at a minimum, perform Contract resolution within fifteen (15) months of the "Financial Closeout Report."
- D.** The Contractor shall have the responsibility for resolving its contracts with subcontractors to determine whether funds provided under this Agreement are expended in accordance with applicable laws, regulations, and provisions of contracts or agreements.

Contract resolution includes:

- 1.** Ensuring that subcontractors expending \$750,000 or more in federal awards during the Subcontractor's fiscal year have met the audit requirements of 2 CFR § 200.501 - § 200.521 [formerly OMB Circular A-133] as summarized in Section D and E of this Article.
- 2.** Issuing a management decision on audit findings within six (6) months after receipt of the Subcontractor's single audit report and ensuring that the Subcontractor takes appropriate and timely corrective action.
- 3.** Reconciling expenditures reported to the Contractor to the amounts identified in the single audit or other type of audit if the Subcontractor was not subject to the single audit requirements. For a subcontractor who was not required to obtain a single audit and did not obtain another type of audit, the reconciliation of expenditures reported to CDA must be accomplished through performing alternative procedures (e.g., risk assessment [2 CFR 200.331], documented review of financial statements, and documented expense verification, including match, etc.).
- 4.** When alternative procedures are used, the Contractor shall perform financial management system testing, which provides, in part, for the following:
  - a.** Accurate, current, and complete disclosure of the financial results of each federal award or program.
  - b.** Records that identify adequately the source and application of funds for each federally funded activity.

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**ARTICLE X. AUDIT REQUIREMENTS (Continued)**

- c. Effective control over, and accountability for, all funds, property, and other assets to ensure these items are used solely for authorized purposes.
- d. Comparison of expenditures with budget amounts for each federal award.
- e. Written procedures to implement the requirements of 2 CFR 200.305.
- f. Written procedures for determining the allowability of costs in accordance with 2 CFR Part 200, Subpart E - Cost Principles.

[2 CFR 200.302]

- 5. The Contractor shall document system and expense testing to show an acceptable level of reliability, including a review of actual source documents.
- 6. Determining whether the results of the reconciliations performed necessitate adjustment of the Contractor's own records.

E. The Contractor shall ensure that subcontractor single audit reports meet 2 CFR 200, Subpart F - Audit Requirements [formerly OMB Circular A-133] requirements:

- 1. Performed timely – not less frequently than annually and a report submitted timely. The audit is required to be submitted within thirty (30) days after receipt of the Auditor's report or nine (9) months after the end of the audit period, whichever occurs first. [2 CFR 200.512]
- 2. Properly procured – use procurement standards for auditor selection. [2 CFR 200.509]
- 3. Performed in accordance with Generally Accepted Government Auditing Standards. [2 CFR 200.514]
- 4. All inclusive – includes an opinion (or disclaimer of opinion) of the financial statements; a report on internal control related to the financial statements and major programs; an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts; and the schedule of findings and questioned costs. [2 CFR 200.515]

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**ARTICLE X. AUDIT REQUIREMENTS (Continued)**

5. Performed in accordance with provisions applicable to this program as identified in 2 CFR Part 200, Subpart F Audit Requirements [formerly OMB Circular A-133 Compliance Supplement].
- F. Requirements identified in Sections D and E of this Article shall be included in contracts with the Subcontractor. Further, the Subcontractor shall be required to include in its contract with the independent Auditor that the Auditor will comply with all applicable audit requirements/standards; CDA shall have access to all audit reports and supporting work papers, and CDA has the option to perform additional work, as needed.
- G. The Contractor shall prepare a summary worksheet of results from the contract resolutions performed of all subcontractors. The summary worksheet shall include, but not be limited to, contract amounts; amounts resolved; amounts of match verified, resolution of variances; recovered amounts; whether an audit was relied upon or the Contractor performed an independent expense verification review (alternative procedures) of the Subcontractor in making a determination; whether audit findings were issued; and, if applicable, issuance date of the management letter; and any communication or follow-up performed to resolve the findings.
- H. A reasonably proportionate share of the costs of audits required by, and performed in accordance with the Single Audit Act Amendments of 1996, as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:
  1. Any costs when audits required by the Single Audit Act and 2 CFR 200, Subpart F – Audit Requirements have not been conducted or have been conducted but not in accordance therewith; and
  2. Any costs of auditing a non-federal entity that is exempted from having an audit conducted under the Single Audit Act and 2 CFR 200, Subpart F – Audit Requirements because its expenditures under federal awards are less than \$750,000 during the non-federal entity's fiscal year.
    - a. The costs of a financial statement audit of a non-federal entity that does not currently have a federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.

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**ARTICLE X. AUDIT REQUIREMENTS (Continued)**

- b. Pass-through entities may charge federal awards for the cost of agreed-upon-procedures engagements to monitor subcontractors who are exempted from the requirements of the Single Audit Act and 2 CFR 200, Subpart F – Audit Requirements. This cost is allowable only if the agreed-upon procedures engagements are conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) attestation standards, paid for and arranged by the pass-through entity, and limited in scope to one or more of the following types of compliance requirements: activities allowed or not allowed; allowable costs/cost principles; eligibility; and reporting.

[2 CFR 200.425]

- I. The Contractor shall cooperate with and participate in any further audits which may be required by the State.

**ARTICLE XI. INSURANCE**

- A. Prior to commencement of any work under this Agreement, the Contractor shall provide for the term of this Agreement, the following insurance:
  1. General liability of not less than \$1,000,000 per occurrence for bodily injury and property damage combined. Higher limits may be required by the State in cases of higher than usual risks.
  2. Automobile liability including non-owned auto liability, of not less than \$1,000,000 for volunteers and paid employees providing services supported by this Agreement.
  3. If applicable, or unless otherwise amended by future regulation, the Contractor and subcontractors shall comply with the Public Utilities Commission General Order No. 115-F which requires higher levels of insurance for charter-party carriers of passengers and is based on seating capacity as follows:
    - a. \$750,000 if seating capacity is under 8
    - b. \$1,500,000 if seating capacity is 8 – 15
    - c. \$5,000,000 if seating capacity is over 15
  4. Professional liability of not less than \$1,000,000 as it appropriately relates to the services rendered. Coverage shall include medical malpractice and/or errors and omissions. (All programs except Title V).

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**ARTICLE XI. INSURANCE (Continued)**

- B.** The insurance will be obtained from an insurance company acceptable to the Department of General Services, Office of Risk and Insurance Management (DGS, ORIM), or be provided through partial or total self-insurance acceptable to the Department of General Services (DGS).
- C.** Evidence of insurance shall be in a form and content acceptable to DGS, ORIM.
- D.** The Contractor shall notify the State within five (5) business days of any cancellation, non-renewal, or material change that affects required insurance coverage.
- E.** Insurance obtained through commercial carriers shall meet the following requirements:
  - 1.** The Certificate of Insurance shall provide the statement: "The Department of Aging, State of California, its officers, agents, employees, and servants are included as additional insureds, with respect to work performed for the State of California under this Agreement." Professional liability coverage is exempt from this requirement.
  - 2.** CDA shall be named as the certificate holder and CDA's address must be listed on the certificate.
- F.** The insurance provided herein shall be in effect at all times during the term of this Agreement. In the event the insurance coverage expires during the term of this Agreement, the Contractor agrees to provide CDA, at least thirty (30) days prior to the expiration date, a new Certificate of Insurance evidencing insurance coverage as provided herein for a period not less than the remaining Agreement term or for a period not less than one (1) year. In the event the Contractor fails to keep in effect at all times said insurance coverage, CDA may, in addition to any other remedies it may have, terminate this Agreement.
- G.** The Contractor shall require its subcontractors under this Agreement, other than units of local government which are similarly self-insured, to maintain adequate insurance coverage for general liability, Worker's Compensation liabilities, and if appropriate, auto liability including non-owned auto and professional liability, and further, the Contractor shall require all of its subcontractors to hold the Contractor harmless. The Subcontractor's Certificate of Insurance for general and auto liability shall also name the Contractor, not the State, as the certificate holder and additional insured. The Contractor shall maintain Certificates of Insurance for all of its subcontractors.
- H.** A copy of each appropriate Certificate of Insurance or letter of self-insurance, referencing this Agreement number shall be submitted to CDA with this Agreement.

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**ARTICLE XI. INSURANCE (Continued)**

- I. The Contractor shall be insured against liability for Worker's Compensation or undertake self-insurance in accordance with the provisions of the Labor Code and the Contractor affirms to comply with such provisions before commencing the performance of the work under this Agreement. [Labor Code § 3700]

**ARTICLE XII. TERMINATION**

**A. Termination Without Cause**

CDA may terminate performance of work under this Agreement, in whole or in part, without cause, if CDA determines that a termination is in the State's best interest. CDA may terminate the Agreement upon ninety (90) days written notice to the Contractor. The Notice of Termination shall specify the extent of the termination and shall be effective ninety (90) days from the delivery of the Notice. The parties agree that if the termination of the Contract is due to a reduction or deletion of funding by the Department of Finance (DOF), Legislature or Congress, the Notice of Termination shall be effective thirty (30) days from the delivery of the Notice. The Contractor shall submit to CDA a Transition Plan as specified in Exhibit E of this Agreement. The parties agree that for the terminated portion of the Agreement, the remainder of Agreement shall be deemed to remain in effect and is not void.

**B. Termination for Cause**

CDA may terminate, in whole or in part, for cause the performance of work under this Agreement. CDA may terminate the Agreement upon thirty (30) days written notice to the Contractor. The Notice of Termination shall be effective thirty (30) days from the delivery of the Notice of Termination unless the grounds for termination are due to threat to life, health or safety of the public and in that case, the termination shall take effect immediately. The Contractor shall submit to CDA a Transition Plan as specified in Exhibit E of this Agreement. The grounds for termination for cause shall include, but are not limited to, the following:

1. In case of threat of life, health or safety of the public, termination of the Agreement shall be effective immediately.
2. A violation of the law or failure to comply with any condition of this Agreement.
3. Inadequate performance or failure to make progress so as to endanger performance of this Agreement.
4. Failure to comply with reporting requirements.

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**ARTICLE XII. TERMINATION (Continued)**

5. Evidence that the Contractor is in an unsatisfactory financial condition as determined by an audit of the Contractor or evidence of a financial condition that endangers performance of this Agreement and/or the loss of other funding sources.
6. Delinquency in payment of taxes or payment of costs for performance of this Agreement in the ordinary course of business.
7. Appointment of a trustee, receiver, or liquidator for all or a substantial part of the Contractor's property, or institution of bankruptcy, reorganization or the arrangement of liquidation proceedings by or against the Contractor.
8. Service of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the Contractor's assets or income.
9. The commission of an act of bankruptcy.
10. Finding of debarment or suspension. [Article II J]
11. The Contractor's organizational structure has materially changed.
12. CDA determines that the Contractor may be considered a "high risk" agency as described in 2 CFR 200.205 and 45 CFR 75.205. If such a determination is made, the Contractor may be subject to special conditions or restrictions.

**C. Contractor's Obligation After Notice of Termination**

After receipt of a Notice of Termination, and except as directed by CDA, the Contractor shall immediately proceed with the following obligations, as applicable, regardless of any delay in determining or adjusting any funds due under this clause.

The Contractor shall:

1. Stop work as specified in the Notice of Termination.
2. Place no further subcontracts for materials or services, except as necessary, to complete the continued portion of the Contract.
3. Terminate all subcontracts to the extent they relate to the work terminated.
4. Settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts, (the approval or ratification of which will be final for purposes of this clause).

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**ARTICLE XII. TERMINATION (Continued)**

**D. Effective Date**

Termination of this Agreement shall take effect immediately in the case of an emergency such as threat to life, health, or safety of the public. The effective date for Termination with Cause or for funding reductions is thirty (30) days and Termination without Cause is ninety (90) days subsequent to written notice to the Contractor. The notice shall describe the action being taken by CDA, the reason for such action and, any conditions of the termination, including the date of termination.

**E. Voluntary Termination of Area Plan Agreement (Title III Only)**

Pursuant to 22 CCR 7210, the Contractor may voluntarily terminate its contract prior to its expiration either by mutual agreement with CDA or upon thirty (30) days written notice to CDA. In case of voluntary termination, the Contractor shall allow CDA up to one hundred eighty (180) days to transition services. The Contractor shall submit a Transition Plan in accordance with Exhibit E of this Agreement.

**F. Notice of Intent to Terminate by Contractor (All other non-Title III Programs)**

In the event the Contractor no longer intends to provide services under this Agreement, the Contractor shall give CDA Notice of Intent to Terminate. Such notice shall be given in writing to CDA at least one hundred eighty (180) days prior to the proposed termination date. Unless mutually agreed upon, the Contractor does not have the authority to terminate the Agreement. The Notice of Intent to Terminate shall include the reason for such action and the anticipated last day of work. The Contractor shall submit a Transition Plan in accordance with Exhibit E.

**G. In the Event of a Termination Notice**

CDA will present written notice to the Contractor of any condition, such as, but not limited to, transfer of clients, care of clients, return of unspent funds; and disposition of property, which must be met prior to termination.

**ARTICLE XIII. REMEDIES**

The Contractor agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to CDA as a result of breach of this Agreement by the Contractor, whether such breach occurs before or after completion of the project.

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**ARTICLE XIV. DISSOLUTION OF ENTITY**

The Contractor shall notify CDA immediately of any intention to discontinue existence of the entity or to bring an action for dissolution.

**ARTICLE XV. AMENDMENTS, REVISIONS OR MODIFICATIONS**

- A. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed and approved through the State amendment process in accordance with the State Contract Manual. No oral understanding or agreement not incorporated in this Agreement is binding on any of the parties.
- B. The State reserves the right to revise, waive, or modify the Agreement to reflect any restrictions, limitations, or conditions enacted by Congress or the Legislature or as directed by the Executive Branch of State government.

**ARTICLE XVI. NOTICES**

- A. Any notice to be given hereunder by either party to the other may be effected by personal delivery in writing or by registered or certified mail, overnight mail, postage prepaid, return receipt requested, provided the Contractor retains receipt, and shall be communicated as of actual receipt.
- B. Any notice given to CDA for the Contractor's change of legal name, main address, or name of the Director shall be addressed to the Director of CDA on the Contractor's letterhead.
- C. All other notices with the exception of those identified in Section B of this Article shall be addressed to the California Department of Aging, AAA Based Teams, 1300 National Drive, Suite 200, Sacramento, California, 95834. Notices mailed to the Contractor shall be to the address indicated on the coversheet of this Agreement.
- D. Either party may change its address by written notice to the other party in accordance with this Article.

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**ARTICLE XVII. DEPARTMENT CONTACT**

- A. The name of CDA's contact to request revisions, waivers, or modifications affecting this Agreement, will be provided by the State to the Contractor upon full execution of this Agreement.
- B. The Contractor shall, upon request from CDA, submit the name of its Agency Contract Representative (ACR) for this Agreement by submitting an Agency Contract Representative form to CDA's Contracts and Business Services Section. This form requires the ACR's address, phone number, email address, and FAX number to be included on this form. For any change in this information, the Contractor shall submit an amended Agency Contract Representative form to the same address. This form may be requested from CDA's Contracts and Business Services Section.

**ARTICLE XVIII. INFORMATION INTEGRITY, AND SECURITY**

A. **Information Assets**

The Contractor, and its Subcontractors/Vendors, shall have in place operational policies, procedures, and practices to protect State information assets, including those assets used to store or access Personal Health Information (PHI), Personal Information (PI) and any information protected under the Health Insurance Portability and Accountability Act (HIPAA), (i.e., public, confidential, sensitive and/or personal identifying information) as specified in the State Administrative Manual, 5300 to 5365.3; Cal. Gov. Code § 11019.9, DGS Management Memo 06-12; DOF Budget Letter 06-34; and CDA Program Memorandum 07-18 Protection of Information Assets and the Statewide Health Information Policy Manual.

Information assets may be in hard copy or electronic format and may include but is not limited to:

1. Reports
2. Notes
3. Forms
4. Computers, laptops, cellphones, printers, scanners
5. Networks (LAN, WAN, WIFI) servers, switches, routers
6. Storage media, hard drives, flash drives, cloud storage
7. Data, applications, databases

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XVIII. INFORMATION INTEGRITY, AND SECURITY (Continued)**

**B. Encryption of Computing Devices**

The Contractor, and its Subcontractors/Vendors, are required to encrypt data collected under this Agreement that is confidential, sensitive, and/or personal information including data stored on all computing devices (including but not limited to, workstations, servers, laptops, personal digital assistants, notebook computers and backup media) and/or portable electronic storage media (including but not limited to, discs, thumb/flash drives, portable hard drives, and backup media).

**C. Disclosure**

1. The Contractor, and its Subcontractors/Vendors, shall ensure that all confidential, sensitive and/or personal identifying information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies.
2. The Contractor, and its Subcontractors/Vendors, shall protect from unauthorized disclosure, confidential, sensitive and/or personal identifying information such as names and other identifying information concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant.
3. "Personal Identifying information" shall include, but not be limited to: name; identifying number; social security number; state driver's license or state identification number; financial account numbers; and symbol or other identifying characteristic assigned to the individual, such as finger or voice print or a photograph.
4. The Contractor, and its Subcontractors/Vendors, shall not use confidential, sensitive and/or personal identifying information above for any purpose other than carrying out the Contractor's obligations under this Agreement. The Contractor and its Subcontractors are authorized to disclose and access identifying information for this purpose as required by QAA.
5. The Contractor and its Subcontractors/Vendors, shall not, except as otherwise specifically authorized or required by this Agreement or court order, disclose any identifying information obtained under the terms of this Agreement to anyone other than CDA without prior written authorization from CDA. The Contractor may be authorized, in writing, by a participant to disclose identifying information specific to the authorizing participant.
6. The Contractor, and its Subcontractors/Vendors, may allow a participant to authorize the release of information to specific entities, but shall not request or encourage any participant to give a blanket authorization or sign a blank release, nor shall the Contractor accept such blanket authorization from any participant.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XVIII. INFORMATION INTEGRITY, AND SECURITY (Continued)**

**D. Security Awareness Training**

1. The Contractor's employees, Subcontractors/Vendors, and volunteers handling confidential, sensitive and/or personal identifying information must complete the required CDA Security Awareness Training module located at <https://www.aging.ca.gov/ProgramsProviders/#Resources> within thirty (30) days of the start date of the Contract/Agreement, within thirty (30) days of the start date of any new employee, Subcontractor, Vendor or volunteer's employment and annually thereafter.
2. The Contractor must maintain certificates of completion on file and provide them to CDA upon request.

**E. Health Insurance Portability and Accountability Act (HIPAA)**

The Contractor agrees to comply with the privacy and security requirements of HIPAA and ensure that Subcontractors/Vendors comply with the privacy and security requirements of HIPAA.

**F. Contractor Confidentiality Statement**

The Contractor shall sign and return a Contractor/Vendor Confidentiality Statement (CDA 1024) form with this Agreement. This is to ensure that the Contractor is aware of, and agrees to comply with, their obligations to protect CDA information assets from unauthorized access and disclosure.

**G. Security Incident Reporting**

A security incident occurs when CDA information assets are or reasonably believed to have been accessed, modified, destroyed, or disclosed without proper authorization, or are lost or stolen. The Contractor, and its Subcontractors/Vendors, must comply with CDA's security incident reporting procedure located at <https://www.aging.ca.gov/ProgramsProviders/#Resources>.

**H. Security Breach Notifications**

Notice must be given by the Contractor, and/or its Subcontractors/Vendors to anyone whose confidential, sensitive and/or personal identifying information could have been breached in accordance with HIPAA, the Information Practices Act of 1977, and State policy.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XVIII. INFORMATION INTEGRITY, AND SECURITY (Continued)**

**I. Software Maintenance**

The Contractor, and its Subcontractors/Vendors, shall apply security patches and upgrades in a timely manner and keep virus software up-to-date on all systems on which State data may be stored or accessed.

**J. Electronic Backups**

The Contractor, and its Subcontractors/Vendors, shall ensure that all electronic information is protected by performing regular backups of files and databases and ensure the availability of information assets for continued business. The Contractor, and its Subcontractors/Vendors, shall ensure that all data, files and backup files are encrypted.

**K. Provisions of this Article**

The provisions contained in this Article shall be included in all contracts of both the Contractor and its Subcontractors/Vendors.

**ARTICLE XIX. COPYRIGHTS AND RIGHTS IN DATA**

**A. Copyrights**

1. If any material funded by this Agreement is subject to copyright, the State reserves the right to copyright such material and the Contractor agrees not to copyright such material, except as set forth in Section B of this Article.
2. The Contractor may request permission to copyright material by writing to the Director of CDA. The Director shall grant permission, or give reason for denying permission to the Contractor in writing within sixty (60) days of receipt of the request.
3. If the material is copyrighted with the consent of CDA, the State reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, prepare derivative works, publish, distribute and use such materials, in whole or in part, and to authorize others to do so, provided written credit is given to the author.
4. The Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this contract for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XIX. COPYRIGHTS AND RIGHTS IN DATA (Continued)**

**B. Rights in Data**

1. The Contractor shall not publish or transfer any materials, as defined in paragraph 2 below, produced or resulting from activities supported by this Agreement without the express written consent of the Director of CDA. That consent shall be given, or the reasons for denial shall be given, and any conditions under which it is given or denied, within thirty (30) days after the written request is received by CDA. CDA may request a copy of the material for review prior to approval of the request. This subsection is not intended to prohibit the Contractor from sharing identifying client information authorized by the participant or summary program information which is not client-specific.
2. As used in this Agreement, the term "subject data" means writings, sound recordings, pictorial reproductions, drawings, designs or graphic representations, procedural manuals, forms, diagrams, workflow charts, equipment descriptions, data files and data processing or computer programs, and works of any similar nature (whether or not copyrighted or copyrightable) which are first produced or developed under this Agreement. The term does not include financial reports, cost analyses and similar information incidental to contract administration, or the exchange of that information between AAAs to facilitate uniformity of contract and program administration on a statewide basis.
3. Subject only to other provisions of this Agreement, the State may use, duplicate, or disclose in any manner, and have or permit others to do so subject to State and federal law, all subject data delivered under this Agreement.

**ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES**

**A. Needs Assessment**

1. The Contractor shall conduct a cultural and linguistic group-needs assessment of the eligible client population in the Contractor's service area to assess the language needs of the population and determine what reasonable steps are necessary to ensure meaningful access to services and activities to eligible individuals. [22 CCR 98310, 98314]

The group-needs assessment shall take into account the following four (4) factors:

- a. Number or proportion of persons with Limited English Proficiency (LEP) eligible to be served or encountered by the program.

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES (Continued)**

- b. Frequency with which LEP individuals come in contact with the program.
- c. Nature and importance of the services provided.
- d. Local or frequently used resources available to the Contractor.

This group-needs assessment will serve as the basis for the Contractor's determination of "reasonable steps" and provide documentary evidence of compliance with Cal. Gov. Code § 11135 et seq.; 2 CCR 11140, 2 CCR 11200 et seq., and 22 CCR 98300 et seq.

- 2. The Contractor shall prepare and make available a report of the findings of the group-needs assessment that summarizes:
  - a. Methodologies used.
  - b. The linguistic and cultural needs of non-English speaking or LEP groups.
  - c. Services proposed to address the needs identified and a timeline for implementation. [22 CCR 98310]
- 3. The Contractor shall maintain a record of the group-needs assessment on file at the Contractor's headquarters at all times during the term of this Agreement. [22 CCR 98310, 98313]

**B. Provision of Services**

- 1. The Contractor shall take reasonable steps, based upon the group-needs assessment identified in Section A of this Article, to ensure that "alternative communication services" are available to non-English speaking or LEP beneficiaries of services under this Agreement. [22 CCR 11162]
- 2. "Alternative communication services" include, but are not limited to, the provision of services and programs by means of the following:
  - a. Interpreters or bilingual providers and provider staff.
  - b. Contracts with interpreter services.
  - c. Use of telephone interpreter lines.
  - d. Sharing of language assistance materials and services with other providers.

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**ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES (Continued)**

- e. Translated written information materials, including but not limited to, enrollment information and descriptions of available services and programs.
- f. Referral to culturally and linguistically appropriate community service programs.
3. Based upon the findings of the group-needs assessment, the Contractor shall ensure that reasonable alternative communication services are available to meet the linguistic needs of identified eligible client population groups at key points of contact. Key points of contact include, but are not limited to, telephone contacts, office visits and in-home visits.  
[22 CCR 11162]

The Contractor shall self-certify to compliance with the requirements of this section and shall maintain the self-certification record on file at the Contractor's office at all times during the term of this Agreement.  
[22 CCR 98310]

4. The Contractor shall notify its employees of clients' rights regarding language access and the Contractor's obligation to ensure access to alternative communication services where determined appropriate based upon the needs assessment conducted by the Contractor. [22 CCR 98324]
5. Noncompliance with this section may result in suspension or termination of funds and/or termination of this Agreement. [22 CCR 98370]

**C. Compliance Monitoring**

1. The Contractor shall develop and implement policies and procedures for assessing and monitoring the performance of individuals and entities that provide alternative communication services to non-English and LEP clients. [22 CCR 98310]
2. The Contractor shall monitor, evaluate, and take effective action to address any needed improvement in the delivery of culturally and linguistically appropriate services. [22 CCR 98310]
3. The Contractor shall permit timely access to all records of compliance with this section. Failure to provide access to such records may result in appropriate sanctions. [22 CCR 98314]

**Special Terms and Conditions - Exhibit D**  
**HI 1718 Contract**

**ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES (Continued)**

**D. Notice to Eligible Beneficiaries of Contracted Services**

1. The Contractor shall designate an employee to whom initial complaints or inquiries regarding national origin can be directed. [22 CCR 98325]
2. The Contractor shall make available to ultimate beneficiaries of contracted services and programs information regarding CDA's procedure for filing a complaint and other information regarding the provisions of Cal. Gov. Code § 11135 et seq. [22 CCR 98326]
3. The Contractor shall notify CDA immediately of a complaint alleging discrimination based upon a violation of State or federal law. [2 CCR 11162, 22 CCR 98310, 98340]

**Additional Provisions - Exhibit E  
HI 1718 Contract**

**ARTICLE I. ASSURANCES SPECIFIC TO HICAP**

- A. The Contractor shall assure, either as a HICAP direct services or contracted services, that the following conditions are met:

  - 1. Services are provided only to the defined Eligible Service Population.
  - 2. Promote public awareness, knowledge and visibility of the HICAP that includes persons in greatest need of services and partnership opportunities with groups not currently being reached.
  - 3. Staffing shall be adequate to cover all contract requirements and timelines of the Program. The Program Manager shall manage the Program at least thirty-two (32) hours per week. The equivalent of at least one half-time paid Volunteer Coordinator shall assist the Program Manager in coordinating the activities of volunteers.
  - 4. Assure that the Program Manager for HICAP has general oversight of the HICAP services and sole authority to recommend persons for HICAP Counselor registration, to file industry complaints, and to refer HICAP clients to legal services.
  - 5. Provide that all persons affiliated with the Program and who are counseling, including paid personnel and volunteers, are trained and registered with the State as HICAP Counselors in accordance with laws, regulations, and the HICAP Program Manual.
- B. The Contractor shall assure, either as a HICAP direct services or contracted services, compliance with the State Conflict of Interest Requirements as they pertain to HICAP services as follows:

  - 1. The Contractor shall assure that project staff and volunteers do not engage in the solicitation of insurance; nor endorse any Medicare supplement, long-term care, or other insurance policies or plans; nor endorse the services of any insurer or managed care plan, claims processing organization, or other enterprise that could benefit from activities conducted by the HICAP. All project staff and volunteers shall provide HICAP educational services in a manner that is objective and impartial and provide counseling consistent with the best interests of the clients and which preserves the independent decision-making responsibilities of the client.

**Additional Provisions - Exhibit E  
HI 1718 Contract**

**ARTICLE I. ASSURANCES SPECIFIC TO HICAP (Continued)**

2. The Contractor shall assure that the project, project staff, and volunteers shall not have a conflict of interest such as, but not limited to, a business relationship with insurers, health plans, or organizations posing a conflict of interest. The Contractor shall assure that project staff and volunteers do not accept money or gifts from the clientele in exchange for services in accordance with CDA guidance on conflict of interest and the HICAP Program Manual.
3. The Contractor shall take all reasonable and necessary measures to assure that advisors, employees, and volunteers associated with the operation of HICAP agree to act in a manner so as to prevent the appearance of impropriety, or any other act which would place in jeopardy HICAP's reputation as an independent and impartial program. The Contractor shall assure that advisors and governing board members shall recuse themselves from HICAP business if they are employed by, or receive compensation from, the health insurance or managed health care industries. This shall not preclude the Contractor from soliciting program contributions from entities that do not pose a conflict of interest.

C. The Contractor shall assure that the following publication conditions are met:

Materials published or transferred by the Contractor and financed with funds under this Agreement shall:

1. Use the SHIP Logo and Tagline on all HICAP publications, including websites.
2. Identify the name of the entity, the address, and telephone number at which the supporting data is available.
3. Acknowledge the support of CDA in writing, whenever publicizing the work under this Agreement in any media.
4. Include the express acknowledgment on all SHIP public information materials, "This project was supported, in part, by grant number CFDA 93.324 from the U.S. Administration for Community Living, Department of Health and Human Services, Washington D.C. 20201. Grantees undertaking projects under government sponsorship are encouraged to express freely their findings and conclusions. Points of view or opinions do not, therefore, necessarily represent official Administration for Community Living policy."

**Additional Provisions - Exhibit E  
HI 1718 Contract**

**ARTICLE I. ASSURANCES SPECIFIC TO HICAP (Continued)**

- D. The Contractor shall assure, either as a HICAP direct services or contracted services, progress toward compliance with the federal Volunteer Risk and Program Management (VRPM) project.
- E. CDA may require prior approval and may control the location, cost, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar workshop or conference conducted by the Contractor in relation to the program funded through this Contract. CDA may also maintain control over any reimbursable publicity, or education materials to be made available for distribution.

**ARTICLE II. REPORTING PROVISIONS**

- A. The Contractor shall ensure, either as a direct services or contracted services HICAP, that program data is entered into the State HICAP Automated Reporting Program (SHARP) in accordance with CDA requirements [Welf. & Inst. Code § 9541(c)(8)]. Data entered must be timely, complete, accurate, and verifiable.
  - 1. The Contractor shall review and approve program performance data entered into SHARP.
  - 2. The Contractor shall review and approve program performance data in the following manner:
    - a. The Contractor shall send an email to CDA HICAP (HICAPTeam2@aging.ca.gov) by the 15<sup>th</sup> day of each month, verifying the review and approval of data for the reporting periods as follows:

<b>Reporting Period</b>	<b>Due Date</b>
April 1 – April 30	May 15
May 1 – May 31	June 15
June 1 – June 30	July 15
July 1 – July 31	August 15
August 1 – August 31	September 15
September 1 – September 30	October 15
October 1 – October 31	November 15
November 1 – November 30	December 15
December 1 – December 31	January 15
January 1 – January 31	February 15
February 1 – February 28	March 15
March 1 – March 31	April 15

**Additional Provisions - Exhibit E  
HI 1718 Contract**

**ARTICLE II. REPORTING PROVISIONS (Continued)**

- b. If the Contractor fails to send a verification email to CDA HICAP by the stated due date, CDA HICAP assumes that data is approved for submission to the federal National Performance Report (NPR) system.
- B. The Contractor shall train and orient staff and subcontractor's staff, either as a direct services or contracted services HICAP, regarding program data collection and reporting requirements. The Contractor shall have cross-trained staff in the event of planned or unplanned prolonged absences to ensure timely and accurate submission of data. [45 CFR 1321.55(b)]

**ARTICLE III. CONTINUITY OF SERVICE AND TRANSITION PLAN**

- A. In the event of a change in HICAP subcontractors, the Contractor shall assure that a subsequent HICAP subcontractor is available to complete any open cases or transactions during the transition period. This shall include Medicare appeals and timelines with the Centers for Medicare & Medicaid Services or hearing officers.
- B. The Contractor shall submit a transition plan to CDA within fifteen (15) days of CDA's written Notice of Termination or Contractor's Notice of Intent to Terminate. The transition plan must be approved by CDA and shall at a minimum include the following:
  1. A description of how open or active counseling and legal cases (if applicable) shall be transitioned to the new Contractor.
  2. A description of how names, addresses, and telephone numbers of current clients will be handled and transferred to the new Contractor.
  3. A description of how clients will be notified about the change in and continuation of, their HICAP services.
  4. A description of how communications with other HICAP sites, local agencies and advocacy organizations shall be made to assist in locating alternative services as needed.
  5. A description of how community referral sources will be informed of the pending termination of this HICAP Contract or subcontract and the transition and provision of services.
  6. A description of how sensitive and confidential records will be transferred.

**Additional Provisions - Exhibit E  
HI 1718 Contract**

**ARTICLE III. CONTINUITY OF SERVICE AND TRANSITION PLAN (Continued)**

7. A description of adequate staff to provide continued service through the term of the existing Contract. [22 CCR 7206(e)(4)]
8. A plan to conduct a property inventory and transfer, or return to CDA all equipment purchased with HICAP funds as directed by CDA.
9. Additional information as necessary to effect a safe transition of clients from the outgoing Contractor or Subcontractor to the new Contractor or Subcontractor.

C. The Contractor shall require a subcontractor, in the event of a change of a HICAP subcontractor providing services, either as a result of a routine procurement process or a subcontract termination, to submit a transition plan to the Contractor upon written Notice of Termination by the Contractor or Notice of Intent to Terminate by the Subcontractor. The Contractor shall submit the transition plan to CDA at least fifteen (15) days prior to the termination of the Subcontract, in accordance with Exhibit E, Article III of this Agreement. The transition plan must be approved by CDA prior to implementation.

D. The Contractor shall implement the transition plan as approved by CDA.

E. CDA will monitor the Contractor's progress in carrying out all elements of the transition plan.

**CITY OF LOS ANGELES  
STANDARD LANGUAGE**

Agreement No. ( )  
Project Title: **HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM**  
Contractor: **CENTER FOR HEALTH CARE RIGHTS**  
Doing Business As: **N/A**  
Type of Organization: **California Non-Profit Corporation**  
Corporate Number: **C1240955**  
D-U-N-S® (Data Universal Numbering System) Number: **187856463**  
CDA Number:  
Center(s): **N/A**  
Delivery Service Area (if applicable) **Citywide**

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## EXHIBITS

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EXHIBIT C NOTICE OF PROHIBITION AGAINST RETALIATION

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EXHIBIT E CERTIFICATION REGARDING LOBBYING

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EXHIBIT G SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY

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EXHIBIT 1 BUDGET DOCUMENTS:

Part A: Budget Summary by Cost Category and Projected Expenditures by Month (Not Applicable to performance-based contracts)

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Part D: Budget Justifications, Cost Categories - Equipment Costs and Indirect Costs (Not applicable to performance-based contracts)

THIS AGREEMENT is entered into between the City of Los Angeles ("City"), a municipal corporation, and Center for Health Care Rights, a California nonprofit corporation (the "Contractor") for the provision of services related to the Health Insurance Counseling and Advocacy Program (HICAP).

## **RECITALS**

WHEREAS, the City has entered into Grant Agreements (Agreement numbers <<Insert CDA Agreement Number>>) with the State of California and the California Department of Aging (the "State" and the "CDA" interchangeably), pursuant to the Older Americans Act of 1965, (the "OAA"), as amended, and Older Californians Act (OCA), to establish the Area Agency on Aging in order to improve social, physical and economic conditions of older citizens in the City of Los Angeles; and

WHEREAS, the Los Angeles Department of Aging, (the "LADOA"), has been designated by the City to develop the Annual Area Plan for Progress Toward a Comprehensive, Coordinated Service System for Older Persons, (the "Plan"), and to provide for the planning, coordination and administration of the Plan funded under Titles III-B, III-C1, III-C2, III-D, III-E, V, VII-A, and VII-B of the OAA; and Proposition A - Transportation Funds; and Community-Based Services Programs;

WHEREAS, the LADOA cooperates with private organizations, other agencies of the City and agencies of other governmental jurisdictions in carrying out certain functions and programs which are its responsibility; and

WHEREAS, the Health Insurance Counseling and Advocacy Program has been established by the City as one of the above described programs, and has been funded in the LADOA budget by the CDA pursuant to the OAA Program and OCA Program; and

WHEREAS, the City and the Contractor are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number \_\_\_\_\_ dated \_\_\_\_\_) that authorizes the General Manager of LADOA to prepare and execute the Agreement.

NOW, THEREFORE, the City and the Contractor agree as follows:

## 1. INTRODUCTION

### §101 TERMS OF AGREEMENT

This Agreement including all exhibits and attachments, including, but not limited to, the Standard Provisions for City Contracts (Rev. 1/17), which is attached hereto as Exhibit "A" and incorporated herein by reference, shall constitute the terms of this Agreement.

### §102 NOTICES

The parties to whom formal notices, demands and communications shall be forwarded are as follows:

A. The City, represented by:

Laura Trejo, General Manager  
Los Angeles Department of Aging  
200 N Figueroa St. Suite 500  
Los Angeles, CA 90012  
With copies to:

Jacob Wood, Director  
Los Angeles Department of Aging  
PMD Division

B. The Contractor, represented by:

Aileen Harper, Executive Director  
520 South La Fayette Park Place, Suite 214  
Los Angeles, CA 90057

### §103 SERVICE OF NOTICES

- A. The City's representative as stated above is the party authorized to provide written approvals by the City to the Contractor in reference to matters addressed in this Agreement.
- B. Formal notices, demands, and communications required by this Agreement to be given by either party shall be made in writing and may be delivered personally or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing.
- C. If the name and/or address of the person designated to receive the notices, demands or communications changes, the affected party shall notify the other party in writing of the change in accordance with this section within five (5) days of the change.

### §104 CONDITIONS PRECEDENT TO THE EXECUTION

- A. Prior to the execution of this Agreement, the Contractor shall submit to the City for approval in writing the following documents:
  1. Insurance Certificates - The requirements and instructions for completing, executing, and submitting evidence of insurance to the City are set forth in the City's Insurance Requirements, attached hereto as Exhibit "B" and incorporated herein by reference, and more fully described in §501 herein below.
  2. (IF APPLICABLE) A proposed depository agreement with a bank for the receipt of funds from the City under this agreement. The proposed depository agreement shall be on a form supplied by the City which sets forth the right of the City to exercise suspension of business upon proper notice to the bank by the City.
  3. A Code of Conduct that meets the requirements of §503(B) herein.

B. Prior to execution of this Agreement, the Contractor shall provide the City with the documents listed below. The Contractor shall provide immediate updates to these documents to the City during the Term hereof in the event that the information changes.

1. A current list of the members of the Board of Directors with their individual addresses where they may be reached.
2. The Contractor's Articles of Incorporation and all amendments to those Articles, as filed with the Secretary of State.
3. The Contractor's Bylaws, and all amendments to those Bylaws, as adopted by the Contractor and properly attested.
4. Resolutions of Executive Authority or other corporate actions of the Contractor's Board of Directors, properly attested or certified, which specify the name(s) of the person(s) authorized to obligate the Contractor and execute contractual documents. If the authorized person is someone other than the Contractor's Corporate President, then the Contractor shall also submit a copy of a signature specimen(s) on a form provided by the City.
5. A current and valid license to do business in the City of Los Angeles. The Contractor represents that it has obtained and presently holds the Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, §21.00, *et seq.*, of the Los Angeles Municipal Code). For the term of this Agreement, The Contractor shall maintain, or obtain as necessary, all Certificates required of it under the Business Tax Ordinance and shall not allow the Certificates to be revoked or suspended.
6. An Internal Revenue Service taxpayer identification number.
7. A Contractor Responsibility Ordinance Questionnaire in accordance with PSC – 32 of the Standard Provisions for City Contracts (Exhibit A) and Los Angeles Administrative Code §10.40 *et seq.*
8. A Notice of Prohibition Against Retaliation attached hereto as Exhibit "C" and made a part hereof. The Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.
9. A Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, as required by Executive Orders 12549 and 12689, 29 CFR Part 97.35, and in accordance with §504 A(12) and attached hereto as Exhibit "D" and made a part hereof.
10. Certifications and Disclosures Regarding Lobbying, in accordance with §504 A 4b of this Agreement and attached hereto as Exhibit "E" and made a part hereof. Contractor shall also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any disclosure Form previously filed by Contractor.
11. A Certification of Compliance with the Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy in accordance with PSC – 29.
12. A Certification of Compliance with Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance in accordance with PSC – 30, the Slavery Disclosure Ordinance in accordance with PSC – 34 and First Source Hiring Ordinance in accordance with PSC – 36 of the Standard Provisions for City Contracts available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at [www.lavavn.org](http://www.lavavn.org) and prior to award of a City Contract.
13. A Management Representation Statement fully executed in accordance with City's fiscal policies and attached hereto as Exhibit "F" and made a part hereof.

14. A Contractor/Vendor Confidentiality Statement (CDA 1024) fully executed and attached hereto as Exhibit "J" and made a part hereof.

#### **§105 CONTRACTOR'S ADMINISTRATIVE AND PERSONNEL DOCUMENTS**

The Contractor warrants that it has adopted, shall retain, and make available upon request from the City, the following documents and their amendments, if any:

- A. Contractor's Financial and Accounting Procedures, which incorporate Generally Accepted Accounting Principles (GAAP) including, but not limited to, the preparation and submission of invoices, reconciliation of cash on-hand and earnings with City records, reporting and tracking of customer activity and earnings, repayment of unearned funds, preparation for the resolution of audits and inspections, inventory control, reporting and tracking of program income.
- B. Contractor's Personnel Policy, which incorporates due process protection and standard personnel procedures, and which the Contractor agrees to abide by in the performance of this Agreement.
- C. Agreements with Other Funding Sources: A copy of any agreements between the Contractor and other public or private organizations that directly impact the activities funded under this Agreement shall be kept on file at the Contractor's offices and be provided to the City upon Agreement execution. The Contractor shall also notify City of any default, termination, or finding of disallowed costs under these agreements. The Contractor warrants that no other funding source will be billed for services that are provided and paid for by the City under this Agreement.
- D. Board of Director's meeting minutes:

The Contractor shall maintain minutes of all board meetings and provide these records to the City upon request.

#### **§106 CONTRACTOR'S DUTY TO NOTIFY CITY OF CHANGES**

- A. The Contractor agrees to provide the City sixty (60) days advance written notice of any facts that may materially affect the performance of this Agreement or impact the City's decision to continue this Agreement with the Contractor. Among the items to be disclosed are an amendment to its Articles of Incorporation or Bylaws, move to dissolve or transfer any assets derived from funds provided under §301 herein, negotiations leading to the sale, merger or acquisition of the Contractor; debarment or contract termination by any other public entity and/or any final audit findings regarding the Contractor's administration of any contract with public funds.
- B. The Contractor shall notify the City within five (5) days of changes affecting this Agreement including actions that would change the Contractor's legal status, any action that may materially change the performance of the Scope of Work (i.e., bankruptcy) and/or a change in the Contractor's corporate name.

#### **2. TERM, SCOPE OF WORK, AND BUDGET**

##### **§201 TIME OF PERFORMANCE**

- A. The term of this Agreement shall commence on July 1, 2017 and end June 30, 2018, and shall include any additional period of time as is required to complete necessary close-out activities provided that said term is subject to the provisions of this Agreement ("Term"). Performance shall not commence until the City has approved all of the required documents described hereinabove, and is in receipt of those and/or other documents as described herein.
- B. The City may, at its discretion, agree to extend the Term and/or provide additional funds to the Contractor. Funding for contract extensions will be based on the availability to the City of state and/or federal funds and upon the Contractor's successful performance of all terms of this Agreement.

## **§202 SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY**

The Scope of Work shall consist of senior services provided pursuant to the Older Californians Act (OCA) which provides for Health Insurance Counseling and Advocacy Program services to persons aged 60 and older with an emphasis on serving seniors with the greatest economic or social need, and with particular attention to minorities and those who are non or limited English speaking whose income is at or below poverty. These services shall be provided multipurpose senior centers (MPC) identified as the designated focal point in each of the fifteen Aging Service Areas (ASA), and the Central Business District, within the boundaries of the City of Los Angeles.

### **A. Scope of Work**

- 1.) The Contractor shall provide the following Health Insurance Counseling and Advocacy Program (HICAP) services to eligible persons residing in the city.
  - a. Community Education,
  - b. Lay Counseling and Advocacy, and
  - c. Legal Representation or referral for Medicare-related appeals and grievances.
- 2.) Contractor shall comply with the detailed Scope of Work as attached hereto as Exhibit "G" and incorporated herein by reference.
- 3.) The Contractor shall complete the Scope of Work during the Term, except as otherwise provided herein.

## **§203 BUDGET**

The Contractor shall submit to the City for approval prior to the disbursement of any funds hereunder a proposed Budget. The Budget shall be prepared in accordance with the budget guidelines to be provided by the City. The Budget is a detailed listing of items for expenditure and scope of service(s) under the terms herein. The Budget shall be submitted with all backup documentation as required and/or a cost allocation plan, if necessary and appropriate. All requests to modify the Budget must be made in writing and must be approved in writing by the City. The Budget shall also describe all subcontractor services to be used by the Contractor and the payment procedures for subcontractors.

## **3. COMPENSATION**

### **§301 CONTRACTOR COMPENSATION**

#### **A. Compensation**

1. The City shall pay the Contractor an amount not to exceed <<Insert Dollars>> Dollars (\$<<Insert #>>) for the complete and satisfactory performance of the Scope of Work. These funds shall be allocated from the CDA and the City of Los Angeles and shall be expended in accordance with the approved Budgets. The Contractor's right to receive compensation is conditioned upon approval of the Budget by the City, compliance with the City's indemnification and insurance requirements, satisfactory performance of the Scope of Work, and compliance with the terms and conditions contained herein.

Funding allocation for the full term of this Agreement shall be as follows:

FUNDINGS	July 1, 2017 Thru June 30, 2018	July 1, 2017 Thru March 31, 2018		Total
HICAP Fund				
HICAP (Insurance Fund)				
Federal SHIP Funds				
Federal SHIP One-Time-Only				

2. In no event shall the final expenditures for the Term exceed the total compensation set forth above except as provided for by an amendment to this Agreement.
3. The Contractor's reimbursement for expenses incurred in the performance of the Scope of Work shall be made only upon acceptance by the City of the Contractor's invoice and supporting documentation as described in the Reporting Requirements, §601 herein.
4. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible. Undocumented expenditures shall not be paid under this Agreement.
5. The City shall pay the Contractor for salaries and eligible, allowable, and reasonable expenses as detailed in the approved Budget.
6. The Contractor shall be paid either on a cost reimbursement or advance basis. If the Contractor were to receive advance funds, it must execute a City approved Special Bank Account Agreement before receipt of funds and shall comply with all contract and regulatory requirements for safeguarding advance funds. Request for advance payment basis is subject to City approval. A Contractor on a cost reimbursement basis of payment shall be paid by the City only upon reporting of actual costs incurred.
7. The Contractor is required to provide the sum of <<Insert Dollars>> Dollars (\$<<Insert #>>) non-federal monies as a 10% match to the total funding (grant + match) of this project provided by this Agreement. Match Funds must be fully documented and are subject to city audit.

#### B. Funding of Agreement

Funding for the Scope of Work and the Budgets are subject to the continuing availability of Federal, State and the City's funds for this program to the City. This Agreement may be terminated immediately upon written notice to the Contractor of a loss or reduction of grant funds.

#### C. Payment to the Contractor

1. The City makes no commitment to fund this project beyond the initial Term of this Agreement. The City shall review the Contractor's performance on a periodic basis. In the event the City determines that the Contractor is not meeting its proposed performance measures, the City may unilaterally reduce the compensation set forth above in compliance with the provisions set forth in this Agreement, upon written notice to the Contractor and as set forth by a written amendment.
2. The Contractor shall be reimbursed for reasonable and allowable expenses incurred. Unless the Contractor has been approved to receive advance payments, all payments shall be on

reimbursement basis. The Contractors who are on an advance payment plan authorized by the City as described in the Budget shall bill the City for all reasonable and allowable costs incurred.

3. Contractors not on advance payment plan shall request reimbursements by submitting the cash request, monthly expenditure report and all other documents as required by the City. The Contractor shall be reimbursed after City has received the monthly expenditure report and all other required documents and after City determines that the Contractor has incurred and expended funds for reasonable and allowable costs under this Agreement.
4. Reasonable and allowable costs shall be determined pursuant to the Allowable and Unallowable Cost section herein.

D. Stand-In Costs: The Contractor shall identify, document, and account for stand-in costs. These stand-in costs shall be reported to the City on a quarterly basis.

E. Profit: The Contractor shall comply with any City Directives regarding profit or return on investment.

F. Indirect Costs

1. Indirect Costs mean costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved.
2. The maximum reimbursement amount allowable for indirect costs is 10 percent of the Contractor's total cost of the project less equipment costs, matching share and non-matching share. Indirect costs exceeding 10 percent maximum may be budgeted as in-kind and used to meet the minimum matching requirements.

The Contractor agrees to include the above requirement in all contracts it enters into with subcontractors/vendors to provide services pursuant to this Agreement.

3. Payment for indirect costs, if any, shall be released in accordance with instructions stated in the Federal Cognizant Agency's approval letter of indirect cost rates on file with the City pursuant to the Single Audit Act and the provisions of 2 C.F.R. Part 200, which provisions supersede the Office of Management and Budget (OMB) circulars.

G. Applicable Discounts: The Contractor warrants that any applicable discounts have been included in the costs billed to the City.

H. Concurrent Enrollment: If the Contractor is serving customers, concurrently utilizing more than one funding stream, the Contractor is responsible for tracking the services delivered and the expenditures reported to ensure that services and expenditures are not duplicated.

I. Match Requirements: The Contractor shall report in its invoice the required match of non-federal funds, if applicable. If required to provide a match of funds, as set forth above in this compensation section of this Agreement, the Contractor shall report in each invoice the funds being matched. Documentation shall be maintained and made available for review.

J. Overtime Work: Unless specifically stated herein or authorized by the City in writing, the Contractor shall not incur overtime work expenditures.

K. Travel: Must be approved in advance by the City and included in the Budget. Contractor shall be compensated for its reasonable travel expenses incurred in the performance of the Scope of Work and in compliance with 2 C.F.R. §200.474. All travel, including out-of-state travel not included in the Budget, shall not be reimbursed without prior written authorization from the LADOA.

L. Reallocation of Funds: City reserves the right to unilaterally decrease funds allocated to the Contractor in the event that the City determines that (i) the Contractor has failed to provide adequate services as required in this Agreement, (ii) the Contractor, based on its spending pattern as evidenced by invoices

submitted, will have unexpended funds at the end of the Term, or (iii) City determines that a reallocation of funds would better meet program objectives. Such reallocation of funds may be by written amendment to this Agreement or unilaterally imposed by the City by written notice to the Contractor.

M. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (California Government Code §12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to Ten Thousand Dollars (\$10,000) per false claim.

#### 4. METHODS AND PROCEDURES GOVERNING PAYMENT

##### **§401 WITHHELD PAYMENTS**

- A. Unearned payments under this Agreement may be suspended or not released if funds granted to the City are suspended or terminated.
- B. The City has the authority to withhold funds under this Agreement pending a final determination by the City of questioned expenditures or indebtedness to the City arising from past or present agreements between the City and the Contractor. Upon final determination by the City of disallowed expenditures or indebtedness, the City may deduct and retain the amount of the disallowance or indebtedness from the amount of the withheld earned funds.
- C. In the event of a final determination of disallowed costs or a determination of unearned grant funds by either the City, the State, or Grantor, the Contractor agrees that it shall pay to the City in non-federal funds, the amount of the final disallowance within thirty (30) days of receipt of notice from the City that such funds are due.
- D. Payments to the Contractor may be unilaterally withheld or reduced by the City if the Contractor fails to comply with the provisions contained herein.

##### **§402 FUNDS EARNED PRIOR TO THE COMMENCEMENT OF THIS AGREEMENT**

The Contractor shall not earn funds provided hereunder prior to the commencement or after the end of the Term. The Contractor shall not earn funds subsequent to suspension or termination of this Agreement.

##### **§403 ALLOWABLE AND UNALLOWABLE COSTS**

- A. To be eligible for payment, costs or expenditures must be made in compliance with the terms herein, and the provisions of 2 C.F.R. Part 200, which provisions supersede OMB A-122, and with the principles set forth below:
  1. Be necessary and reasonable for the proper and efficient performance of the Scope of Work and in accordance with the Budget; the City shall have final authority to determine in good faith whether an expenditure is necessary and reasonable.
  2. Conform to the limitations within these general conditions and to any governing statutes, regulations and ordinances.
  3. Be fully documented and determined in accordance with GAAP.
  4. Not be included as a cost or used to meet cost sharing or matching requirements for any other government funding source in either the current or a prior period, except when permitted by the respective government funding sources.
- B. The following costs, among others, are specifically disallowed:
  1. Bad Debts: Any losses arising from un-collectible accounts and other claims, and related costs.

2. Contingencies: Contributions to a contingency reserve or any similar provisions for unforeseen events.
3. Contributions and donations.
4. Entertainment: Costs of amusements, social activities and incidental costs, such as meals, beverages, lodging and gratuities relating to entertainment, or any political or lobbying activity.
5. Fines and Penalties: Costs resulting from violations of, or failure to comply with Federal, State, and local laws and regulations.
6. Interest and Other Financial Costs: Interest or borrowings (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith.
7. Membership Expenses: Costs of membership in any organization that devotes a substantial part of its activities to influencing legislation.
8. Meeting Attendance: Costs of attending meetings directly related to the performance of this Agreement that are not open for attendance on a non-segregated basis.
9. Non-competitive Subcontracts: Payments under a subcontract not obtained under competitive bidding procedures unless specifically waived in writing by the City.
10. Insurance policies offering protection against debts established by the Federal Government.
11. Costs prohibited by §200.450 include lobbying or costs related to any activity designed to influence legislation or appropriations pending before the Congress of the United States.
12. Advancements or reimbursements for expenditures that are determined by the City to be unallowable must be immediately returned to the City.
13. Grant funds may not be used to supplant existing services.

#### **§404 PROGRAM INCOME**

- A. Program Income means revenue generated by the Contractor or subcontractor from contract-supported activities. Program Income is:
  1. Voluntary contributions received from a participant or other party for services received
  2. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement
  3. Royalties received on patents and copyrights from contract-supported activities
  4. Proceeds from the sale of items fabricated under a contract agreement.
- B. Program income includes, but is not limited to, grants, fees that duplicate payments, average daily attendance payments earned through program funded activities, and public or nonprofit agency revenues in excess of contract costs
- C. Interest earned on advances received by the Contractor is program income. All interest earned must be reported as part of the Contractor's monthly expenditure report and must be returned to the City quarterly by separate check made payable to the City and which identifies that the amount represents interest earned on advanced funds.
- D. Any program income must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City's written direction to the Contractor. At the City's discretion, program

income may be used to augment the Contractor's program. Use of program income is permitted only by written amendment to this Agreement. Should this use of program income be approved, the Contractor shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with City record retention and audit requirements. The City shall monitor the Contractor's compliance with all program income requirements.

E. The Contractor's failure to comply fully with program income requirements including any City Directives or regulations shall result in findings of disallowed costs.

#### **§405 RETURN OF PROGRAM INCOME**

The Contractor shall, within forty-five (45) days of the end of the Term, transmit to the City any, and all, remaining program income directly generated by funds provided hereby. Any program income received after the end of the Term shall be paid to the City as required by 24 CFR 85.25 and 24 CFR 570.503(b)(7).

#### **§406 RETURN OF UNEXPENDED FUNDS AND CLOSEOUTS**

A. The Contractor agrees that upon either the completion or termination of this Agreement any unexpended funds, whether advances, interest earned on advances or unearned funds, shall be immediately returned to the City and in no event later than thirty (30) days after completion or termination.

B. The Contractor shall submit a complete and accurate final closeout invoice of costs and reimbursements for services performed hereby to the City within thirty (30) days following the termination or completion of this Agreement. Failure by the Contractor to comply with the 30 day requirement may result in a unilateral close-out by the City based on previous invoices filed with the City, and/or the imposition of sanctions as specified herein. Requests for payment after the 30 days shall not be paid by the City.

C. If a contract is terminated prior to the end of the contract period, all reports are due within 30 calendar days following the termination date of the contract.

#### **§407 VALIDITY OF FINANCIAL DOCUMENTATION SUBMISSIONS**

Financial reports submitted to the City shall be accurate and correct in all respects. Should inaccurate reports be submitted to the City, the City may elect to have the Contractor secure the services of a licensed accounting firm. Cost of such accounting services are to be borne by the Contractor and are not to be reimbursed from the funds authorized hereby unless specifically agreed to between the Contractor and the City by written amendment.

#### **5. STANDARD PROVISIONS**

The provisions of the body of this Agreement shall prevail over the provisions of the Standard Provisions for City Contracts should there be any inconsistency. The term "contract" as used in the Standard Provisions for City Contracts shall include this Agreement.

#### **§501 INSURANCE**

##### **A. General Conditions**

1. During the Term and without limiting Contractor's duty of indemnification herein, Contractor shall provide and maintain at its own expense a program of insurance having coverage and limits customarily carried and actually arranged by the Contractor but not less than the amounts and types listed on the Required Insurance And Minimum Limits Sheet (Form Gen. 146) in Exhibit B hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles—Instructions And Information On Complying With City Insurance Requirements (Revised 10/09) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when such status is appropriate and available depending on the nature of applicable coverage; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in

coverage or reduction in limits when such change is made at option of the insurer; and 3) be primary with respect to City's insurance plan. Except when City is a named insured, Contractor's insurance is not expected to respond to claims which may arise from acts or omissions of the City.

2. The standard City insurance conditions are incorporated into the sample standard subcontract provisions. The specific insurance coverages and limits shall be described by contractor in any RFP for subcontractor services. These coverages and limits should be tailored to the individual subcontract. For City contracts, Required Insurance and Minimum Limits are set by the City Risk Management staff in the Office of the City Administrative Officer on the Form Gen. 146. Electronic submission is the preferred method of submitting your evidence of insurance documents. **Track4LA™** is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in electronic format. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf. Additional instructions and information on complying with City insurance requirements can be found at [http://cao.lacity.org/risk/Submitting\\_proof\\_of\\_Insurance.pdf](http://cao.lacity.org/risk/Submitting_proof_of_Insurance.pdf).

B. Modification of Coverage

City reserves the right at any time during the Term to change the amounts and types of insurance required hereunder by giving Contractor ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

C. Failure to Procure Insurance

All required insurance must be submitted and approved by the City Administrative Officer/Risk Management/Insurance and Bonds prior to the performance of services, inception of any operations or tenancy by Contractor. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Contractor's insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, Contractor's failure to procure or maintain required insurance or a self-insurance program during the Term shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

D. Workers' Compensation

By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of §3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.

A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

**§502 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- A. The Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in its employment practices, including compensation, against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief. The Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code §10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000) or more, Contractor shall comply with the Equal Employment Practices Provisions of the Los Angeles Administrative Code Section 10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of Twenty-Five Thousand Dollars (\$25,000), the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.4, in which event, said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action.
- C. Any subcontract entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.
- D. No person shall on the grounds of race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this Section, Title 24 Code of Federal Regulations Part 107 and Section 570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in situation as defined therein.

## §503 CONFLICT OF INTEREST

### A. No City-funded Employees as Board Members

The City will not execute any agreements and/or amendments with Contractors where an employee (an individual who is paid or receives any financial benefit from funds from the agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

### B. Code of Conduct

- 1. The City requires that all contractors/subcontractors adopt a Code of Conduct that, at a minimum, reflects the constraints discussed in HCID Directive No. FY 12-0001. The Code shall be submitted to the City for approval prior to execution of this Agreement.
- 2. Further, the City requires compliance with the following conflict of interest requirements for all City funded Contractors.

### C. Conflict of Interest

- 1. Prior to obtaining the City's approval of any subcontract, Contractor shall disclose to the City any relationship, financial or otherwise, direct or indirect, of Contractor or any of its officers, directors

or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

2. Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administrating any subcontract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:
  - a. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
  - b. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
  - c. The participation of such person would be prohibited by the California Political Reform Act (California Government Code §87100 *et seq.*) if such person were a public officer, because such person would have a "financial or other interest" in the subcontract.
3. Definitions:
  - a. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law.
  - b. The term "financial or other interest" includes, but is not limited to:
    - 1) Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
    - 2). Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
  - c. A "subcontract" is any agreement entered into by a Contractor for the purchase of goods or services with any funds provided by this Agreement.
- D. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
- E. No director, officer, employee (or agent) of Contractor may be on the Board of Directors if they receive any financial benefit provided by any City agreement.
- F. Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- G. Contractor shall not subcontract with a former director, officer, or employee within an one-year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the City, State, and federal regulations regarding conflict of interest.

- I. Contractor warrants that it has not paid or given and will not pay or give to any third person, any money or other consideration for obtaining this Agreement.
- J. Contractor covenants that no member, officer or employee of Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
- K. Contractor shall incorporate the foregoing subsections of this section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor."
- L. Contractor warrants that it has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

#### **§504 COMPLIANCE WITH STATE AND FEDERAL STATUTES AND REGULATIONS**

Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of grant funds, and repayment by Contractor to City of any unlawful expenditures.

##### **A. Statutes and Regulations Applicable To All Grant Contracts**

Contractor shall comply with all applicable requirements of State, federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies, and any other requirements governing this Agreement. Contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

###### **1. Office of Management and Budget (OMB) Circulars**

Contractor shall comply with the provisions of 2 C.F.R., Part 200, which provisions supersede OMB Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for public agencies or 2 CFR 215 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); and OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

###### **2. Single Audit Act**

Contractor shall adhere to the rules and regulations of the Single Audit Act, 31 USC §7501 et seq.; City Council action dated February 4, 1987 (C.F. No. 84-2259-S1); and any administrative regulation or field memos implementing the Act. The provisions of this paragraph survive expiration or termination of this Agreement. Also see §608(C) for additional audit requirements.

###### **3. American With Disabilities Act**

In implementing this Agreement, Contractor represents and certifies that it will:

- a. Comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments; and California Government Code Section 11135.
- b. Not discriminate in the provision of its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability.

c. Provide reasonable accommodation upon request to ensure equal access and effective communication to all of its programs, services and activities.

Contractor represents and certifies that any construction for housing performed with funds provided through this Agreement will be done in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40.

Contractor represents and certifies that its buildings, and facilities used to provide services in accordance with this Agreement, are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement.

4. Political and Sectarian Activity Prohibited

- a. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.
- b. If this Agreement provides for more than \$100,000 in grant funds or more than \$150,000 in loan funds, Contractor shall submit to the City a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with Title 31 US Code §1352. A copy of the Certificate is attached hereto as Exhibit E.
- c. Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any disclosure form previously filed by Contractor. Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

5. Records Inspection

- a. At any time during normal business hours and as often as the City, the U.S. Comptroller General the U.S. Comptroller General, the U.S. Department of Labor, the Auditor General of the State of California, and the Employment Development Department or their designees, through any authorized representative, may deem necessary, Contractor shall make available for examination all of its records, paper or electronic, with respect to all matters covered by this Agreement. The City, the U.S. Comptroller General, the U.S. Department of labor, the Auditor General of the State of California, and the Employment Development Department or their designees, shall have the authority to audit, examine, and make excerpts or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
- b. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement.

6. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered on file for all documents specified in this Agreement.

Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, any audit, litigation or other actions involving records. The City may, in its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

7. Subcontracts and Procurement

- a. Contractor shall comply with the Federal and City standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include, but not be limited to, purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.
- b. Contractor shall ensure that the terms of this Agreement with the City are incorporated into all Subcontractor Agreements. The Contractor shall submit all subcontractor agreements to the City for review prior to the release of any funds to the subcontractor. The Contractor shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor Agreement.

8. Labor

- a. Contractor shall comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 C.F.R. 900, Subpart F).
- b. Contractor shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally assisted construction sub agreements.
- c. Contractor shall comply with the Federal Fair Labor Standards Act (29 USC § 201) regarding wages and hours of employment.
- d. None of the funds shall be used to promote or deter union/labor organizing activities (California Government Code §16645 et seq.).
- e. Contractor shall comply with the Hatch Act (5 USC §§1501-1508 and 7324-7328).
- f. Contractor shall comply with the provisions of Article 3, Chapter 1, Part 7, Division 2 of the Labor Code of California, the California Child Labor Laws and all other applicable statutes, ordinances, and regulations relative to employment, wages, hours of labor and industrial safety.

9. Civil Rights

Contractor shall comply with all federal statutes relating to nondiscrimination, including, but not limited to:

- a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by person with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.

- b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex.
- c. §§503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicap.
- d. The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age.
- e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse.
- f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
- g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records.
- h. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 *et seq.*), as amended, relating to non-discrimination in the sale, rental or financing of housing.
- i. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made.
- j. The requirements of any other nondiscrimination statute(s) which may apply to the application.
- k. P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- l. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 U.S.C. §2000e).
- m. The Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.

## 10. Environmental

- a. Contractor shall comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.
- b. Contractor shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §1451 *et seq.*); (f) conformity of federal actions to State (Clean Air) Implementation Plans under § 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §7401 *et seq.*); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986; (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and (j) §508 of the Clean Water Act (38 U.S.C. §1360).

- c. Contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §1271 *et seq.*) related to protecting components or potential components of the national wild and scenic rivers system.
- d. Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4822 *et seq.*) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- e. Contractor shall comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 *et seq.*) that restores and maintains the chemical, physical and biological integrity of the nation's waters.
- f. Contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- g. By signing this Agreement, Contractor ensures that it is in compliance with the California Environmental Quality Act, Public Resources Code §21000 *et seq.* and is not impacting the environment negatively.
- h. Contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

11. **Preservation**

Contractor shall comply with §106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §469a-1 *et seq.*).

12. **Suspension and Debarment**

Contractor shall comply with 29 CFR Part 97.35, regarding Suspension and Debarment, and Contractor shall submit a certification Regarding Debarment required by EO 12549 and 12689, and any amendment thereto. Contractor shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

13. **Drug-Free Workplace**

Contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §8102, 28 CFR Part 67, and the California Drug-Free Workplace Act of 1990 (California Government Code §§ 8350-8357).

14. **Animal Welfare**

Contractor shall comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 U.S.C. §2131 *et seq.*)

15. Contractor shall assure, pursuant to the Consolidated Appropriations Act of 2008 (P.L. 110-161) grant funds will not be used in contravention of the federal buildings performance and reporting requirements of EO No. 13123, Part 3 of Title V of the National Energy Conservation Policy Act (42 U.S.C. §8251 *et seq.*) or Subtitle A of Title I of the Energy Policy Act of 2005 (including the amendments made thereby), nor shall grant funds be used in contravention of §303 of the Energy Policy Act of 1992 (42 U.S.C. §13212).

16. **Faith Based Activities**

Contractor shall comply with 24 CFR 570.200(j) regarding Faith Based Activities.

17. Pro-Children Act of 1994

- a. Contractor shall comply with Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.
- b. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

18. American-Made Equipment Products

Contractor shall assure, pursuant to Public Law 103-333, §507, to the extent practicable, that all equipment and products purchased with grant funds made available under this Agreement shall be American made.

19. Contractor shall administer this Agreement in accordance with the provisions of 2 C.F.R. Part 200, which provision supersedes the OMB Circulars.

20. Mandatory Disclosures: The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for non-Compliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321).

B. Statutes and Regulations Applicable to This Grant Agreement:

Contractor shall comply with the following statutes and regulations as applicable:

1. CDBG Program, including, but not limited to 42 U.S.C. §5301 et seq., and 24 CFR Parts 84, 85, and 570.
2. Asbestos and Lead-Based Paint: Laws and regulations pertaining to abatement of asbestos containing materials (ACM) and lead-based paint (LBP) including insuring that all personnel involved in the abatement of removal process of all ACM and LBP will wear the necessary, legally required protective clothing and respiratory gear.
3. Archaeological Sites: If archaeological sites are determined to be located in the vicinity of the program site, a halt work condition is required to allow a state certified archaeologist to assess findings and all work to continue in non-archaeological areas.
4. Federal Acquisition Regulation, 48 CFR, Part 31.
5. City of Los Angeles Ordinance 164244 relating to the 1% fee for public art.

C. Statutes and Regulations Applicable to all HUD Funded Agreements:

1. Equal Access to HUD-Assisted or Insured Housing

(a) Eligibility for HUD-Assisted or Insured Housing:

A determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by the Federal Housing Administration (FHA) shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The terms "sexual orientation" and "gender identity" are defined in 24 CFR §5.100.

(b) Prohibition of Inquiries on Sexual Orientation or Gender Identity:

No owner or administrator of HUD-assisted or HUD-insured housing, approved lender in an FHA mortgage insurance program, nor any (or any other) recipient or subrecipient of HUD funds may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing or housing whose financing is insured by HUD, whether renter- or owner-occupied, for the purpose of determining eligibility for the housing or otherwise making housing available.

This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit an individual from voluntarily self-identifying sexual orientation or gender identity. This prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant's sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled. The term "household" is defined in 24 CFR §570.3.

#### **§505 EARNED INCOME TAX CREDIT**

This Contract is subject to the provisions of §10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

#### **§506 CONTRACTOR'S PERSONNEL**

Contractor shall only assign personnel to this job who are qualified for this assignment by experience and/or education to perform the tasks under this Agreement. In the event anyone is replaced or terminated, Contractor shall notify the city in writing, within five (5) days after termination, and provide information regarding the replacement employee's work and educational experience and qualifications.

#### **§507 FEDERAL, STATE AND LOCAL TAXES**

Federal, State, and local taxes shall be the responsibility of Contractor as an independent contractor and not as a City employee.

#### **§508 INVENTIONS, PATENTS AND COPYRIGHTS**

Contractor shall comply with the requirements regarding Inventions, Patents and Copyrights, which is attached hereto as Exhibit H and incorporated herein by reference.

#### **6. GRANT REQUIREMENTS**

##### **§601 REPORTING REQUIREMENTS**

A. General Reporting: Contractor shall furnish to the City at the times and on the forms and formats, electronically or manually, as the City may require all records, reports, data and information pertaining to matters covered by this Agreement. The Contractor shall use the Client Tracking System (CTS) for all services provided in this contract.

B. Program Reporting: Contractor shall submit to the City the following program reports as identified below. The Contractor shall submit to the City all required documents in accordance with all City procedures and Directives, which are incorporated herein by reference.

1. Monthly Fiscal Report and Closeout Report
  - a. Expenditure Report—Due on or before the 5th day of each month, the Contractor shall submit the Expenditure Report to the City, which reflects accrued expenditures as of the previous month on forms provided by the City.
  - b. Management Information (“MIS”)—Due on or before the 5th day of each month, the Contractor shall submit the Units of service Report to the City, which reflects units services provided as of the previous month on forms provided by the City.
2. Closeout Report
  - a. Within 30 days following the termination of this Agreement, the Contractor shall submit to the City, on forms provided by the City, a complete and accurate final closeout invoice including accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the closeout. Final requests to modify the Budget shall be submitted to the City before final closeout. By submission of the closeout invoice, the Contractor certifies that: i) Costs reported and payments requested are valid and consistent with the terms of the Agreement; and, ii) cash payments received from the City shall be used to pay only for expenditures reported in the final closeout invoices. Costs reported are subject to City verification.
  - b. In the event the Contractor does not submit a final closeout or other required documentation within the prescribed time frame, the City reserves the right to unilaterally closeout the Agreement and use the invoice then on file at City for determination of the Contractor's final allowable expenditures. The City will not reimburse the Contractor for expenditures reported after the 30 day closeout date following the termination of this Agreement. The City shall provide to the Contractor the City closeout forms at least 30 days before termination of the Agreement.

#### **§602 MAINTENANCE OF RECORDS**

A. Record Retention: Records, in their original form, shall be maintained in accordance with requirements prescribed by the Grantor and the City with respect to all matters covered by this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Unaltered copies of eligibility documents are acceptable. These records shall be retained for a period of five years after termination of this Agreement and after final disposition of all “pending matters”. Pending matters include, but are not limited to, an audit, litigation, or other actions involving records. The City may, at its discretion, take possession of and retain the records. Before destruction of records retained under this Agreement, the Contractor shall notify the City and request instructions on disposition of the records.

B. Location of Records: Records (including, but not limited to, customer files and fiscal documents in their original form) pertaining to matters covered by this Agreement shall at all times, be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

#### **§603 CUSTOMER/APPLICANT FILES CHECK**

Contractor shall complete and maintain on-site in each customer's file the following documents, as prescribed by program requirements: 1) application for all applicants, 2) assessment documents, 3) progress reports, 4) counseling documents, 5) supportive services information, and 6) documentation of supportive services received.

#### **§604 EQUIPMENT RECORDS**

A. Nonexpendable personal property (equipment) acquired with grant funds shall be properly maintained and accounted for as set forth below.

A record shall be maintained for each item of equipment acquired for the program. Equipment is nonexpendable property, which is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one year or more. Items costing below \$5,000, but falling into the following categories are also considered equipment and records must be maintained for them: (1) electronic communications equipment for stationary or vehicular use, including cellular telephones acquired by lease or purchase, and (2) electronic office equipment as follows – facsimile machines, copiers, electric typewriters, personal computers (monitors and CPU's), terminals, and printers.

The record shall include: (1) description of the item of equipment, including model and serial number, if applicable; (2) date of acquisition; (3) the acquisition cost or assigned value to the program; and (4) source of acquisition.

B. All equipment obtained under this Agreement shall have a CDA tag number or other tag identifying it as CDA property. The CDA tag number, when practical, shall be affixed where it is readily visible.

C. A physical inventory shall be taken by Contractor and reconciled with the record card annually or at other times as the City shall prescribe.

#### **§605 PURCHASE OR LEASE OF EQUIPMENT OR FACILITIES**

Prior to the purchase or lease of equipment Contractor shall receive prior City approval in writing and shall comply with all requirements described in this Agreement.

The term "equipment" as used in this Agreement shall be defined to mean personal property.

Contractor shall notify the City in writing before using equipment for this Agreement that was or is to be purchased or leased with public funds not provided by this Agreement. Purchase or lease payments for this equipment shall not be made from funds under the terms of this Agreement.

A. Lease of Equipment

A copy of each executed equipment lease agreement shall be submitted to the City before payment. Written amendments to equipment lease agreement shall comply with the conditions set forth in this Agreement.

B. Purchase of Equipment

All property real and personal, purchased under this Agreement with grant funds shall become the property of the City and shall be returned to the City upon termination of this Agreement, except as provided otherwise by the City in writing. The Contractor shall file all Uniform Commercial Code statements for any eligible property purchased with grant funds and deliver a copy of the filing to the City

The property shall be used and maintained by the Contractor as follows:

1. Property shall be used solely in the performance of this Agreement.
2. No modifications shall be made to the property without the prior written approval of City.
3. The Contractor shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the property is under the control of the Contractor, except losses, damage or destruction resulting from reasonable wear and tear. Damage, loss, or destruction of the property shall be immediately reported to the City.

C. Purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles require prior City written approval. Disposition of nonexpendable personal property shall be

governed by City Directives, as applicable. All private for profit contractors shall acquire prior City approval before purchasing any nonexpended personal property.

**D. Lease of Property or Facilities**

1. All lease agreements shall incorporate the following provisions:
  - a. All leases of property or facilities procured to house a City program under this Agreement must contain a provision that allows the City, at its sole option, to assume the lease for its remaining term, under the same terms and conditions then in effect, in the event that the City terminates its Contractor's City Agreement or if the Contractor abandons the lease.
  - b. All leases of property or facilities procured to house a City program under this Agreement must contain a provision, which provides that any improvements made to the facility or property by the Contractor, inures to the benefit of the City, and the City may elect, at its sole option, to remove the improvements.
  - c. It is recommended that the Contractor, during lease negotiations, request the addition of a section to the lease agreement, whereby the lessor agrees that if lessee's grant funding for any calendar year decreases by \$500,000 or more from the previous calendar year, lessee may terminate the lease with 120 days written notice.

Contractor shall amend any current lease agreements to incorporate the above provisions.

2. A copy of all leases and lease amendments must be reviewed and approved by the City prior to signature and be on file with the City prior to the release of funding.
3. Contractor shall not sublease, assign, or amend in any manner leases paid for with funds under this Agreement without prior written City approval.
4. Contractor shall invoice for only that portion of the lease cost that is allocated to the program funded by this Agreement. The Contractor is responsible for collecting any portion of the rent due to the Contractor under sublease agreements with partners or other entities.

**§606 ACCOUNTING PRACTICES**

- A. Contractor shall maintain a system of Internal Control in accordance with standard accounting practices.
  1. In accordance with GAAP and City Directives, financial systems shall include:
    - a. Information pertaining to sub-grant and contract awards, obligations, un-obligated balances, assets, expenditures, and income;
    - b. Effective internal controls to safeguard assets and assure their proper use;
    - c. A comparison of actual expenditures with budgeted amounts for each subgrant and contract;
    - d. Source documentation to support accounting records;
    - e. Proper charging of costs and cost allocation and be sufficient to (i) permit preparation of required reports, and (ii) permit the tracing of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions on the use of the funds; and
    - f. "Internal Control" for purpose of this Agreement, comprises the plan or organization and all of the coordinated methods and measures adopted within an organization to safeguard its assets, check the adequacy and the reliability of its accounting data, promote operating efficiency, and assure adherence to prescribed management policies.

2. Contractor shall submit its system of accounting procedures and Internal Control to the City before the City disburses any funds to the Contractor.

#### **§607 DOCUMENTATION OF EXPENDITURES**

- A. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible.
- B. Payroll expenditures shall be supported by activity reports that may include but not be limited to case reports, mileage logs, attendance rosters and other documents supporting work related to City contract or program.
- C. Contractor shall not release funds to any subcontractor for reimbursement of costs, until it has received adequate documentation from the subcontractor that the expenditures are reasonable and allowable under the sub-agreement. All documentation must remain on file at the Contractor's office.

#### **§608 AUDITS AND INSPECTIONS**

- A. At any time during normal business hours and as often as Assistant Secretary, the U.S. Comptroller General, Auditor General of the State, the Grantor, or the City may deem necessary, the Contractor shall make available for examination, all of its records with respect to all matters covered by this Agreement. The City, the Assistant Secretary, the U.S. Comptroller General, and the Auditor General of the State shall have the authority to audit, examine and make excerpts, or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
- B. Access by the Assistant Secretary, the DOL, the Comptroller General of the United States, the State, the Grantor, City or any of their duly authorized representatives to any books, documents, papers, and records (including computer records) of the Contractor which are directly pertinent to charges to the program, shall not be denied in order to conduct audits and examinations, and make excerpts, transcripts, and photocopies. This right also includes timely and reasonable access to Contractor's and subcontractor's personnel for the purpose of interviews and discussions related to such documents.
- C. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement. When total expenditures under all federal programs in a fiscal year equal or exceed \$750,000, the Contractor shall conduct or have conducted on an annual basis, audits in accordance with the Single Audit Act of 1984, Public Law 98-502, Single Audit Act Amendments of 1996, Public Law 104-156, and implementing regulations in the provisions of 2 C.F.R., §200.501-§201.512, which applicable provisions supersede OMB Circulars A-133 as applicable, (City Council action dated February 4, 1987, C.F. No. 84-2259-S1) and administrative regulations or field memos implementing revisions or updates to the audit requirements. The auditor's reports, prepared in accordance with the aforementioned requirements, and any accompanying management reports on the operation of the contractor or this Agreement, shall be submitted to the City within nine (9) months after the close of the Contractor's fiscal year.
- D. Contractor, should it meet the above threshold, shall annually subcontract with a qualified independent auditor.
- E. The audit is to be conducted annually to test the fiscal integrity of financial transactions as well as compliance with the applicable laws and regulations.
- F. Contractor, not later than thirty (30) days following receipt of the final audit report and within nine (9) months after the close of the Contractor's fiscal year, shall submit a copy of the report to the LADOA's Financial Management Division.

- G. If the auditor's report or management report identifies deficiencies with internal controls or contract compliance, the Contractor shall prepare and submit a corrective action plan along with the auditor's reports. The plan shall address all deficiencies and provide specific details on corrective actions to be taken along with the date the action was or will be implemented.
- H. If the expenditures under all federal programs are less than \$750,000, Contractor shall permit the City to conduct a performance review of this Agreement and all related records in accordance with directives received from the City.
- I. In the event that the Contractor is operating on a for-profit basis, the Contractor shall conduct a program-specific annual independent financial and compliance audit in accordance with generally accepted government auditing standards, or an organization-wide audit that includes coverage of the City program within its scope.
- J. The City reserves the right to impose any or all of the following sanctions for the Contractor's failure to comply with the Single Audit Act and the provisions of this Agreement:
  - 1. Withhold a percentage of payments, at the City's sole discretion, until the audit is completed satisfactorily and submitted to the LADOA, and/or.
  - 2. Suspend payments due to Contractor until the audit is completed satisfactorily and submitted to the City; and/or Impose the Default, Probation, Suspension and Termination provisions of this Agreement as set forth herein.
- K. Director of the Office of Civil Rights, U.S. Comptroller General, Auditor General of the State, Grantor, and the City shall have the authority to audit, examine, and make excerpts or transcripts from records, including contracts, invoices, customer records and other records supporting this Agreement. Audits of earned funds are limited to determining if such funds were earned in accordance with this Agreement.
- L. City may require Contractor who has inadequate fiscal or administrative procedures, to use any or all of the City's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of fiscal matters relating to this Agreement; or secure at the Contractor's expense the service of independent experts.
- M. City shall have the authority to make physical inspections and to require such physical safeguarding devices as locks, alarms, safes, fire extinguishers, sprinkler systems, etc., to safeguard property, records and/or equipment used in the performance of this Agreement.
- N. Should a fiscal or special audit determine that Contractor has earned funds which are questioned under the criteria set forth herein, the Contractor shall be notified and given the opportunity to justify questioned expenditures prior to the City's final determination of disallowed costs, in accordance with the procedures established under the Grant.

## **§609 CONFIDENTIALITY OF INFORMATION**

- A. The Grantor, the City, and Contractor will exchange various kinds of information pursuant to this Agreement. That information will include data, applications, program files and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges, and the Department of Alcohol and Drug Programs.
- B. The City and Contractor agree that:
  - 1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.

2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance Code, §10850 of the Welfare and Institutions Code and other applicable local, State and Federal laws.
3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
4. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information by shredding, burning, or certified, or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.
5. If the City or Contractor enters into an agreement with a third party to provide services, the City or the Contractor agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and, each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.

#### **§610 SECURITY CLEARANCE AND TUBERCULOSIS TEST OF STAFF AND VOLUNTEERS**

- A. The Contractor hereby certifies that by signing this Agreement, Contractor and subcontractor staff working with youth, either as employees or volunteers, who have a supervisory or disciplinary authority over minors must be fingerprinted and pass the background check, as required by California Penal Code §11105.3 and California Education Code §45125.1 and §10911.5. Fingerprinting and a background check may be required of other staff and volunteers depending upon how much contact the staff member will have with minors. The Contractor shall be responsible for obtaining security clearances for staff whose duties require a sufficient level of interaction with youth.
- B. Contractor hereby certifies that by signing this Agreement, Contractor shall have Tuberculosis (TB) tests completed on any staff member working with the youth.
- C. Contractor shall maintain proof of Security Clearance and TB tests of all staff, including those of the subcontractors, and make these records available for future inspection.

#### **§611 RESTRICTION ON DISCLOSURES**

Prior to the release of any reports, analyses, studies, information, or data generated as a result of this Agreement, Contractor shall notify the City of the request to release the information. Release of information shall be coordinated by Contractor and the City and shall be in compliance with state and federal law.

#### **§612 MANAGEMENT INFORMATION SYSTEM RECORDS AND REPORTS**

- A. Contractor shall report to the City numeric data, statistics, facts, news, details and information for its City-funded project(s) using forms and formats such as the electronic Integrated Services Information System prescribed by the City for this purpose.
- B. The City shall rely upon and use records and monthly invoices located at the City, and on-site verifications, as needed, to substantiate Contractor's performance and expenditure data, including, but

not limited to, enrollment, training services, placement activities, wages, business/job creation, and post-program services status.

C. The City may contact Contractor staff, participants, subcontractors, training institutions or schools to verify the documentation supporting performance and compliance with this Agreement.

**§613 INSTALLATION OF FINANCIAL ASSISTANCE SIGN**

Contractor shall install, or allow to be installed, for public display upon the program site premises a sign, identifying Contractor as receiving financial assistance from the City.

**§614 PRESS RELEASES--PUBLIC INFORMATION**

Contractor shall make specific reference to the City as the sponsoring agency and that Contractor is an Equal Opportunity/Affirmative Action Employer in all communications with the press, television, radio or any other means of communicating with the general community. Contractor shall make specific reference to the LADOA as the sponsoring agency of the program regarding any items that are related to the program funded hereby. Contractor shall also coordinate press releases with the media/public relations project for maximum impact.

**§615 NOTICE TO CITY OF LABOR DISPUTES**

When Contractor has acknowledged that any actual or potential labor dispute involving participants or other employees is delaying or threatens to delay the timely performance of this Agreement Contractor shall immediately give notice thereof, including all pertinent information, with regard to same to City. No funds provided hereby shall be used to promote or deter union organizing.

**§616 LISTING OF CONTRACTOR'S EMPLOYMENT OPPORTUNITIES WITH THE EMPLOYMENT DEVELOPMENT DEPARTMENT**

Contractor shall list all Contractor's job openings with the local Employment Development Department (EDD) Office when such job openings are funded, in full or in part, through monies provided hereby.

**§617 TECHNICAL ASSISTANCE**

Should Contractor need technical assistance from the City regarding matters that are the subject of this Agreement, Contractor shall submit a written request to the City identifying the nature of the problem, the action Contractor has taken to resolve the problem, and the type of assistance needed.

**§618 PROHIBITION OF LEGAL PROCEEDINGS**

Contractor is prohibited from using Grant funds received under this Agreement for the purpose of instituting legal proceeding against the City their officials, employees, or representatives.

**§619 NOTICE TO ELIGIBLE BENEFICIARIES OF CONTRACTED SERVICES**

- A. Contractor shall designate an employee to whom initial complaints or inquiries regarding national origin can be directed. [22 CCR §98325]
- B. Contractor shall make available to ultimate beneficiaries of contracted services and programs information regarding the Department's procedure for filing a complaint and other information regarding provisions of GC §11135 et seq. [22 CCR §98326]
- C. Contractor shall notify the Department immediately of a complaint alleging discrimination based upon a violation of State or Federal law. [22 CCR §98211, 98310]

**§620 CHILD ABUSE**

Contractor shall comply with the provisions of the California Child Abuse and Neglect Reporting Act (California Penal Code §11164 et seq.), and specifically §§ 11165.7, 11165.9 and 11166 therein.

## §621 INFORMATION INTEGRITY AND SECURITY

### A. Information Assets

Contractor shall have in place operational policies, procedures, and practices to protect State Information assets, i.e., public, confidential, sensitive and/or personal information as specified in State Administrative Manual, Section 5310, GC Section 11019, Department of Finance (DOF) Management Memo 06-12, and DOF Budget Letter 06-34.

Information assets include (but are not limited to):

- 1) Information collected and/or accessed in the administration of the State programs and services
- 2) Information stored in any media form, paper or electronic

### B. Encryption of Portable Computing Devices

Contractor is required to encrypt (or use an equally effective measure), any data collected under this Agreement that is confidential, sensitive, and/or personal including data stored on portable computing devices (including but not limited to, laptops, personal digital assistants, and notebook computers) and/or portable electronic storage media (including but not limited to, discs and thumb/flash drives, and portable hard drives).

### C. Disclosure

1. Contractor shall ensure that personal, sensitive, and confidential information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies. The requirement to protect information shall remain in force until superseded by laws, regulations, or policies.
2. Contractor shall protect from unauthorized disclosure names and other identifying information, concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant.
3. "Identifying information" shall include, but not be limited to, name, identifying number, social security number, state driver's license, or state identification number, financial account numbers, symbols or other identifying characteristic assigned to the individual, such as finger or voice print or a photograph.
4. Contractor shall not use the identifying information in paragraph 3 above for any purpose other than carrying out the Contractor's obligations under this Agreement. The Contractor and its subcontractor are authorized to disclose and access identifying information for this purpose as required by the Older Americans Act.
5. Contractor shall not, except as otherwise specifically authorized or required by this Agreement or court order, disclose any identifying information obtained under the terms of this Agreement to anyone other than City and CDA without prior written authorization from City and/or CDA. The Contractor may be authorized, in writing, by a participant to disclose identifying information specific to the authorizing participant.
6. Contractor may allow a participant to authorize the release of information to specific entities, but shall not request or encourage any participant to give a blanket authorization or sign a blank release, nor shall the Contractor accept such blanket authorization from any participant.

### D. Training/Education

1. Contractor must provide ongoing education and training, at least annually, to all employees and subcontractors who handle personal, sensitive, or confidential information. Contractor's employees, subcontractors, and volunteers must complete the required Security Awareness Training module located at [www.aging.ca.gov](http://www.aging.ca.gov) within 30 days of the start date of this Agreement or within 30 days of the start date of any new employee, subcontractor or volunteer. Contractor must maintain certificates of completion on file and provide them to City and/or CDA upon request. Training may be provided on an individual basis or in groups. A sign-in sheet is acceptable documentation for group training in lieu of individual certificates. If internet access is not available, a hardcopy of the training module may be provided to employees and/or volunteers for their completion.
2. Contractor may substitute CDA's Security Awareness Training program with its own Security Training provided such training met or exceeds CDA's training requirement. Contractors/Vendors shall maintain documentation of training and education provided to their staff, volunteers, and/or subcontractors.
3. All employees, subcontractors/vendors and volunteers who handle personal, sensitive, or confidential information relating to this Agreement must participate in Security Awareness Training.

E. **Health Insurance Portability and Accountability Act (HIPAA)**

Contractor agrees to comply and to require its subcontractors to comply with the privacy and security requirements of HIPAA to the extent applicable.

F. **Contractor/Vendor Confidentiality Statement**

Contractor shall sign and return a Contractor/Vendor Confidentiality Statement (CDA 1024 Form), Exhibit "J" with this Agreement. This is to ensure that Contractor/Vendors are aware of, and agree to comply with, their obligations to protect City and CDA information assets from unauthorized access and disclosure.

G. **Security Incident Reporting**

A security incident occurs when City/CDA information are accessed, modified, destroyed, or disclosed without proper authorization, or are lost, or stolen. The Contractor must report all security incidents to the City immediately upon detection. A Security Incident Report form (CDA 1025), Exhibit "K" must be submitted to the City within five (5) business days of the date the incident was detected.

H. **Notification of Security Breach to Data Subjects**

1. Notice must be given by the Contractor or subcontractor to any data subject whose personal information could have been breached.
2. Notice must be given expeditiously and without unreasonable delay except when notification would impede criminal investigation, or when necessary measures to restore system integrity are required.
3. Notice may be provided in writing, electronically, or by substitute notice in accordance with State law, regulation, or policy.

I. **Software Maintenance**

Contractor shall apply security patches and upgrades and keep virus software up-to-date on all systems on which State data may be used.

J. **Electronic Backups**

Contractor shall ensure that all electronic information is protected by performing regular backup of automated files and databases, and ensure the availability of information assets for continued business.

**K. Provisions of this Section**

The provisions contained in this Section shall be included in all subcontracts.

**§622 ASSURANCE**

Contractor shall not require proof of age or citizenship as a condition of receiving services.

**§623 STANDARDS OF WORK**

Contractor agrees that the performance of work and services pursuant to the requirements of this Agreement, shall conform to accepted professional standards.

**§624 FULL COMPLIANCE**

Contractor shall be in full contract compliance within 120 days of the beginning date of this Agreement. The City will evaluate the Contractor's capacity to fulfill Agreement goals, if full compliance by this time period has not occurred.

**§625 FRAUD AND ABUSE REPORTS AND RECORD MAINTENANCE**

Contractor shall immediately report to the City in writing any alleged incidents of fraud or abuse and will maintain all records and documents regarding alleged incidents until otherwise notified by the City; the City of Los Angeles operating as the local Agency Area on Aging shall in turn report to the CDA- in writing any incidents of alleged fraud and/or abuse by any contractor or sub-contractor

**§626 GRIEVANCE PROCEDURES**

**A.** Contractor agrees that it will comply with Title 22, Division 1.8, Chapter 3, Article 5, Section 7400 Grievance Process of the California Code of Regulations which requires written grievance procedures to at a minimum include the following:

1. Time frames within which a complaint will be acted upon.
2. Written notification to the complainant of the results of the review, including a statement that the complainant may appeal to the City of Los Angeles if dissatisfied with the results of Contractors review.
3. Confidentiality provisions to protect the complainant's rights to privacy. Only information relevant to the complaint may be released to the responding party without the older individuals consent.

**B.** Contractor shall notify all older individuals of the grievance process, for both Contractor and the City that is available to them by:

1. Posting notification of the process in visible and accessible areas, such as the bulletin boards in multipurpose senior centers. For areas in which a substantial number of older individuals are non-English speaking, the notification shall also be posted in the primary language of a significant number of older individuals. "Substantial number" and "Significant number" will be determined by the City.
2. Advising homebound older individuals of the process, either orally or in writing, upon Contractor's contact with the older individuals.

**C** Complaints may involve, but are not limited to, any or all of the following:

- D. Modify and/or renegotiate the funding/service level and/or make any changes in the general scope of this Agreement.
- E. Require Contractor to secure at its own expense the services of independent experts.
- F. Require specific performance progress reports for identified time periods.
- G. Reduce compensation within the scope of the City's reallocation policy.
- H. Suspend operations in accordance with §803 below of this Agreement.
- I. Terminate the Agreement.

#### **§702 NOTICE TO CORRECT PERFORMANCE**

- A. The City may notify Contractor of its failure to comply with the terms and conditions of this Agreement by giving written notice, effective upon date of such notice, which states the specific performance deficiencies to be corrected.
- B. Within five (5) working days, Contractor shall reply in writing setting forth the corrective actions that will be undertaken to remedy the performance deficiencies, which actions are subject to City approval in writing.
- C. Contractor shall thereafter submit monthly progress reports to the City in accordance with the City approved corrective action plan specifying the actions taken and resolution of the performance deficiencies.

#### **§703 SUSPENSION OF THE AGREEMENT**

- A. The City may, by giving written notice, suspend all or part of the project operations for Contractor's failure to comply with the terms and conditions of this Agreement; and may notify the bank identified on the City form referenced in §104A.3 above that all funds are frozen pending further notice from the City. This Notice of Suspension shall be effective upon the date of the City's written notice.
- B. This notice shall set forth the specific conditions of noncompliance and the period provided for corrective action.
- C. Within five (5) working days from the date of written City notification, Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.

#### **§704 TERMINATION OF AGREEMENT**

- A. At any time during the Term the City may terminate this Agreement, or any part of the Agreement, upon giving Contractor at least 30 days written notice prior to the effective date of the termination, which date shall be specified in the notice. The City is not required to use other remedies provided herein prior to issuing a 30 day notice to terminate the Agreement. Upon the receipt of such notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities or as otherwise approved by the City.
- B. Contractor shall retain and dispose of all customers' documents and related records required by Contractor under this Agreement, in accordance with City Directives or written instructions. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize or record the City's ownership of rights provided herein.
- C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.

- D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.
- E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by Contractor.
- F. The City may withhold any payments due to Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from Contractor is determined.
- G. Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §201 of the foregoing Agreement or upon completion of performance of this Agreement.
- H. This Agreement may be terminated immediately for any violation of City Lobbying Ordinances.
- I. In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
- J. If, after notice of termination of this Agreement, under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to this section.

## **§705 NOTICES OF SUSPENSION OR TERMINATION**

In the event that this Agreement is suspended or terminated, Contractor shall immediately notify all employees and customers and shall notify in writing all other parties contracted with under the terms of Agreement within five (5) working days from the City's written notice.

## **8. MISCELLANEOUS**

### **§801 SURVIVAL OF TERMS AND CONDITIONS**

All terms and conditions of this Agreement which impose a duty, obligation or requirement on Contractor that extend beyond the Term hereof shall survive the termination of this Agreement. Such terms and conditions shall include, but not be limited to, §§ 404 through 407, 505(A)(2), 602, 604 and 608.

### **§802 ORDER OF PRECEDENCE**

In the event of any inconsistency between the documents regarding this Agreement, said inconsistency shall be resolved by giving precedence to (i) the body of the Agreement, (ii) the terms of applicable City ordinances and regulations, (iii) the other exhibits and attachments hereto, and (iv) any documents provided by Contractor.

### **§803 RATIFICATION CLAUSE**

Due to the need for the Contractor's services to be provided upon commencement of the Term, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted.

### **§804 NUMBER OF PAGES AND ATTACHMENTS**

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes <<Insert Number>> (<<#>>) pages, and thirteen (13) exhibits, that constitute the entire understanding and agreement of the parties.

10. SIGNATURE PAGE

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

MICHAEL N. FEUER, City Attorney

By \_\_\_\_\_  
Assistant/Deputy City Attorney

Date \_\_\_\_\_

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: \_\_\_\_\_

Date: \_\_\_\_\_

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

For: THE CITY OF LOS ANGELES

LAURA TREJO  
General Manager  
Los Angeles Department of Aging as

By: \_\_\_\_\_

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

For: <<Enter Agency Name>>

(Contractor's Corporate Seal)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

D-U-N-S® Number: \_\_\_\_\_

City Business License Number: \_\_\_\_\_

Internal Revenue Service Number: \_\_\_\_\_

Council File Number: \_\_\_\_\_; Date of Approval: \_\_\_\_\_

Agreement Number \_\_\_\_\_ of City Contracts, Amendment Number \_\_\_\_\_

# CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI  
MAYOR

17-07

## DEPARTMENT OF AGING

AN AREA AGENCY ON AGING

221 N. FIGUEROA ST., STE. 500  
LOS ANGELES, CA 90012  
(213) 462-7252

C.F. No.:

Council District: Citywide

Contact Persons:

Laura Trejo: (213) 202-5645

James Don: (213) 202-5612

June 28, 2017

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
200 N. Spring St., Room 303  
Los Angeles, CA 90012

Los Angeles City Council  
c/o City Clerk's Office  
200 N. Spring St., Room 395  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

## **HEALTH, MENTAL HEALTH, AND EDUCATION COMMITTEE TRANSMITTAL: FISCAL YEAR 2017-2018 BUDGET AND STANDARD AGREEMENT HI-1718-25 FOR HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM (HICAP)**

The Los Angeles Department of Aging (LADOA) requests Mayor and City Council approval and acceptance of \$1,999,636 in HICAP funds for Fiscal Year 2017-2018, Fiscal Year 2018-2019, and Fiscal Year 2019-2020 under the California Department of Aging's Standard Agreement HI-1718-25. Please note this California Department of Aging (CDA) Standard Agreement is for a three-year period. As such, the department is obligated to seek approval for the Standard Agreement HI-1718-25 which covers the three year period. The funding for the HICAP program for Fiscal Year 2017-2018 is \$672,292, with projected funding in Fiscal Year 2018-2019 in the amount of \$690,473 and funding for Fiscal Year 2019-2020 in the amount of \$636,871. The total of the three-year contract will be \$1,999,636. In addition, the Department is only requesting appropriation authority for Fiscal Year 2017-2018.

### **RECOMMENDATIONS**

That the City Council, subject to the approval of the Mayor:

1. Approve the FY 2017-2018 HICAP Budget Application (Attachment 1) and authorize the General Manager of the Los Angeles Department of Aging, or designee, to execute the Standard Agreement No. HI-1718-25 (Attachment 2), subject to the review and approval of the City Attorney as to form and legality;



2. Accept from the State of California, Department of Aging \$1,999,636 in HICAP Program funds;
3. Authorize the Controller to:
  - A. Establish new accounts and appropriate \$672,292 within the HICAP Fund Number 47Y for the period covering from July 1, 2017 to June 30, 2018 as follows:

<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
02P102	Aging	\$ 35,657
02PD01	HICAP 9 month	\$ 172,199
02PDD1	HICAP 3 month	\$ 62,052
02PD12	HICAP 12 month	\$ 402,384
	TOTAL	\$ 672,292

- B. Increase appropriations within Fund 100 – Department 02 and transfer funds on an as-needed basis as follows:

<u>Fund</u>	<u>Dept.</u>	<u>Account No.</u>	<u>Account Title</u>	<u>Amount</u>
From: 47Y	02	02P102	Aging	\$ 35,657
To: 100	02	001010	Salaries- General	\$ 35,657

4. Authorize the Controller to disburse funds upon submission of proper demand from the General Manager of the Los Angeles Department of Aging, or designee;
  5. Authorize the General Manager of the Department of Aging, or designee, to prepare Controller instructions for any technical adjustments, subject to the approval of the City Administrative Officer, and authorize the Controller to implement the instructions.

#### **NARRATIVE AND SUMMARY**

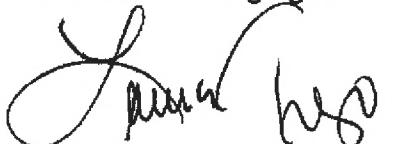
The HICAP program is an Older Californians Act Community-Based Services Program that provides personalized counseling, community education and outreach events for Medicare beneficiaries. HICAP is the primary local source for information and assistance with Medicare benefits, prescription drug plans and health plans.

Honorable Eric Garcetti  
Los Angeles City Council  
June 28, 2017

A major funding component of HICAP is the State Health Insurance and Assistance Programs (SHIP). SHIP is a federal grant program that enhances and supports local programs in directly helping beneficiaries to understand how to use their Medicare benefits including Prescription Drug Plan coverage, Medicare Advantage plans, Medicare supplemental policies, Medicare Savings Programs and long term care insurance. The Los Angeles Department of Aging (LADOA) requests Mayor and City Council approval and acceptance of \$1,999,636 in HICAP funds for Fiscal Year 2017-2018, Fiscal Year 2018-2019, and Fiscal Year 2019-2020 under the California Department of Aging's Standard Agreement HI-1718-25. This CDA Standard Agreement is for a three-year period. The funding for the HICAP Program for Fiscal Year 2017-2018 is \$672,292, with projected funding in Fiscal Year 2018-2019 in the amount of \$690,473 and funding for Fiscal Year 2019-2020 in the amount of \$636,871. The total of the three-year contract will be \$1,999,636.

### **FISCAL IMPACT STATEMENT**

Approval of the Fiscal year 2017-2018 HICAP grant has no fiscal impact on General Fund dollars. A copy of this transmittal and attachments is being forwards to the City Attorney and the Council on Aging for concurrent review and approval.



LAURA TREJO, MSG, MPA  
General Manager

LT:JD:DO:as:n/Transmittal/Transmittal 17-07 HICAP 17-18 Grant Acceptance 082817

### **Attachments**

cc: City Attorney  
City Administrative Officer  
Chief Legislative Analyst  
President, Council on Aging

**CITY OF LOS ANGELES**  
**INTER-DEPARTMENTAL CORRESPONDENCE**

**Date:** July 12, 2017

**To:** Honorable Eric Garcetti, Mayor  
City of Los Angeles

**Attention:** Mandy Morales, Legislative Coordinator

**From:** Laura Trejo, General Manager  
Department of Aging



**REQUEST FOR AUTHORITY TO CONTRACT WITH THE CENTER FOR HEALTH CARE RIGHTS (CHCR) AS A RESULT OF HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM (HICAP) FISCAL YEAR 2017-2018 BUDGET**

In accordance with Executive Directive No. 3, the Los Angeles Department of Aging (LADOA) requests the Mayor's approval to negotiate and execute a contract with the Center for Health Care Rights for Fiscal Year 2017-2018. The CHCR is the approved service provider for the HICAP program. The total HICAP amount for Fiscal Year 2017-2018 will be \$672,292 (\$35,657 in administrative funds and \$636,635 in contracted service provider funds). A concurrent transmittal has been released by the Department requesting authority to accept the Fiscal Year 2017-2018 HICAP grant funds.

**RECOMMENDATIONS**

That the City Council, subject to the approval of the Mayor:

1. Authorize the General Manager of the Los Angeles Department of Aging, or designee, to execute a contract with the Center For Health Care Rights based upon the HICAP Fiscal Year 2017-2018 grant funding (See Table 1) using the attached Pro Forma subject to the City Attorney as to form and legality;
2. Authorize the Controller to disburse funds to the Center for Health Care Rights upon submission of proper demand from the General Manager of the Los Angeles Department of Aging, or designee (based on Table 1);
3. Authorize the General Manager of the Los Angeles Department of Aging, or designee, to prepare Controller's Instructions for any technical adjustments, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement the instructions.

## NARRATIVE AND SUMMARY

The HICAP Program is an Older Californians Act Community-Based Services Program that provides personalized counseling, community education and outreach events for Medicare beneficiaries. HICAP is the primary local source for information and assistance with Medicare benefits, prescription drug plans and health plans. The Center for Health Care Rights is the service provider for HICAP.

A major funding component of HICAP is the State Health Insurance and Assistance Programs (SHIP). SHIP is a federal grant program that enhances and supports local programs in directly helping beneficiaries to understand how to use their Medicare benefits including Prescription Drug Plan coverage, Medicare Advantage plans, Medicare supplemental policies, Medicare Savings Programs and long term care insurance. The HICAP funding for Fiscal Year 2017 – 2018 is detailed as follows:

**Table 1**

<b>HICAP Funding Type</b>	<b>Amount</b>
Aging (Administration Only)	\$ 35,657
HICAP 9 month (Contracted) (Federal)	\$172,199
HICAP 3 month (Contracted) (Federal)	\$62,052
HICAP 12 month (Contracted) (State)	\$402,384
<b>Total HICAP Funding 2017-2018</b>	<b>\$ 672,292</b>

## Fiscal Impact Statement

There is no additional impact to the City General Fund.

A copy of this transmittal with attachments is being forwarded to the City Attorney and the Council on Aging for concurrent review and approval.

LT:JD:MP:DO:ss:n/Req Auth CHCR HICAP 2017-18 Transmittal 071217

## Attachments

cc: City Attorney

# Attachment 1

## CITY OF LOS ANGELES STANDARD LANGUAGE

Agreement No. ( )  
Project Title: HEALTH INSURANCE COUNSELING AND ADVOCACY PROGRAM  
Contractor: CENTER FOR HEALTH CARE RIGHTS  
Doing Business As: N/A  
Type of Organization: California Non-Profit Corporation  
Corporate Number: C1240955  
D-U-N-S® (Data Universal Numbering System) Number: 187856463  
CDA Number:  
Center(s): N/A  
Delivery Service Area (if applicable): Citywide

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## EXHIBITS

EXHIBIT A STANDARD CITY PROVISIONS FOR CITY CONTRACTS (Rev. 1/17)

EXHIBIT B INSURANCE REQUIREMENTS

EXHIBIT C NOTICE OF PROHIBITION AGAINST RETALIATION

EXHIBIT D CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

EXHIBIT E CERTIFICATION REGARDING LOBBYING

EXHIBIT F MANAGEMENT REPRESENTATION STATEMENT

EXHIBIT G SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY

EXHIBIT H INVENTIONS, PATENTS, AND COPYRIGHTS

EXHIBIT I SUBCONTRACTING AND PROCUREMENT

EXHIBIT J CONTRACTOR/VENDOR CONFIDENTIALITY STATEMENT (CDA FORM 1024)

EXHIBIT K SECURITY INCIDENT REPORT (CDA FORM 1025)

EXHIBIT L PSA FOCAL POINTS – MPC CENTERS

EXHIBIT 1 BUDGET DOCUMENTS:

Part A: Budget Summary by Cost Category and Projected Expenditures by Month (Not Applicable to performance-based contracts)

Part B: Budget Justifications, Cost Category - Personnel Costs (Wages and an Employee Benefits) (Not Applicable to performance-based contracts)

Part C: Budget Justifications, Cost Category - Direct Costs (Not applicable to performance-based contracts)

Part D: Budget Justifications, Cost Categories - Equipment Costs and Indirect Costs (Not applicable to performance-based contracts)

THIS AGREEMENT is entered into between the City of Los Angeles ("City"), a municipal corporation, and Center for Health Care Rights, a California nonprofit corporation (the "Contractor") for the provision of services related to the Health Insurance Counseling and Advocacy Program (HICAP).

## RECITALS

WHEREAS, the City has entered into Grant Agreements (Agreement numbers <<Insert CDA Agreement Number>>) with the State of California and the California Department of Aging (the "State" and the "CDA" interchangeably), pursuant to the Older Americans Act of 1965, (the "OAA"), as amended, and Older Californians Act (OCA), to establish the Area Agency on Aging in order to improve social, physical and economic conditions of older citizens in the City of Los Angeles; and

WHEREAS, the Los Angeles Department of Aging, (the "LADOA"), has been designated by the City to develop the Annual Area Plan for Progress Toward a Comprehensive, Coordinated Service System for Older Persons, (the "Plan"), and to provide for the planning, coordination and administration of the Plan funded under Titles III-B, III-C1, III-C2, III-D, III-E, V, VII-A, and VII-B of the OAA; and Proposition A - Transportation Funds; and Community-Based Services Programs;

WHEREAS, the LADDA cooperates with private organizations, other agencies of the City and agencies of other governmental jurisdictions in carrying out certain functions and programs which are its responsibility; and

WHEREAS, the Health Insurance Counseling and Advocacy Program has been established by the City as one of the above described programs, and has been funded in the LADOA budget by the CDA pursuant to the OAA Program and OCA Program; and

WHEREAS, the City and the Contractor are desirous of executing this Agreement as authorized by the City Council and the Mayor (refer to Council File Number \_\_\_\_\_ dated \_\_\_\_\_ that authorizes the General Manager of LADOA to prepare and execute the Agreement.

NOW, THEREFORE, the City and the Contractor agree as follows:

## 1. INTRODUCTION

### §101 TERMS OF AGREEMENT

This Agreement including all exhibits and attachments, including, but not limited to, the Standard Provisions for City Contracts (Rev. 1/17), which is attached hereto as Exhibit "A" and incorporated herein by reference, shall constitute the terms of this Agreement.

### §102 NOTICES

The parties to whom formal notices, demands and communications shall be forwarded are as follows:

A. The City, represented by:

Laura Trejo, General Manager  
Los Angeles Department of Aging  
200 N Figueroa St. Suite 500  
Los Angeles, CA 90012  
With copies to:

Jacob Wood, Director  
Los Angeles Department of Aging  
PMD Division

B. The Contractor, represented by:

Aileen Harper, Executive Director  
520 South La Fayette Park Place, Suite 214  
Los Angeles, CA 90057

### §103 SERVICE OF NOTICES

- A. The City's representative as stated above is the party authorized to provide written approvals by the City to the Contractor in reference to matters addressed in this Agreement.
- B. Formal notices, demands, and communications required by this Agreement to be given by either party shall be made in writing and may be delivered personally or by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed communicated as of the date of mailing.
- C. If the name and/or address of the person designated to receive the notices, demands or communications changes, the affected party shall notify the other party in writing of the change in accordance with this section within five (5) days of the change.

### §104 CONDITIONS PRECEDENT TO THE EXECUTION

- A. Prior to the execution of this Agreement, the Contractor shall submit to the City for approval in writing the following documents:
  1. Insurance Certificates - The requirements and instructions for completing, executing, and submitting evidence of insurance to the City are set forth in the City's Insurance Requirements, attached hereto as Exhibit "B" and incorporated herein by reference, and more fully described in §501 herein below.
  2. (IF APPLICABLE) A proposed depository agreement with a bank for the receipt of funds from the City under this agreement. The proposed depository agreement shall be on a form supplied by the City which sets forth the right of the City to exercise suspension of business upon proper notice to the bank by the City.
  3. A Code of Conduct that meets the requirements of §503(B) herein.

B. Prior to execution of this Agreement, the Contractor shall provide the City with the documents listed below. The Contractor shall provide immediate updates to these documents to the City during the Term hereof in the event that the information changes.

1. A current list of the members of the Board of Directors with their individual addresses where they may be reached.
2. The Contractor's Articles of Incorporation and all amendments to those Articles, as filed with the Secretary of State.
3. The Contractor's Bylaws, and all amendments to those Bylaws, as adopted by the Contractor and properly attested.
4. Resolutions of Executive Authority or other corporate actions of the Contractor's Board of Directors, properly attested or certified, which specify the name(s) of the person(s) authorized to obligate the Contractor and execute contractual documents. If the authorized person is someone other than the Contractor's Corporate President, then the Contractor shall also submit a copy of a signature specimen(s) on a form provided by the City.
5. A current and valid license to do business in the City of Los Angeles. The Contractor represents that it has obtained and presently holds the Tax Registration Certificate(s) required by the City's Business Tax Ordinance (Article 1, Chapter 2, §21.00, *et seq.*, of the Los Angeles Municipal Code). For the term of this Agreement, The Contractor shall maintain, or obtain as necessary, all Certificates required of it under the Business Tax Ordinance and shall not allow the Certificates to be revoked or suspended.
6. An Internal Revenue Service taxpayer identification number.
7. A Contractor Responsibility Ordinance Questionnaire in accordance with PSC – 32 of the Standard Provisions for City Contracts (Exhibit A) and Los Angeles Administrative Code §10.40 *et seq.*
8. A Notice of Prohibition Against Retaliation attached hereto as Exhibit "C" and made a part hereof. The Contractor shall comply with the requirements of the Notice of Prohibition Against Retaliation as it relates to the Living Wage Ordinance.
9. A Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion, as required by Executive Orders 12549 and 12689, 29 CFR Part 97.35, and in accordance with §504 A(12) and attached hereto as Exhibit "D" and made a part hereof.
10. Certifications and Disclosures Regarding Lobbying, in accordance with §504 A 4b of this Agreement and attached hereto as Exhibit "E" and made a part hereof. Contractor shall also file a Disclosure Form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of the information contained in any disclosure Form previously filed by Contractor.
11. A Certification of Compliance with the Living Wage Ordinance Service Contractor Worker Retention and Living Wage Policy in accordance with PSC – 29.
12. A Certification of Compliance with Equal Benefits Ordinance/Reasonable Measures Application for Equal Benefits Ordinance in accordance with PSC – 30, the Slavery Disclosure Ordinance in accordance with PSC – 34 and First Source Hiring Ordinance in accordance with PSC – 36 of the Standard Provisions for City Contracts available on the City of Los Angeles' Business Assistance Virtual Network (BAVN) residing at [www.lavavn.org](http://www.lavavn.org) and prior to award of a City Contract.
13. A Management Representation Statement fully executed in accordance with City's fiscal policies and attached hereto as Exhibit "F" and made a part hereof.

14. A Contractor/Vendor Confidentiality Statement (CDA 1024) fully executed and attached hereto as Exhibit "J" and made a part hereof.

## **§105 CONTRACTOR'S ADMINISTRATIVE AND PERSONNEL DOCUMENTS**

The Contractor warrants that it has adopted, shall retain, and make available upon request from the City, the following documents and their amendments, if any:

- A. Contractor's Financial and Accounting Procedures, which incorporate Generally Accepted Accounting Principles (GAAP) including, but not limited to, the preparation and submission of invoices, reconciliation of cash on-hand and earnings with City records, reporting and tracking of customer activity and earnings, repayment of unearned funds, preparation for the resolution of audits and inspections, inventory control, reporting and tracking of program income.
- B. Contractor's Personnel Policy, which incorporates due process protection and standard personnel procedures, and which the Contractor agrees to abide by in the performance of this Agreement.
- C. Agreements with Other Funding Sources: A copy of any agreements between the Contractor and other public or private organizations that directly impact the activities funded under this Agreement shall be kept on file at the Contractor's offices and be provided to the City upon Agreement execution. The Contractor shall also notify City of any default, termination, or finding of disallowed costs under these agreements. The Contractor warrants that no other funding source will be billed for services that are provided and paid for by the City under this Agreement.
- D. Board of Director's meeting minutes:

The Contractor shall maintain minutes of all board meetings and provide these records to the City upon request.

## **§106 CONTRACTOR'S DUTY TO NOTIFY CITY OF CHANGES**

- A. The Contractor agrees to provide the City sixty (60) days advance written notice of any facts that may materially affect the performance of this Agreement or impact the City's decision to continue this Agreement with the Contractor. Among the items to be disclosed are an amendment to its Articles of Incorporation or Bylaws, move to dissolve or transfer any assets derived from funds provided under §301 herein, negotiations leading to the sale, merger or acquisition of the Contractor; debarment or contract termination by any other public entity and/or any final audit findings regarding the Contractor's administration of any contract with public funds.
- B. The Contractor shall notify the City within five (5) days of changes affecting this Agreement including actions that would change the Contractor's legal status, any action that may materially change the performance of the Scope of Work (i.e., bankruptcy) and/or a change in the Contractor's corporate name.

## **2. TERM, SCOPE OF WORK, AND BUDGET**

### **§201 TIME OF PERFORMANCE**

- A. The term of this Agreement shall commence on July 1, 2017 and end June 30, 2018, and shall include any additional period of time as is required to complete necessary close-out activities provided that said term is subject to the provisions of this Agreement ("Term"). Performance shall not commence until the City has approved all of the required documents described hereinabove, and is in receipt of those and/or other documents as described herein.
- B. The City may, at its discretion, agree to extend the Term and/or provide additional funds to the Contractor. Funding for contract extensions will be based on the availability to the City of state and/or federal funds and upon the Contractor's successful performance of all terms of this Agreement.

## **§202 SCOPE OF WORK AND CONTRACTOR RESPONSIBILITY**

The Scope of Work shall consist of senior services provided pursuant to the Older Californians Act (OCA) which provides for Health Insurance Counseling and Advocacy Program services to persons aged 60 and older with an emphasis on serving seniors with the greatest economic or social need, and with particular attention to minorities and those who are non or limited English speaking whose income is at or below poverty. These services shall be provided multipurpose senior centers (MPC) identified as the designated focal point in each of the fifteen Aging Service Areas (ASA), and the Central Business District, within the boundaries of the City of Los Angeles.

### **A. Scope of Work**

- 1.) The Contractor shall provide the following Health Insurance Counseling and Advocacy Program (HICAP) services to eligible persons residing in the city.
  - a. Community Education,
  - b. Lay Counseling and Advocacy, and
  - c. Legal Representation or referral for Medicare-related appeals and grievances.
- 2.) Contractor shall comply with the detailed Scope of Work as attached hereto as Exhibit "G" and incorporated herein by reference.
- 3.) The Contractor shall complete the Scope of Work during the Term, except as otherwise provided herein.

## **§203 BUDGET**

The Contractor shall submit to the City for approval prior to the disbursement of any funds hereunder a proposed Budget. The Budget shall be prepared in accordance with the budget guidelines to be provided by the City. The Budget is a detailed listing of items for expenditure and scope of service(s) under the terms herein. The Budget shall be submitted with all backup documentation as required and/or a cost allocation plan, if necessary and appropriate. All requests to modify the Budget must be made in writing and must be approved in writing by the City. The Budget shall also describe all subcontractor services to be used by the Contractor and the payment procedures for subcontractors.

### **3. COMPENSATION**

## **§301 CONTRACTOR COMPENSATION**

### **A. Compensation**

1. The City shall pay the Contractor an amount not to exceed <<Insert Dollars>> Dollars (\$<<Insert #>>) for the complete and satisfactory performance of the Scope of Work. These funds shall be allocated from the CDA and the City of Los Angeles and shall be expended in accordance with the approved Budgets. The Contractor's right to receive compensation is conditioned upon approval of the Budget by the City, compliance with the City's indemnification and insurance requirements, satisfactory performance of the Scope of Work, and compliance with the terms and conditions contained herein.

Funding allocation for the full term of this Agreement shall be as follows:

FUNDINGS	July 1, 2017 Thru June 30, 2018	July 1, 2017 Thru March 31, 2018		Total
HICAP Fund				
HICAP (Insurance Fund)				
Federal SHIP Funds				
Federal SHIP One-Time-Only				

2. In no event shall the final expenditures for the Term exceed the total compensation set forth above except as provided for by an amendment to this Agreement.
3. The Contractor's reimbursement for expenses incurred in the performance of the Scope of Work shall be made only upon acceptance by the City of the Contractor's invoice and supporting documentation as described in the Reporting Requirements, §601 herein.
4. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible. Undocumented expenditures shall not be paid under this Agreement.
5. The City shall pay the Contractor for salaries and eligible, allowable, and reasonable expenses as detailed in the approved Budget.
6. The Contractor shall be paid either on a cost reimbursement or advance basis. If the Contractor were to receive advance funds, it must execute a City approved Special Bank Account Agreement before receipt of funds and shall comply with all contract and regulatory requirements for safeguarding advance funds. Request for advance payment basis is subject to City approval. A Contractor on a cost reimbursement basis of payment shall be paid by the City only upon reporting of actual costs incurred.
7. The Contractor is required to provide the sum of <<Insert Dollars>> Dollars (\$<<Insert #>>) non-federal monies as a 10% match to the total funding (grant + match) of this project provided by this Agreement. Match Funds must be fully documented and are subject to city audit.

#### B. Funding of Agreement

Funding for the Scope of Work and the Budgets are subject to the continuing availability of Federal, State and the City's funds for this program to the City. This Agreement may be terminated immediately upon written notice to the Contractor of a loss or reduction of grant funds.

#### C. Payment to the Contractor

1. The City makes no commitment to fund this project beyond the initial Term of this Agreement. The City shall review the Contractor's performance on a periodic basis. In the event the City determines that the Contractor is not meeting its proposed performance measures, the City may unilaterally reduce the compensation set forth above in compliance with the provisions set forth in this Agreement, upon written notice to the Contractor and as set forth by a written amendment.
2. The Contractor shall be reimbursed for reasonable and allowable expenses incurred. Unless the Contractor has been approved to receive advance payments, all payments shall be on

reimbursement basis. The Contractors who are on an advance payment plan authorized by the City as described in the Budget shall bill the City for all reasonable and allowable costs incurred.

3. Contractors not on advance payment plan shall request reimbursements by submitting the cash request, monthly expenditure report and all other documents as required by the City. The Contractor shall be reimbursed after City has received the monthly expenditure report and all other required documents and after City determines that the Contractor has incurred and expended funds for reasonable and allowable costs under this Agreement.
4. Reasonable and allowable costs shall be determined pursuant to the Allowable and Unallowable Cost section herein.

D. **Stand-In Costs:** The Contractor shall identify, document, and account for stand-in costs. These stand-in costs shall be reported to the City on a quarterly basis.

E. **Profit:** The Contractor shall comply with any City Directives regarding profit or return on investment.

F. **Indirect Costs**

1. Indirect Costs mean costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objective specifically benefited, without effort disproportionate to the results achieved.
2. The maximum reimbursement amount allowable for indirect costs is 10 percent of the Contractor's total cost of the project less equipment costs, matching share and non-matching share. Indirect costs exceeding 10 percent maximum may be budgeted as in-kind and used to meet the minimum matching requirements.

The Contractor agrees to include the above requirement in all contracts it enters into with subcontractors/vendors to provide services pursuant to this Agreement.

3. Payment for indirect costs, if any, shall be released in accordance with instructions stated in the Federal Cognizant Agency's approval letter of indirect cost rates on file with the City pursuant to the Single Audit Act and the provisions of 2 C.F.R. Part 200, which provisions supersede the Office of Management and Budget (OMB) circulars.

G. **Applicable Discounts:** The Contractor warrants that any applicable discounts have been included in the costs billed to the City.

H. **Concurrent Enrollment:** If the Contractor is serving customers, concurrently utilizing more than one funding stream, the Contractor is responsible for tracking the services delivered and the expenditures reported to ensure that services and expenditures are not duplicated.

I. **Match Requirements:** The Contractor shall report in its invoice the required match of non-federal funds, if applicable. If required to provide a match of funds, as set forth above in this compensation section of this Agreement, the Contractor shall report in each invoice the funds being matched. Documentation shall be maintained and made available for review.

J. **Overtime Work:** Unless specifically stated herein or authorized by the City in writing, the Contractor shall not incur overtime work expenditures.

K. **Travel:** Must be approved in advance by the City and included in the Budget. Contractor shall be compensated for its reasonable travel expenses incurred in the performance of the Scope of Work and in compliance with 2 C.F.R. §200.474. All travel, including out-of-state travel not included in the Budget, shall not be reimbursed without prior written authorization from the LADOA.

L. **Reallocation of Funds:** City reserves the right to unilaterally decrease funds allocated to the Contractor in the event that the City determines that (i) the Contractor has failed to provide adequate services as required in this Agreement, (ii) the Contractor, based on its spending pattern as evidenced by invoices

submitted, will have unexpended funds at the end of the Term, or (iii) City determines that a reallocation of funds would better meet program objectives. Such reallocation of funds may be by written amendment to this Agreement or unilaterally imposed by the City by written notice to the Contractor.

M. Contractor acknowledges that it is aware of liabilities resulting from submitting a false claim for payment by the City under the False Claims Act (California Government Code §12650 *et seq.*), including treble damages, costs of legal actions to recover payments, and civil penalties of up to Ten Thousand Dollars (\$10,000) per false claim.

#### 4. METHODS AND PROCEDURES GOVERNING PAYMENT

##### **§401 WITHHELD PAYMENTS**

- A. Unearned payments under this Agreement may be suspended or not released if funds granted to the City are suspended or terminated.
- B. The City has the authority to withhold funds under this Agreement pending a final determination by the City of questioned expenditures or indebtedness to the City arising from past or present agreements between the City and the Contractor. Upon final determination by the City of disallowed expenditures or indebtedness, the City may deduct and retain the amount of the disallowance or indebtedness from the amount of the withheld earned funds.
- C. In the event of a final determination of disallowed costs or a determination of unearned grant funds by either the City, the State, or Grantor, the Contractor agrees that it shall pay to the City in non-federal funds, the amount of the final disallowance within thirty (30) days of receipt of notice from the City that such funds are due.
- D. Payments to the Contractor may be unilaterally withheld or reduced by the City if the Contractor fails to comply with the provisions contained herein.

##### **§402 FUNDS EARNED PRIOR TO THE COMMENCEMENT OF THIS AGREEMENT**

The Contractor shall not earn funds provided hereunder prior to the commencement or after the end of the Term. The Contractor shall not earn funds subsequent to suspension or termination of this Agreement.

##### **§403 ALLOWABLE AND UNALLOWABLE COSTS**

- A. To be eligible for payment, costs or expenditures must be made in compliance with the terms herein, and the provisions of 2 C.F.R. Part 200, which provisions supersede OMB A-122, and with the principles set forth below:
  1. Be necessary and reasonable for the proper and efficient performance of the Scope of Work and in accordance with the Budget; the City shall have final authority to determine in good faith whether an expenditure is necessary and reasonable.
  2. Conform to the limitations within these general conditions and to any governing statutes, regulations and ordinances.
  3. Be fully documented and determined in accordance with GAAP.
  4. Not be included as a cost or used to meet cost sharing or matching requirements for any other government funding source in either the current or a prior period, except when permitted by the respective government funding sources.
- B. The following costs, among others, are specifically disallowed:
  1. Bad Debts: Any losses arising from un-collectible accounts and other claims, and related costs.

2. Contingencies: Contributions to a contingency reserve or any similar provisions for unforeseen events.
3. Contributions and donations.
4. Entertainment: Costs of amusements, social activities and incidental costs, such as meals, beverages, lodging and gratuities relating to entertainment, or any political or lobbying activity.
5. Fines and Penalties: Costs resulting from violations of, or failure to comply with Federal, State, and local laws and regulations.
6. Interest and Other Financial Costs: Interest or borrowings (however represented), bond discounts, cost of financing and refinancing operations, and legal and professional fees paid in connection therewith.
7. Membership Expenses: Costs of membership in any organization that devotes a substantial part of its activities to influencing legislation.
8. Meeting Attendance: Costs of attending meetings directly related to the performance of this Agreement that are not open for attendance on a non-segregated basis.
9. Non-competitive Subcontracts: Payments under a subcontract not obtained under competitive bidding procedures unless specifically waived in writing by the City.
10. Insurance policies offering protection against debts established by the Federal Government.
11. Costs prohibited by §200.450 include lobbying or costs related to any activity designed to influence legislation or appropriations pending before the Congress of the United States.
12. Advancements or reimbursements for expenditures that are determined by the City to be unallowable must be immediately returned to the City.
13. Grant funds may not be used to supplant existing services.

#### **§404 PROGRAM INCOME**

- A. Program Income means revenue generated by the Contractor or subcontractor from contract-supported activities. Program Income is:
  1. Voluntary contributions received from a participant or other party for services received
  2. Income from usage or rental fees of real or personal property acquired with grant funds or funds provided under this Agreement
  3. Royalties received on patents and copyrights from contract-supported activities
  4. Proceeds from the sale of items fabricated under a contract agreement.
- B. Program income includes, but is not limited to, grants, fees that duplicate payments, average daily attendance payments earned through program funded activities, and public or nonprofit agency revenues in excess of contract costs
- C. Interest earned on advances received by the Contractor is program income. All interest earned must be reported as part of the Contractor's monthly expenditure report and must be returned to the City quarterly by separate check made payable to the City and which identifies that the amount represents interest earned on advanced funds.
- D. Any program income must be reported to the City on the expenditure report, and must be returned to the City in accordance with the City's written direction to the Contractor. At the City's discretion, program

income may be used to augment the Contractor's program. Use of program income is permitted only by written amendment to this Agreement. Should this use of program income be approved, the Contractor shall maintain records in support of all earnings and expenditures relating to the use of those funds in accordance with City record retention and audit requirements. The City shall monitor the Contractor's compliance with all program income requirements.

E. The Contractor's failure to comply fully with program income requirements including any City Directives or regulations shall result in findings of disallowed costs.

#### **§405 RETURN OF PROGRAM INCOME**

The Contractor shall, within forty-five (45) days of the end of the Term, transmit to the City any, and all, remaining program income directly generated by funds provided hereby. Any program income received after the end of the Term shall be paid to the City as required by 24 CFR 85.25 and 24 CFR 570.503(b)(7).

#### **§406 RETURN OF UNEXPENDED FUNDS AND CLOSEOUTS**

- A. The Contractor agrees that upon either the completion or termination of this Agreement any unexpended funds, whether advances, interest earned on advances or unearned funds, shall be immediately returned to the City and in no event later than thirty (30) days after completion or termination.
- B. The Contractor shall submit a complete and accurate final closeout invoice of costs and reimbursements for services performed hereby to the City within thirty (30) days following the termination or completion of this Agreement. Failure by the Contractor to comply with the 30 day requirement may result in a unilateral close-out by the City based on previous invoices filed with the City, and/or the imposition of sanctions as specified herein. Requests for payment after the 30 days shall not be paid by the City.
- C. If a contract is terminated prior to the end of the contract period, all reports are due within 30 calendar days following the termination date of the contract.

#### **§407 VALIDITY OF FINANCIAL DOCUMENTATION SUBMISSIONS**

Financial reports submitted to the City shall be accurate and correct in all respects. Should inaccurate reports be submitted to the City, the City may elect to have the Contractor secure the services of a licensed accounting firm. Cost of such accounting services are to be borne by the Contractor and are not to be reimbursed from the funds authorized hereby unless specifically agreed to between the Contractor and the City by written amendment.

#### **5. STANDARD PROVISIONS**

The provisions of the body of this Agreement shall prevail over the provisions of the Standard Provisions for City Contracts should there be any inconsistency. The term "contract" as used in the Standard Provisions for City Contracts shall include this Agreement.

#### **§501 INSURANCE**

##### **A. General Conditions**

1. During the Term and without limiting Contractor's duty of indemnification herein, Contractor shall provide and maintain at its own expense a program of insurance having coverage and limits customarily carried and actually arranged by the Contractor but not less than the amounts and types listed on the Required Insurance And Minimum Limits Sheet (Form Gen. 146) in Exhibit B hereto, covering its operations hereunder. Such insurance shall conform to City requirements established by Charter, ordinance or policy, shall comply with instructions set forth on the City of Los Angeles—Instructions And Information On Complying With City Insurance Requirements (Revised 10/09) document, and shall otherwise be in a form acceptable to the Office of the City Administrative Officer, Risk Management. Specifically, such insurance shall: 1) protect City as an Insured or an Additional Interest Party, or a Loss Payee As Its Interest May Appear, respectively, when such status is appropriate and available depending on the nature of applicable coverage; 2) provide City at least thirty (30) days advance written notice of cancellation, material reduction in

coverage or reduction in limits when such change is made at option of the insurer; and 3) be primary with respect to City's insurance plan. Except when City is a named insured, Contractor's insurance is not expected to respond to claims which may arise from acts or omissions of the City.

2. The standard City insurance conditions are incorporated into the sample standard subcontract provisions. The specific insurance coverages and limits shall be described by contractor in any RFP for subcontractor services. These coverages and limits should be tailored to the individual subcontract. For City contracts, Required Insurance and Minimum Limits are set by the City Risk Management staff in the Office of the City Administrative Officer on the Form Gen. 146. Electronic submission is the preferred method of submitting your evidence of insurance documents. **Track4LA™** is the City's online insurance compliance system and is designed to make the experience of submitting and retrieving insurance information quick and easy. The system is designed to be used primarily by insurance brokers and agents as they submit client insurance certificates directly to the City. It uses the standard insurance industry form known as the ACORD 25 Certificate of Liability Insurance in electronic format. The easiest and quickest way to obtain approval of your insurance is to have your insurance broker or agent access **Track4LA™** at <http://track4la.lacity.org> and follow the instructions to register and submit the appropriate proof of insurance on your behalf. Additional instructions and information on complying with City insurance requirements can be found at [http://cao.lacity.org/risk/Submitting\\_proof\\_of\\_Insurance.pdf](http://cao.lacity.org/risk/Submitting_proof_of_Insurance.pdf).

**B. Modification of Coverage**

City reserves the right at any time during the Term to change the amounts and types of insurance required hereunder by giving Contractor ninety (90) days advance written notice of such change. If such change should result in substantial additional cost to Contractor, City agrees to negotiate additional compensation proportional to the increased benefit to City.

**C. Failure to Procure Insurance**

All required insurance must be submitted and approved by the City Administrative Officer/Risk Management/Insurance and Bonds prior to the performance of services, inception of any operations or tenancy by Contractor. The required coverages and limits are subject to availability on the open market at reasonable cost as determined by City. Non-availability or non-affordability must be documented by a letter from Contractor's insurance broker or agent indicating a good faith effort to place the required insurance and showing as a minimum the names of the insurance carriers and the declinations or quotations received from each.

Within the foregoing constraints, Contractor's failure to procure or maintain required insurance or a self-insurance program during the Term shall constitute a material breach of this Agreement under which City may immediately suspend or terminate this Agreement or, at its discretion, procure or renew such insurance to protect City's interests and pay any and all premiums in connection therewith and recover all monies so paid from Contractor.

**D. Workers' Compensation**

By signing this Agreement, Contractor hereby certifies that it is aware of the provisions of §3700 *et seq.*, of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the performance of the work pursuant to this Agreement.

A Waiver of Subrogation in favor of City will be required when work is performed on City premises under hazardous conditions.

**§502 NONDISCRIMINATION AND AFFIRMATIVE ACTION**

- A. The Contractor shall comply with the applicable nondiscrimination and affirmative action provisions of the laws of the United States of America, the State of California, and the City. In performing this Agreement, the Contractor shall not discriminate in its employment practices, including compensation, against any employee or applicant for employment because of such person's race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief. The Contractor shall comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- B. The Contractor shall comply with the provisions of the Los Angeles Administrative Code §10.8 through 10.13, to the extent applicable hereto. If this Agreement contains a consideration in excess of One Thousand Dollars (\$1,000) or more, Contractor shall comply with the Equal Employment Practices Provisions of the Los Angeles Administrative Code Section 10.8.3, in which event said provisions are incorporated herein by this reference. If this Agreement contains a consideration in excess of Twenty-Five Thousand Dollars (\$25,000), the Affirmative Action Program of this Agreement shall be the mandatory contract provisions set forth in Los Angeles Administrative Code §10.8.4, in which event, said provisions are incorporated herein by this reference. The Contractor shall also comply with all rules, regulations, and policies of the City's Board of Public Works, Office of Contract Compliance relating to nondiscrimination and affirmative action.
- C. Any subcontract entered into by the Contractor relating to this Agreement, to the extent allowed hereunder, shall be subject to the provisions of this section.
- D. No person shall on the grounds of race, religion, national origin, ancestry, sex, sexual orientation, gender identification, transgender status, sex stereotypes, age, physical handicap, mental disability, medical condition, marital status, domestic partner status, pregnancy, childbirth and related medical conditions, citizenship, and political affiliation or belief be excluded from participation in, be denied the benefit of, or be subjected to discrimination under this program/project. For purposes of this Section, Title 24 Code of Federal Regulations Part 107 and Section 570.601(b) defines specific discriminatory actions that are prohibited and corrective action that shall be taken in situation as defined therein.

## **§503 CONFLICT OF INTEREST**

### **A. No City-funded Employees as Board Members**

The City will not execute any agreements and/or amendments with Contractors where an employee (an individual who is paid or receives any financial benefit from funds from the agreement with the City), is a member of the Board of Directors. The Board minutes must reflect this requirement.

### **B. Code of Conduct**

- 1. The City requires that all contractors/subcontractors adopt a Code of Conduct that, at a minimum, reflects the constraints discussed in HCID Directive No. FY 12-0001. The Code shall be submitted to the City for approval prior to execution of this Agreement.
- 2. Further, the City requires compliance with the following conflict of interest requirements for all City funded Contractors.

### **C. Conflict of Interest**

- 1. Prior to obtaining the City's approval of any subcontract, Contractor shall disclose to the City any relationship, financial or otherwise, direct or indirect, of Contractor or any of its officers, directors

or employees or their immediate family with the proposed subcontractor and its officers, directors or employees.

2. Contractor covenants that none of its directors, officers, employees, or agents shall participate in selecting, or administrating any subcontract supported (in whole or in part) by City funds (regardless of source) where such person is a director, officer, employee or agent of the subcontractor; or where the selection of subcontractors is or has the appearance of being motivated by a desire for personal gain for themselves or others such as family business, etc.; or where such person knows or should have known that:

- a. A member of such person's immediate family, or domestic partner or organization has a financial interest in the subcontract;
- b. The subcontractor is someone with whom such person has or is negotiating any prospective employment; or
- c. The participation of such person would be prohibited by the California Political Reform Act (California Government Code §87100 *et seq.*) if such person were a public officer because such person would have a "financial or other interest" in the subcontract.

3. Definitions:

- a. The term "immediate family" includes but is not limited to domestic partner and/or those persons related by blood or marriage, such as husband, wife, father, mother, brother, sister, son, daughter, father-in-law, mother-in-law, brother-in-law, sister-in-law son-in-law, daughter-in-law.
- b. The term "financial or other interest" includes, but is not limited to:
  - 1) Any direct or indirect financial interest in the specific contract, including a commission or fee, a share of the proceeds, prospect of a promotion or of future employment, a profit, or any other form of financial reward.
  - 2) Any of the following interests in the subcontractor ownership: partnership interest or other beneficial interest of five percent or more; ownership of five percent or more of the stock; employment in a managerial capacity; or membership on the board of directors or governing body.
- c. A "subcontract" is any agreement entered into by a Contractor for the purchase of goods or services with any funds provided by this Agreement.

- D. Minutes of Board Meetings must reflect disclosure of transactions where Board Members may have had a direct or indirect interest/benefit in the action.
- E. No director, officer, employee (or agent) of Contractor may be on the Board of Directors if they receive any financial benefit provided by any City agreement.
- F. Contractor further covenants that no officer, director, employee, or agent shall solicit or accept gratuities, favors, anything of monetary value from any actual or potential subcontractor, supplier, a party to a sub agreement (or persons who are otherwise in a position to benefit from the actions of any officer, employee, or agent).
- G. Contractor shall not subcontract with a former director, officer, or employee within an one-year period following the termination of the relationship between said person and the Contractor.
- H. For further clarification of the meaning of any of the terms used herein, the parties agree that references shall be made to the guidelines, rules, and laws of the City, State, and federal regulations regarding conflict of interest.

- I. Contractor warrants that it has not paid or given and will not pay or give to any third person, any money or other consideration for obtaining this Agreement.
- J. Contractor covenants that no member, officer or employee of Contractor shall have interest, direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with this project during his/her tenure as such employee, member or officer or for one year thereafter.
- K. Contractor shall incorporate the foregoing subsections of this section into every agreement that it enters into in connection with this project and shall substitute the term "subcontractor" for the term "Contractor" and "sub-subcontractor" for "Subcontractor."
- L. Contractor warrants that it has adopted and shall comply with the Code of Conduct, as approved by the City that meets the foregoing requirements.

## **§504 COMPLIANCE WITH STATE AND FEDERAL STATUTES AND REGULATIONS**

Contractor understands that failure to comply with any of the following assurances may result in suspension, termination or reduction of grant funds, and repayment by Contractor to City of any unlawful expenditures.

### **A. Statutes and Regulations Applicable To All Grant Contracts**

Contractor shall comply with all applicable requirements of State, federal, County and City of Los Angeles laws, executive orders, regulations, program and administrative requirements, policies, and any other requirements governing this Agreement. Contractor shall comply with state and federal laws and regulations pertaining to labor, wages, hours, and other conditions of employment. Contractor shall comply with new, amended, or revised laws, regulations, and/or procedures that apply to the performance of this Agreement. These requirements include, but are not limited to:

#### **1. Office of Management and Budget (OMB) Circulars**

Contractor shall comply with the provisions of 2 C.F.R., Part 200, which provisions supersede OMB Circulars, as applicable: OMB Circular A-21 (Cost Principles for Educational Institutions); OMB Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments); OMB Circular A-102 (Grants and Cooperative Agreements with State and Local Governments); Common Rule, Subpart C for public agencies or 2 CFR 215 (Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations); OMB Circular A-122 (Cost Principles for Non-Profit Organizations); and OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations).

#### **2. Single Audit Act**

Contractor shall adhere to the rules and regulations of the Single Audit Act, 31 USC §7501 et seq.; City Council action dated February 4, 1987 (C.F. No. 84-2259-S1); and any administrative regulation or field memos implementing the Act. The provisions of this paragraph survive expiration or termination of this Agreement. Also see §608(C) for additional audit requirements.

#### **3. American With Disabilities Act**

In implementing this Agreement, Contractor represents and certifies that it will:

- a. Comply with the Americans with Disabilities Act, as amended, 42 U.S.C. Section 12101 et seq., the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 701 et seq., the Fair Housing Act, and its implementing regulations and any subsequent amendments; and California Government Code Section 11135.
- b. Not discriminate in the provision of its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability.

- c. Provide reasonable accommodation upon request to ensure equal access and effective communication to all of its programs, services and activities.

Contractor represents and certifies that any construction for housing performed with funds provided through this Agreement will be done in accordance with the Uniform Federal Accessibility Standards (UFAS), 24 CFR, Part 40.

Contractor represents and certifies that its buildings, and facilities used to provide services in accordance with this Agreement, are in compliance with the federal and state standards for accessibility as set forth in the 2010 ADA Standards, California Title 24, Chapter 11, or other applicable federal and state law.

Contractor understands that the City is relying upon these certifications and representations as a condition to funding this Agreement.

4. Political and Sectarian Activity Prohibited

- a. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. Neither shall any funds provided under this Agreement be used for any purpose designed to support or defeat any pending legislation or administrative regulation. None of the funds provided pursuant to this Agreement shall be used for any sectarian purpose or to support or benefit any sectarian activity.
- b. If this Agreement provides for more than \$100,000 in grant funds or more than \$150,000 in loan funds, Contractor shall submit to the City a Certification Regarding Lobbying and a Disclosure Form, if required, in accordance with Title 31 US Code §1352. A copy of the Certificate is attached hereto as Exhibit E.
- c. Contractor shall file a disclosure form at the end of each calendar quarter in which there occurs any event requiring disclosure or which materially affects the accuracy of any of the information contained in any disclosure form previously filed by Contractor. Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers and that all subcontractors shall certify and disclose accordingly.

5. Records Inspection

- a. At any time during normal business hours and as often as the City, the U.S. Comptroller General the U.S. Comptroller General, the U.S. Department of Labor, the Auditor General of the State of California, and the Employment Development Department or their designees, through any authorized representative, may deem necessary, Contractor shall make available for examination all of its records, paper or electronic, with respect to all matters covered by this Agreement. The City, the U.S. Comptroller General, the U.S. Department of labor, the Auditor General of the State of California, and the Employment Development Department or their designees, shall have the authority to audit, examine, and make excerpts or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
- b. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement.

6. Records Maintenance

Records, in their original form, shall be maintained in accordance with requirements prescribed by the City with respect to all matters covered on file for all documents specified in this Agreement.

Original forms are to be maintained on file for all documents specified in this Agreement. Such records shall be retained for a period of five (5) years after termination of this Agreement and after final disposition of all pending matters. "Pending matters" include, but are not limited to, any audit, litigation or other actions involving records. The City may, in its discretion, take possession of, retain and audit said records. Records, in their original form pertaining to matters covered by this Agreement, shall at all times be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

7. Subcontracts and Procurement

- a. Contractor shall comply with the Federal and City standards in the award of any subcontracts. For purposes of this Agreement, subcontracts shall include, but not be limited to, purchase agreements, rental or lease agreements, third party agreements, consultant service contracts and construction subcontracts.
- b. Contractor shall ensure that the terms of this Agreement with the City are incorporated into all Subcontractor Agreements. The Contractor shall submit all subcontractor agreements to the City for review prior to the release of any funds to the subcontractor. The Contractor shall withhold funds to any subcontractor agency that fails to comply with the terms and conditions of this Agreement and their respective Subcontractor Agreement.

8. Labor

- a. Contractor shall comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed requirements for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System Personnel Administration (5 C.F.R. 900, Subpart F).
- b. Contractor shall comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §278c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally assisted construction sub agreements.
- c. Contractor shall comply with the Federal Fair Labor Standards Act (29 USC § 201) regarding wages and hours of employment.
- d. None of the funds shall be used to promote or deter union/labor organizing activities (California Government Code §16645 et seq.).
- e. Contractor shall comply with the Hatch Act (5 USC §§1501-1508 and 7324-7328).
- f. Contractor shall comply with the provisions of Article 3, Chapter 1, Part 7, Division 2 of the Labor Code of California, the California Child Labor Laws and all other applicable statutes, ordinances, and regulations relative to employment, wages, hours of labor and industrial safety.

9. Civil Rights

Contractor shall comply with all federal statutes relating to nondiscrimination, including, but not limited to:

- a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 42 U.S.C. §2000d, and implementing regulations) which prohibits discrimination on the basis of race, color, or national origin and its implementing regulations and as applied through Executive Order No. 13166, entitled "Improving Access to Services for Persons with Limited English Proficiency" ("LEP"), which requires recipients of federal funds, including Contractor, to take reasonable steps to insure meaningful access to its programs and activities by person with LEP as more fully described in HUD's final guidance contained in Federal Register, Volume 72, No. 13.

- b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex.
- c. §§503 and 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794, 45 CFR, Part 84), which prohibits discrimination on the basis of handicap.
- d. The Age Discrimination act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age.
- e. The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse.
- f. The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism.
- g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records.
- h. Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §3601 *et seq.*), as amended, relating to non-discrimination in the sale, rental or financing of housing.
- i. Any other nondiscrimination provisions in the specific statute(s) under which application for federal assistance is being made.
- j. The requirements of any other nondiscrimination statute(s) which may apply to the application.
- k. P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
- l. Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972 (42 U.S.C. §2000e).
- m. The Genetic Information Nondiscrimination Act of 2008 (GINA) P.L. 110-233.

10. Environmental

- a. Contractor shall comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.
- b. Contractor shall comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §1451 *et seq.*); (f) conformity of federal actions to State (Clean Air) Implementation Plans under § 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §7401 *et seq.*); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523) and the California Safe Drinking Water and Toxic Enforcement Act of 1986; (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205); (i) Flood Disaster Protection Act of 1973 §102(a) (P.L. 93-234); and (j) §508 of the Clean Water Act (38 U.S.C. §1360).

- c. Contractor shall comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §1271 *et seq.*) related to protecting components or potential components of the national wild and scenic rivers system.
- d. Contractor shall comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §4822 *et seq.*) that prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
- e. Contractor shall comply with the Federal Water Pollution Control Act (33 U.S.C. §1251 *et seq.*) that restores and maintains the chemical, physical and biological integrity of the nation's waters.
- f. Contractor shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of this project are not listed in the Environmental Protection Agency's (EPA) list of violating facilities and that it will notify the Federal Grantor agency of the receipt of any communication from the director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- g. By signing this Agreement, Contractor ensures that it is in compliance with the California Environmental Quality Act, Public Resources Code §21000 *et seq.* and is not impacting the environment negatively.
- h. Contractor shall comply with the Energy Policy and Conservation Act (P.L. 94-163, 89 Stat. 871).

11. **Preservation**

Contractor shall comply with §106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §469a-1 *et seq.*).

12. **Suspension and Debarment**

Contractor shall comply with 29 CFR Part 97.35, regarding Suspension and Debarment, and Contractor shall submit a certification Regarding Debarment required by EO 12549 and 12689, and any amendment thereto. Contractor shall require that the language of this Certification be included in the award documents for all sub-award at all tiers and that all subcontractors shall certify accordingly.

13. **Drug-Free Workplace**

Contractor shall comply with the federal Drug-Free Workplace Act of 1988, 41 USC §8102, 28 CFR Part 67, and the California Drug-Free Workplace Act of 1990 (California Government Code §§ 8350-8357).

14. **Animal Welfare**

Contractor shall comply with the Laboratory Animal Welfare Act of 1966, as amended (P.L. 89-544, 7 U.S.C. §2131 *et. seq.*)

15. Contractor shall assure, pursuant to the Consolidated Appropriations Act of 2008 (P.L. 110-161) grant funds will not be used in contravention of the federal buildings performance and reporting requirements of EO No. 13123, Part 3 of Title V of the National Energy Conservation Policy Act (42 U.S.C. §8251 *et seq.*) or Subtitle A of Title I of the Energy Policy Act of 2005 (including the amendments made thereby), nor shall grant funds be used in contravention of §303 of the Energy Policy Act of 1992 (42 U.S.C. §13212).

16. **Faith Based Activities**

Contractor shall comply with 24 CFR 570.200(j) regarding Faith Based Activities.

17. Pro-Children Act of 1994

- a. Contractor shall comply with Public Law 103-227, Part C-Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.
- b. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

18. American-Made Equipment Products

Contractor shall assure, pursuant to Public Law 103-333, §507, to the extent practicable, that all equipment and products purchased with grant funds made available under this Agreement shall be American made.

19. Contractor shall administer this Agreement in accordance with the provisions of 2 C.F.R. Part 200, which provision supersedes the OMB Circulars.
20. **Mandatory Disclosures:** The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for non-Compliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321).

B. Statutes and Regulations Applicable to This Grant Agreement:

Contractor shall comply with the following statutes and regulations as applicable:

1. CDBG Program, including, but not limited to 42 U.S.C. §5301 et seq., and 24 CFR Parts 84, 85, and 570.
2. **Asbestos and Lead-Based Paint:** Laws and regulations pertaining to abatement of asbestos containing materials (ACM) and lead-based paint (LBP) including insuring that all personnel involved in the abatement or removal process of all ACM and LBP will wear the necessary, legally required protective clothing and respiratory gear.
3. **Archaeological Sites:** If archaeological sites are determined to be located in the vicinity of the program site, a halt work condition is required to allow a state certified archaeologist to assess findings and all work to continue in non-archaeological areas.
4. Federal Acquisition Regulation, 48 CFR, Part 31.
5. City of Los Angeles Ordinance 164244 relating to the 1% fee for public art.

C. Statutes and Regulations Applicable to all HUD Funded Agreements:

1. Equal Access to HUD-Assisted or Insured Housing

(a) Eligibility for HUD-Assisted or Insured Housing:

A determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by the Federal Housing Administration (FHA) shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The terms "sexual orientation" and "gender identity" are defined in 24 CFR §5.100.

(b) Prohibition of Inquiries on Sexual Orientation or Gender Identity:

No owner or administrator of HUD-assisted or HUD-insured housing, approved lender in an FHA mortgage insurance program, nor any (or any other) recipient or subrecipient of HUD funds may inquire about the sexual orientation or gender identity of an applicant for, or occupant of, HUD-assisted housing or housing whose financing is insured by HUD, whether renter- or owner-occupied, for the purpose of determining eligibility for the housing or otherwise making housing available.

This prohibition on inquiries regarding sexual orientation or gender identity does not prohibit an individual from voluntarily self-identifying sexual orientation or gender identity. This prohibition on inquiries does not prohibit lawful inquiries of an applicant or occupant's sex where the housing provided or to be provided to the individual is temporary, emergency shelter that involves the sharing of sleeping areas or bathrooms, or inquiries made for the purpose of determining the number of bedrooms to which a household may be entitled. The term "household" is defined in 24 CFR §570.3.

#### **§505 EARNED INCOME TAX CREDIT**

This Contract is subject to the provisions of §10.37.4 of the Los Angeles Administrative Code, requiring employers to inform employees making less than Twelve Dollars (\$12.00) per hour of their possible right to the federal Earned Income Tax Credit (EITC). Employers must further make available to employees the forms required to secure advance EITC payments from employers.

#### **§506 CONTRACTOR'S PERSONNEL**

Contractor shall only assign personnel to this job who are qualified for this assignment by experience and/or education to perform the tasks under this Agreement. In the event anyone is replaced or terminated, Contractor shall notify the city in writing, within five (5) days after termination, and provide information regarding the replacement employee's work and educational experience and qualifications.

#### **§507 FEDERAL, STATE AND LOCAL TAXES**

Federal, State, and local taxes shall be the responsibility of Contractor as an independent contractor and not as a City employee.

#### **§508 INVENTIONS, PATENTS AND COPYRIGHTS**

Contractor shall comply with the requirements regarding Inventions, Patents and Copyrights, which is attached hereto as Exhibit H and incorporated herein by reference.

### **6. GRANT REQUIREMENTS**

#### **§601 REPORTING REQUIREMENTS**

A. General Reporting: Contractor shall furnish to the City at the times and on the forms and formats, electronically or manually, as the City may require all records, reports, data and information pertaining to matters covered by this Agreement. The Contractor shall use the Client Tracking System (CTS) for all services provided in this contract.

B. Program Reporting: Contractor shall submit to the City the following program reports as identified below. The Contractor shall submit to the City all required documents in accordance with all City procedures and Directives, which are incorporated herein by reference.

1. Monthly Fiscal Report and Closeout Report

- a. Expenditure Report—Due on or before the 5th day of each month, the Contractor shall submit the Expenditure Report to the City, which reflects accrued expenditures as of the previous month on forms provided by the City.
- b. Management Information ("MIS")—Due on or before the 5th day of each month, the Contractor shall submit the Units of service Report to the City, which reflects units services provided as of the previous month on forms provided by the City.

2. Closeout Report

- a. Within 30 days following the termination of this Agreement, the Contractor shall submit to the City, on forms provided by the City, a complete and accurate final closeout invoice including accruals of allowable expenditures and a remittance for all unearned grant funds as identified in the closeout. Final requests to modify the Budget shall be submitted to the City before final closeout. By submission of the closeout invoice, the Contractor certifies that: i) Costs reported and payments requested are valid and consistent with the terms of the Agreement; and, ii) cash payments received from the City shall be used to pay only for expenditures reported in the final closeout invoices. Costs reported are subject to City verification.
- b. In the event the Contractor does not submit a final closeout or other required documentation within the prescribed time frame, the City reserves the right to unilaterally closeout the Agreement and use the invoice then on file at City for determination of the Contractor's final allowable expenditures. The City will not reimburse the Contractor for expenditures reported after the 30 day closeout date following the termination of this Agreement. The City shall provide to the Contractor the City closeout forms at least 30 days before termination of the Agreement.

#### **§602 MAINTENANCE OF RECORDS**

- A. Record Retention: Records, in their original form, shall be maintained in accordance with requirements prescribed by the Grantor and the City with respect to all matters covered by this Agreement. Original forms are to be maintained on file for all documents specified in this Agreement. Unaltered copies of eligibility documents are acceptable. These records shall be retained for a period of five years after termination of this Agreement and after final disposition of all "pending matters". Pending matters include, but are not limited to, an audit, litigation, or other actions involving records. The City may, at its discretion, take possession of and retain the records. Before destruction of records retained under this Agreement, the Contractor shall notify the City and request instructions on disposition of the records.
- B. Location of Records: Records (including, but not limited to, customer files and fiscal documents in their original form) pertaining to matters covered by this Agreement shall at all times, be retained within the County of Los Angeles unless authorization to remove them is granted in writing by the City.

#### **§603 CUSTOMER/APPLICANT FILES CHECK**

Contractor shall complete and maintain on-site in each customer's file the following documents, as prescribed by program requirements: 1) application for all applicants, 2) assessment documents, 3) progress reports, 4) counseling documents, 5) supportive services information, and 6) documentation of supportive services received.

#### **§604 EQUIPMENT RECORDS**

A. Nonexpendable personal property (equipment) acquired with grant funds shall be properly maintained and accounted for as set forth below.

A record shall be maintained for each item of equipment acquired for the program. Equipment is nonexpendable property, which is not consumed or does not lose its identity by being incorporated into another item of equipment, which costs \$5,000 or more per unit, or is expected to have a useful life of one year or more. Items costing below \$5,000, but falling into the following categories are also considered equipment and records must be maintained for them: (1) electronic communications equipment for stationary or vehicular use, including cellular telephones acquired by lease or purchase, and (2) electronic office equipment as follows – facsimile machines, copiers, electric typewriters, personal computers (monitors and CPU's), terminals, and printers.

The record shall include: (1) description of the item of equipment, including model and serial number, if applicable; (2) date of acquisition; (3) the acquisition cost or assigned value to the program; and (4) source of acquisition.

B. All equipment obtained under this Agreement shall have a CDA tag number or other tag identifying it as CDA property. The CDA tag number, when practical, shall be affixed where it is readily visible.

C. A physical inventory shall be taken by Contractor and reconciled with the record card annually or at other times as the City shall prescribe.

#### **§605 PURCHASE OR LEASE OF EQUIPMENT OR FACILITIES**

Prior to the purchase or lease of equipment Contractor shall receive prior City approval in writing and shall comply with all requirements described in this Agreement.

The term "equipment" as used in this Agreement shall be defined to mean personal property.

Contractor shall notify the City in writing before using equipment for this Agreement that was or is to be purchased or leased with public funds not provided by this Agreement. Purchase or lease payments for this equipment shall not be made from funds under the terms of this Agreement.

A. Lease of Equipment

A copy of each executed equipment lease agreement shall be submitted to the City before payment. Written amendments to equipment lease agreement shall comply with the conditions set forth in this Agreement.

B. Purchase of Equipment

All property real and personal, purchased under this Agreement with grant funds shall become the property of the City and shall be returned to the City upon termination of this Agreement, except as provided otherwise by the City in writing. The Contractor shall file all Uniform Commercial Code statements for any eligible property purchased with grant funds and deliver a copy of the filing to the City.

The property shall be used and maintained by the Contractor as follows:

1. Property shall be used solely in the performance of this Agreement.
2. No modifications shall be made to the property without the prior written approval of City.
3. The Contractor shall be liable for any and all loss, damage or destruction of property acquired under this Agreement during the period the property is under the control of the Contractor, except losses, damage or destruction resulting from reasonable wear and tear. Damage, loss, or destruction of the property shall be immediately reported to the City.

C. Purchase of depreciable equipment including, but not limited to, computer hardware and software and vehicles require prior City written approval. Disposition of nonexpendable personal property shall be

governed by City Directives, as applicable. All private for profit contractors shall acquire prior City approval before purchasing any nonexpendable personal property.

D. Lease of Property or Facilities

1. All lease agreements shall incorporate the following provisions:

- a. All leases of property or facilities procured to house a City program under this Agreement must contain a provision that allows the City, at its sole option, to assume the lease for its remaining term, under the same terms and conditions then in effect, in the event that the City terminates its Contractor's City Agreement or if the Contractor abandons the lease.
- b. All leases of property or facilities procured to house a City program under this Agreement must contain a provision, which provides that any improvements made to the facility or property by the Contractor, inures to the benefit of the City, and the City may elect, at its sole option, to remove the improvements.
- c. It is recommended that the Contractor, during lease negotiations, request the addition of a section to the lease agreement, whereby the lessor agrees that if lessee's grant funding for any calendar year decreases by \$500,000 or more from the previous calendar year, lessee may terminate the lease with 120 days written notice.

Contractor shall amend any current lease agreements to incorporate the above provisions.

2. A copy of all leases and lease amendments must be reviewed and approved by the City prior to signature and be on file with the City prior to the release of funding.
3. Contractor shall not sublease, assign, or amend in any manner leases paid for with funds under this Agreement without prior written City approval.
4. Contractor shall invoice for only that portion of the lease cost that is allocated to the program funded by this Agreement. The Contractor is responsible for collecting any portion of the rent due to the Contractor under sublease agreements with partners or other entities.

**§606 ACCOUNTING PRACTICES**

A. Contractor shall maintain a system of Internal Control in accordance with standard accounting practices.

1. In accordance with GAAP and City Directives, financial systems shall include:

- a. Information pertaining to sub-grant and contract awards, obligations, un-obligated balances, assets, expenditures, and income;
- b. Effective internal controls to safeguard assets and assure their proper use;
- c. A comparison of actual expenditures with budgeted amounts for each subgrant and contract;
- d. Source documentation to support accounting records;
- e. Proper charging of costs and cost allocation and be sufficient to (i) permit preparation of required reports, and (ii) permit the tracing of funds to a level of expenditure adequate to establish that funds have not been used in violation of the applicable restrictions on the use of the funds; and
- f. "Internal Control" for purpose of this Agreement, comprises the plan or organization and all of the coordinated methods and measures adopted within an organization to safeguard its assets, check the adequacy and the reliability of its accounting data, promote operating efficiency, and assure adherence to prescribed management policies.

2. Contractor shall submit its system of accounting procedures and Internal Control to the City before the City disburses any funds to the Contractor.

#### **§607 DOCUMENTATION OF EXPENDITURES**

- A. Expenditures shall be supported by properly executed payrolls, time records, invoices, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. Checks, payrolls, invoices, vouchers, orders, or other accounting documents shall be clearly identified and readily accessible.
- B. Payroll expenditures shall be supported by activity reports that may include but not be limited to case reports, mileage logs, attendance rosters and other documents supporting work related to City contract or program.
- C. Contractor shall not release funds to any subcontractor for reimbursement of costs, until it has received adequate documentation from the subcontractor that the expenditures are reasonable and allowable under the sub-agreement. All documentation must remain on file at the Contractor's office.

#### **§608 AUDITS AND INSPECTIONS**

- A. At any time during normal business hours and as often as Assistant Secretary, the U.S. Comptroller General, Auditor General of the State, the Grantor, or the City may deem necessary, the Contractor shall make available for examination, all of its records with respect to all matters covered by this Agreement. The City, the Assistant Secretary, the U.S. Comptroller General, and the Auditor General of the State shall have the authority to audit, examine and make excerpts, or transcripts from records, including all Contractor's invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.
- B. Access by the Assistant Secretary, the DOL, the Comptroller General of the United States, the State, the Grantor, City or any of their duly authorized representatives to any books, documents, papers, and records (including computer records) of the Contractor which are directly pertinent to charges to the program, shall not be denied in order to conduct audits and examinations, and make excerpts, transcripts, and photocopies. This right also includes timely and reasonable access to Contractor's and subcontractor's personnel for the purpose of interviews and discussions related to such documents.
- C. Contractor agrees to provide any reports requested by the City regarding performance of the Agreement. When total expenditures under all federal programs in a fiscal year equal or exceed \$750,000, the Contractor shall conduct or have conducted on an annual basis, audits in accordance with the Single Audit Act of 1984, Public Law 98-502, Single Audit Act Amendments of 1996, Public Law 104-156, and implementing regulations in the provisions of 2 C.F.R., §200.501-§201.512, which applicable provisions supersede OMB Circulars A-133 as applicable, (City Council action dated February 4, 1987, C.F. No. 84-2259-S1) and administrative regulations or field memos implementing revisions or updates to the audit requirements. The auditor's reports, prepared in accordance with the aforementioned requirements, and any accompanying management reports on the operation of the contractor or this Agreement, shall be submitted to the City within nine (9) months after the close of the Contractor's fiscal year.
- D. Contractor, should it meet the above threshold, shall annually subcontract with a qualified independent auditor.
- E. The audit is to be conducted annually to test the fiscal integrity of financial transactions as well as compliance with the applicable laws and regulations.
- F. Contractor, not later than thirty (30) days following receipt of the final audit report and within nine (9) months after the close of the Contractor's fiscal year, shall submit a copy of the report to the LADQA's Financial Management Division.

- G. If the auditor's report or management report identifies deficiencies with internal controls or contract compliance, the Contractor shall prepare and submit a corrective action plan along with the auditor's reports. The plan shall address all deficiencies and provide specific details on corrective actions to be taken along with the date the action was or will be implemented.
- H. If the expenditures under all federal programs are less than \$750,000, Contractor shall permit the City to conduct a performance review of this Agreement and all related records in accordance with directives received from the City.
- I. In the event that the Contractor is operating on a for-profit basis, the Contractor shall conduct a program-specific annual independent financial and compliance audit in accordance with generally accepted government auditing standards, or an organization-wide audit that includes coverage of the City program within its scope.
- J. The City reserves the right to impose any or all of the following sanctions for the Contractor's failure to comply with the Single Audit Act and the provisions of this Agreement:
  - 1. Withhold a percentage of payments, at the City's sole discretion, until the audit is completed satisfactorily and submitted to the LADOA, and/or.
  - 2. Suspend payments due to Contractor until the audit is completed satisfactorily and submitted to the City; and/or Impose the Default, Probation, Suspension and Termination provisions of this Agreement as set forth herein.
- K. Director of the Office of Civil Rights, U.S. Comptroller General, Auditor General of the State, Grantor, and the City shall have the authority to audit, examine, and make excerpts or transcripts from records, including contracts, invoices, customer records and other records supporting this Agreement. Audits of earned funds are limited to determining if such funds were earned in accordance with this Agreement.
- L. City may require Contractor who has inadequate fiscal or administrative procedures, to use any or all of the City's accounting or administrative procedures used in the planning, controlling, monitoring, and reporting of fiscal matters relating to this Agreement; or secure at the Contractor's expense the service of independent experts.
- M. City shall have the authority to make physical inspections and to require such physical safeguarding devices as locks, alarms, safes, fire extinguishers, sprinkler systems, etc., to safeguard property, records and/or equipment used in the performance of this Agreement.
- N. Should a fiscal or special audit determine that Contractor has earned funds which are questioned under the criteria set forth herein, the Contractor shall be notified and given the opportunity to justify questioned expenditures prior to the City's final determination of disallowed costs, in accordance with the procedures established under the Grant.

## **§609 CONFIDENTIALITY OF INFORMATION**

- A. The Grantor, the City, and Contractor will exchange various kinds of information pursuant to this Agreement. That information will include data, applications, program files and databases. These data and information are confidential when they define an individual or an employing unit. Confidential information requires special precautions to protect it from unauthorized use, access, disclosure, modification, and destruction. The sources of information may include, but are not limited to, the Employment Development Department, the California Department of Social Services, the California Department of Education, the County Welfare Department(s), the County IV-D Directors Office of Child Support, the Office of the District Attorney, the California Department of Mental Health, the California Office of Community Colleges, and the Department of Alcohol and Drug Programs.
- B. The City and Contractor agree that:
  - 1. Each party shall keep all information that is exchanged between them in the strictest confidence and make such information available to their own employees only on a "need-to-know" basis.

2. Each party shall provide written instructions to all of its employees with access to information provided by the other party of the confidential nature of the information and of the penalties for unauthorized use or disclosure found in §1798.55 of the Civil Code, §502 of the Penal Code, §2111 of the Unemployment Insurance Code, §10850 of the Welfare and Institutions Code and other applicable local, State and Federal laws.
3. Each party shall (where appropriate) store and process information in an electronic format, in such a way that unauthorized persons cannot reasonably retrieve the information by computer, remote terminal, or other means.
4. Each party shall promptly return to the other party confidential information when its use ends or destroy the confidential information utilizing an approved method of destroying confidential information by shredding, burning, or certified, or witnessed destruction. Magnetic media are to be degaussed or returned to the other party.
5. If the City or Contractor enters into an agreement with a third party to provide services, the City or the Contractor agrees to include these data and security and confidentiality requirements in the agreement with that third party. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.
6. Each party shall designate an employee who shall be responsible for overall security and confidentiality of its data and information systems and, each party shall notify the other of any changes in that designation. In no event shall said information be disclosed to any individual outside of that third party's authorized staff, subcontractor(s), service providers, or employees.

#### **§610 SECURITY CLEARANCE AND TUBERCULOSIS TEST OF STAFF AND VOLUNTEERS**

- A. The Contractor hereby certifies that by signing this Agreement, Contractor and subcontractor staff working with youth, either as employees or volunteers, who have a supervisory or disciplinary authority over minors must be fingerprinted and pass the background check, as required by California Penal Code §11105.3 and California Education Code §45125.1 and §10911.5. Fingerprinting and a background check may be required of other staff and volunteers depending upon how much contact the staff member will have with minors. The Contractor shall be responsible for obtaining security clearances for staff whose duties require a sufficient level of interaction with youth.
- B. Contractor hereby certifies that by signing this Agreement, Contractor shall have Tuberculosis (TB) tests completed on any staff member working with the youth.
- C. Contractor shall maintain proof of Security Clearance and TB tests of all staff, including those of the subcontractors, and make these records available for future inspection.

#### **§611 RESTRICTION ON DISCLOSURES**

Prior to the release of any reports, analyses, studies, information, or data generated as a result of this Agreement, Contractor shall notify the City of the request to release the information. Release of information shall be coordinated by Contractor and the City and shall be in compliance with state and federal law

#### **§612 MANAGEMENT INFORMATION SYSTEM RECORDS AND REPORTS**

- A. Contractor shall report to the City numeric data, statistics, facts, news, details and information for its City-funded project(s) using forms and formats such as the electronic Integrated Services Information System prescribed by the City for this purpose.
- B. The City shall rely upon and use records and monthly invoices located at the City, and on-site verifications, as needed, to substantiate Contractor's performance and expenditure data, including, but

not limited to, enrollment, training services, placement activities, wages, business/job creation, and post-program services status.

C. The City may contact Contractor staff, participants, subcontractors, training institutions or schools to verify the documentation supporting performance and compliance with this Agreement.

#### **§613 INSTALLATION OF FINANCIAL ASSISTANCE SIGN**

Contractor shall install, or allow to be installed, for public display upon the program site premises a sign, identifying Contractor as receiving financial assistance from the City.

#### **§614 PRESS RELEASES--PUBLIC INFORMATION**

Contractor shall make specific reference to the City as the sponsoring agency and that Contractor is an Equal Opportunity/Affirmative Action Employer in all communications with the press, television, radio or any other means of communicating with the general community. Contractor shall make specific reference to the LADOA as the sponsoring agency of the program regarding any items that are related to the program funded hereby. Contractor shall also coordinate press releases with the media/public relations project for maximum impact.

#### **§615 NOTICE TO CITY OF LABOR DISPUTES**

When Contractor has acknowledged that any actual or potential labor dispute involving participants or other employees is delaying or threatens to delay the timely performance of this Agreement Contractor shall immediately give notice thereof, including all pertinent information, with regard to same to City. No funds provided hereby shall be used to promote or deter union organizing.

#### **§616 LISTING OF CONTRACTOR'S EMPLOYMENT OPPORTUNITIES WITH THE EMPLOYMENT DEVELOPMENT DEPARTMENT**

Contractor shall list all Contractor's job openings with the local Employment Development Department (EDD) Office when such job openings are funded, in full or in part, through monies provided hereby.

#### **§617 TECHNICAL ASSISTANCE**

Should Contractor need technical assistance from the City regarding matters that are the subject of this Agreement, Contractor shall submit a written request to the City identifying the nature of the problem, the action Contractor has taken to resolve the problem, and the type of assistance needed.

#### **§618 PROHIBITION OF LEGAL PROCEEDINGS**

Contractor is prohibited from using Grant funds received under this Agreement for the purpose of instituting legal proceeding against the City their officials, employees, or representatives.

#### **§619 NOTICE TO ELIGIBLE BENEFICIARIES OF CONTRACTED SERVICES**

- A. Contractor shall designate an employee to whom initial complaints or inquiries regarding national origin can be directed. [22 CCR §98325]
- B. Contractor shall make available to ultimate beneficiaries of contracted services and programs information regarding the Department's procedure for filing a complaint and other information regarding provisions of GC §11135 et seq. [22 CCR §98326]
- C. Contractor shall notify the Department immediately of a complaint alleging discrimination based upon a violation of State or Federal law. [22 CCR §98211, 98310]

#### **§620 CHILD ABUSE**

Contractor shall comply with the provisions of the California Child Abuse and Neglect Reporting Act (California Penal Code §11164 et seq.), and specifically §§ 11165.7, 11165.9 and 11166 therein.

## §621 INFORMATION INTEGRITY AND SECURITY

### A. Information Assets

Contractor shall have in place operational policies, procedures, and practices to protect State Information assets, i.e., public, confidential, sensitive and/or personal information as specified in State Administrative Manual, Section 5310, GC Section 11019, Department of Finance (DOF) Management Memo 06-12, and DOF Budget Letter 06-34.

Information assets include (but are not limited to):

- 1) Information collected and/or accessed in the administration of the State programs and services
- 2) Information stored in any media form, paper or electronic

### B. Encryption of Portable Computing Devices

Contractor is required to encrypt (or use an equally effective measure), any data collected under this Agreement that is confidential, sensitive, and/or personal including data stored on portable computing devices (including but not limited to, laptops, personal digital assistants, and notebook computers) and/or portable electronic storage media (including but not limited to, discs and thumb/flash drives, and portable hard drives).

### C. Disclosure

1. Contractor shall ensure that personal, sensitive, and confidential information is protected from inappropriate or unauthorized access or disclosure in accordance with applicable laws, regulations and State policies. The requirement to protect information shall remain in force until superseded by laws, regulations, or policies.
2. Contractor shall protect from unauthorized disclosure names and other identifying information, concerning persons receiving services pursuant to this Agreement, except for statistical information not identifying any participant.
3. "Identifying information" shall include, but not be limited to, name, identifying number, social security number, state driver's license, or state identification number, financial account numbers, symbols or other identifying characteristic assigned to the individual, such as finger or voice print or a photograph.
4. Contractor shall not use the identifying information in paragraph 3 above for any purpose other than carrying out the Contractor's obligations under this Agreement. The Contractor and its subcontractor are authorized to disclose and access identifying information for this purpose as required by the Older Americans Act.
5. Contractor shall not, except as otherwise specifically authorized or required by this Agreement or court order, disclose any identifying information obtained under the terms of this Agreement to anyone other than City and CDA without prior written authorization from City and/or CDA. The Contractor may be authorized, in writing, by a participant to disclose identifying information specific to the authorizing participant.
6. Contractor may allow a participant to authorize the release of information to specific entities, but shall not request or encourage any participant to give a blanket authorization or sign a blank release, nor shall the Contractor accept such blanket authorization from any participant.

### D. Training/Education

1. Contractor must provide ongoing education and training, at least annually, to all employees and subcontractors who handle personal, sensitive, or confidential information. Contractor's employees, subcontractors, and volunteers must complete the required Security Awareness Training module located at [www.aging.ca.gov](http://www.aging.ca.gov) within 30 days of the start date of this Agreement or within 30 days of the start date of any new employee, subcontractor or volunteer. Contractor must maintain certificates of completion on file and provide them to City and/or CDA upon request. Training may be provided on an individual basis or in groups. A sign-in sheet is acceptable documentation for group training in lieu of individual certificates. If internet access is not available, a hardcopy of the training module may be provided to employees and/or volunteers for their completion.
2. Contractor may substitute CDA's Security Awareness Training program with its own Security Training provided such training met or exceeds CDA's training requirement. Contractors/Vendors shall maintain documentation of training and education provided to their staff, volunteers, and/or subcontractors.
3. All employees, subcontractors/vendors and volunteers who handle personal, sensitive, or confidential information relating to this Agreement must participate in Security Awareness Training.

**E. Health Insurance Portability and Accountability Act (HIPAA)**

Contractor agrees to comply and to require its subcontractors to comply with the privacy and security requirements of HIPAA to the extent applicable.

**F. Contractor/Vendor Confidentiality Statement**

Contractor shall sign and return a Contractor/Vendor Confidentiality Statement (CDA 1024 Form), Exhibit "J" with this Agreement. This is to ensure that Contractor/Vendors are aware of, and agree to comply with, their obligations to protect City and CDA information assets from unauthorized access and disclosure.

**G. Security Incident Reporting**

A security incident occurs when City/CDA information are accessed, modified, destroyed, or disclosed without proper authorization, or are lost, or stolen. The Contractor must report all security incidents to the City immediately upon detection. A Security Incident Report form (CDA 1025), Exhibit "K" must be submitted to the City within five (5) business days of the date the incident was detected.

**H. Notification of Security Breach to Data Subjects**

1. Notice must be given by the Contractor or subcontractor to any data subject whose personal information could have been breached.
2. Notice must be given expeditiously and without unreasonable delay except when notification would impede criminal investigation, or when necessary measures to restore system integrity are required.
3. Notice may be provided in writing, electronically, or by substitute notice in accordance with State law, regulation, or policy.

**I. Software Maintenance**

Contractor shall apply security patches and upgrades and keep virus software up-to-date on all systems on which State data may be used.

**J. Electronic Backups**

Contractor shall ensure that all electronic information is protected by performing regular backup of automated files and databases, and ensure the availability of information assets for continued business.

**K. Provisions of this Section**

The provisions contained in this Section shall be included in all subcontracts.

**§622 ASSURANCE**

Contractor shall not require proof of age or citizenship as a condition of receiving services.

**§623 STANDARDS OF WORK**

Contractor agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to accepted professional standards.

**§624 FULL COMPLIANCE**

Contractor shall be in full contract compliance within 120 days of the beginning date of this Agreement. The City will evaluate the Contractor's capacity to fulfill Agreement goals, if full compliance by this time period has not occurred.

**§625 FRAUD AND ABUSE REPORTS AND RECORD MAINTENANCE**

Contractor shall immediately report to the City in writing any alleged incidents of fraud or abuse and will maintain all records and documents regarding alleged incidents until otherwise notified by the City; the City of Los Angeles operating as the local Agency Area on Aging shall in turn report to the CDA- in writing any incidents of alleged fraud and/or abuse by any contractor or sub-contractor

**§626 GRIEVANCE PROCEDURES**

A. Contractor agrees that it will comply with Title 22, Division 1.8, Chapter 3, Article 5, Section 7400 Grievance Process of the California Code of Regulations which requires written grievance procedures to at a minimum include the following:

1. Time frames within which a complaint will be acted upon.
2. Written notification to the complainant of the results of the review, including a statement that the complainant may appeal to the City of Los Angeles if dissatisfied with the results of Contractors review.
3. Confidentiality provisions to protect the complainant's rights to privacy. Only information relevant to the complaint may be released to the responding party without the older individuals consent.

B. Contractor shall notify all older individuals of the grievance process, for both Contractor and the City that is available to them by:

1. Posting notification of the process in visible and accessible areas, such as the bulletin boards in multipurpose senior centers. For areas in which a substantial number of older individuals are non-English speaking, the notification shall also be posted in the primary language of a significant number of older individuals. "Substantial number" and "Significant number" will be determined by the City.
2. Advising homebound older individuals of the process, either orally or in writing, upon Contractor's contact with the older individuals.

C. Complaints may involve, but are not limited to, any or all of the following:

- D. Modify and/or renegotiate the funding/service level and/or make any changes in the general scope of this Agreement.
- E. Require Contractor to secure at its own expense the services of independent experts.
- F. Require specific performance progress reports for identified time periods.
- G. Reduce compensation within the scope of the City's reallocation policy.
- H. Suspend operations in accordance with §803 below of this Agreement.
- I. Terminate the Agreement.

#### **§702 NOTICE TO CORRECT PERFORMANCE**

- A. The City may notify Contractor of its failure to comply with the terms and conditions of this Agreement by giving written notice, effective upon date of such notice, which states the specific performance deficiencies to be corrected.
- B. Within five (5) working days, Contractor shall reply in writing setting forth the corrective actions that will be undertaken to remedy the performance deficiencies, which actions are subject to City approval in writing.
- C. Contractor shall thereafter submit monthly progress reports to the City in accordance with the City approved corrective action plan specifying the actions taken and resolution of the performance deficiencies.

#### **§703 SUSPENSION OF THE AGREEMENT**

- A. The City may, by giving written notice, suspend all or part of the project operations for Contractor's failure to comply with the terms and conditions of this Agreement; and may notify the bank identified on the City form referenced in §104A.3 above that all funds are frozen pending further notice from the City. This Notice of Suspension shall be effective upon the date of the City's written notice.
- B. This notice shall set forth the specific conditions of noncompliance and the period provided for corrective action.
- C. Within five (5) working days from the date of written City notification, Contractor shall reply in writing setting forth the corrective actions which will be undertaken, subject to City approval in writing.

#### **§704 TERMINATION OF AGREEMENT**

- A. At any time during the Term the City may terminate this Agreement, or any part of the Agreement, upon giving Contractor at least 30 days written notice prior to the effective date of the termination, which date shall be specified in the notice. The City is not required to use other remedies provided herein prior to issuing a 30 day notice to terminate the Agreement. Upon the receipt of such notice, Contractor shall immediately take action not to incur any additional obligations, cost or expenses, except as may be reasonably necessary to terminate its activities or as otherwise approved by the City.
- B. Contractor shall retain and dispose of all customers' documents and related records required by Contractor under this Agreement, in accordance with City Directives or written instructions. All finished and unfinished documents and materials procured for or produced under this Agreement, including all intellectual property rights thereto, shall become City property upon the date of such termination. Contractor agrees to execute any documents necessary for the City to perfect, memorialize or record the City's ownership of rights provided herein.
- C. Contractor shall return to the City all equipment that was purchased with City grant funds pursuant to this Agreement.

- D. In the event Contractor dissolves or otherwise goes out of existence, copies of all records relating to the project or activity that are the subject of this Agreement shall be furnished to the City.
- E. Upon satisfactory completion and documentation of termination activities, the City shall determine the total amount of funds earned by Contractor.
- F. The City may withhold any payments due to Contractor after notice of termination has been issued for the purpose of set-aside until the exact amount of damages or unearned dollars due to the City from Contractor is determined.
- G. Subsections B, C, D, E, and F above shall also apply to Agreements terminating upon the date specified in §201 of the foregoing Agreement or upon completion of performance of this Agreement.
- H. This Agreement may be terminated immediately for any violation of City Lobbying Ordinances.
- I. In the event the City terminates this Agreement as provided in this section, the City may procure, upon such terms and in such manner as the City may deem appropriate, services similar in scope and level of effort to those so terminated, and Contractor shall be liable to the City for all of its costs and damages, including, but not limited to, any excess costs for such services.
- J. If, after notice of termination of this Agreement, under the provisions of this section, it is determined for any reason that Contractor was not in default under the provisions of this section, or that the default was excusable under the terms of this Agreement, the rights and obligations of the parties shall be the same as if the notice of termination had not been issued pursuant to this section.

## **§705 NOTICES OF SUSPENSION OR TERMINATION**

In the event that this Agreement is suspended or terminated, Contractor shall immediately notify all employees and customers and shall notify in writing all other parties contracted with under the terms of Agreement within five (5) working days from the City's written notice.

## **8. MISCELLANEOUS**

### **§801 SURVIVAL OF TERMS AND CONDITIONS**

All terms and conditions of this Agreement which impose a duty, obligation or requirement on Contractor that extend beyond the Term hereof shall survive the termination of this Agreement. Such terms and conditions shall include, but not be limited to, §§ 404 through 407, 505(A)(2), 602, 604 and 608.

### **§802 ORDER OF PRECEDENCE**

In the event of any inconsistency between the documents regarding this Agreement, said inconsistency shall be resolved by giving precedence to (i) the body of the Agreement, (ii) the terms of applicable City ordinances and regulations, (iii) the other exhibits and attachments hereto, and (iv) any documents provided by Contractor.

### **§803 RATIFICATION CLAUSE**

Due to the need for the Contractor's services to be provided upon commencement of the Term, Contractor may have provided services prior to the execution of this Agreement. To the extent that said services were performed in accordance with the terms and conditions of this Agreement, those services are hereby ratified and accepted.

### **§804 NUMBER OF PAGES AND ATTACHMENTS**

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement includes <<Insert Number>> (<<#>>) pages, and thirteen (13) exhibits, that constitute the entire understanding and agreement of the parties.

## 10. SIGNATURE PAGE

IN WITNESS WHEREOF, the City of Los Angeles and the Contractor have caused this Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM AND LEGALITY:

MICHAEL N. FEUER, City Attorney

By \_\_\_\_\_  
Assistant/Deputy City Attorney

Date \_\_\_\_\_

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

For: THE CITY OF LOS ANGELES

LAURA TREJO  
General Manager  
Los Angeles Department of Aging as

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2017

For: <<Enter Agency Name>>

(Contractor's Corporate Seal)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

D-U-N-S® Number: \_\_\_\_\_

City Business License Number: \_\_\_\_\_

Internal Revenue Service Number: \_\_\_\_\_

Council File Number: \_\_\_\_\_; Date of Approval: \_\_\_\_\_

Agreement Number \_\_\_\_\_ of City Contracts, Amendment Number \_\_\_\_\_