


COUNTY OF SAN MATEO
Departmental Correspondence

Date: **AUG 07 2001**
Hearing date **AUG 21 2001**

TO: Honorable Board of Supervisors

FROM: Charlene A. Silva, Director, Aging and Adult Services 

SUBJECT: Agreement with the California Department of Aging (CDA) for the Title III/VII Programs of the Older Americans Act (OAA) of 1965 for FY 2001-2002

RECOMMENDATION

Adopt a resolution authorizing the President of the Board to execute Agreement No. FF-0102-08 for Title III/VII Programs with CDA for Fiscal Year 2001-2002

Background

Every four years the Area Agency on Aging (AAA) is required to submit a Planning and Service Area Plan for aging services to CDA. The state also requires that counties submit annual updates identifying revised goals and objectives for the coming fiscal year in order to claim their allotted OAA funds which are determined through a statewide funding formula. The plan provides a profile of the County's senior population, identifies activities to improve and expand existing services as well as to develop new programs designed to address current countywide needs, and recommends services to be funded with San Mateo's OAA allocation.

In August 1995 you approved the Strategic Plan for Services to Older Persons and Adults with Disabilities 1995-2000. On August 18, 1998 you approved revisions to the Goals and Objectives section of the Strategic Plan. The period covered by the Strategic Plan 1995-2000 ended in June 2000. A new Strategic Plan 2000 for Services for Older Adults and Adults with Disabilities intended to be used through June 2005 has been developed and will come to your board for approval. This plan, together with the annual budget, fulfills CDA's requirements and generates a contract from CDA for Title III/VII funding.

Discussion

Title III/VII provides funding for a variety of programs including Congregate Nutrition, Adult Day Care, Senior Employment, Legal Assistance, Transportation, Disease Prevention/Health

Promotion, Information and Assistance, Elder Abuse Prevention, Home-Delivered Meals, and the Ombudsman program. These nutrition, supportive, and employment services are designed to carry out many of the goals and objectives of the Strategic Plan.

Information about the number of clients served through this agreement and other state funds as well as performance measures regarding these services will come to your board for approval in the package of subcontracts with provider organizations.

County Counsel has reviewed and approved the agreement as to form and content

Term and Fiscal Impact

The term of the Agreement is July 1, 2001 through June 30, 2002. Execution of this Agreement with CDA allows the County to claim its allocation of OAA Title III/VII for FY 2001-2002. The total grant amount of \$2,279,421 consists of \$2,060,110 in federal funds and \$219,311 in state funds for Title III/VII. The required county match for the CDA agreements is \$118,156. In addition, the service providers participating in this program provide their own matching funds, thereby significantly expanding the funding available for senior services in San Mateo County. The federal, state and county funds are included in AAS's approved budget for 2001-2002. There is no additional impact on the county General Fund as a result of this action.

RECOMMENDED


HEALTH SERVICES AGENCY

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION APPROVING AGREEMENT NO. FF-0102-08 WITH THE CALIFORNIA
DEPARTMENT OF AGING FOR THE TITLE III/VII PROGRAMS OF THE OLDER
AMERICANS ACT OF 1965 FOR FY 2001-2002

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of
California, that

WHEREAS, this Board has designated itself as the Area Agency on Aging of San Mateo
County to carry out programs pursuant to senior services; and

WHEREAS, there has been presented to this Board of Supervisors for its consideration
and acceptance an Agreement, reference to which is hereby made for further particulars, whereby
the Aging and Adult Services Division shall provide a nutrition and supportive services program;
and

WHEREAS, this Board has been presented with a form of the Agreement and has
examined and approved it as to both form and content and desires to enter into the Agreement:

NOW, THEREFORE, IT IS RESOLVED that Agreement No. FF-0102-08 is hereby
approved, and the President of this Board of Supervisors is hereby authorized and directed to
execute the aforesaid Agreement for and on behalf of the County of San Mateo, and the Clerk of
the Board shall attest the President's signature thereto.

STANDARD AGREEMENT

STD. 213 (NEW 02/98)

AGREEMENT NUMBER FF-0102-08	AMENDMENT NUMBER
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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 County of San Mateo
2. The term of this Agreement is: July 1, 2001 through June 30, 2002
3. The maximum amount of this Agreement is: \$ 2,279,421
4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference a part of the Agreement:

Exhibit A – Scope of Work	5	Page(s)	
Exhibit B – Budget Detail and Payment Provision	6	Page(s)	
* Exhibit C – General Terms and Conditions	GTC201 (Number)		2/20/2001 (Dated)
Exhibit D – Special Terms and Conditions	22	Page(s)	
Exhibit E – Additional Provisions	4	Page(s)	

*View at www.dgs.ca.gov/contracts

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

CONTRACTOR	CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) County of San Mateo	
BY (Authorized Signature) 	DATE SIGNED
PRINTED NAME AND TITLE OF PERSON SIGNING Michael D. Nevin, President Board of Supervisors, County of San Mateo	
ADDRESS 225 West 37 th Street, San Mateo, California 94403	
STATE OF CALIFORNIA	
AGENCY NAME California Department of Aging	
BY (Authorized Signature) 	DATE SIGNED
PRINTED NAME AND TITLE OF PERSON SIGNING Rachel de la Cruz, Manager, Business Services and Contracts Section	
ADDRESS 1600 K Street, Sacramento, California 95814	
<input type="checkbox"/> Exempt per _____	

EXEMPT FROM DEPARTMENT
OF GENERAL SERVICES
PER AB 2800 CHAPTER 1097
STATUTES OF 1996

**Scope of Work – Exhibit A
Title III and Title VII**

TITLE III/VII SCOPE OF WORK

ARTICLE I. DEFINITIONS SPECIFIC TO TITLE III AND TITLE VII PROGRAMS

A. DEFINITIONS SPECIFIC TO TITLE III

1. **Program Requirements** means Title III program requirements found in the Older Americans Act; Federal Code of Regulations; Older Californians Act; Title 22, California Code of Regulations, Section 7000 et seq.; Department Program Memoranda; and State and federal laws.
2. **Title III B (Supportive Services)** means a variety of services including, but not limited to: personal care, homemaker, chore, adult day care/adult day health, case management, assisted transportation, transportation, legal assistance, information and assistance, outreach, and long-term care ombudsman.
3. **Title III C-1 (Congregate Nutrition Services)** means meals served in a congregate setting which provide one-third (1/3) of the recommended dietary allowance (RDA), nutrition, health education and health promotion programs, nutrition risk screening, and opportunities for socialization.
4. **Title III C-2 (Home Delivered Nutrition Services)** means meals served to homebound older individuals providing one-third (1/3) of the recommended dietary allowance (RDA), nutrition, health education and health promotion programs, and nutrition risk screening.
5. **Title III D (Disease Prevention and Health Promotion Services)** means disease prevention, health promotion, nutrition counseling and nutrition risk screening services, medication management, screening and education, and information to older individuals.
6. **Eligible Service Population** for Title III means individuals 60 years of age or older, with emphasis on those in economic and social need with particular attention to low income minority individuals [OAA, Section 305 (a) (2) (E)] [Title 22, California Code of Regulations, Sections 7125, 7127, 7130, and 7135].

B. DEFINITIONS SPECIFIC TO TITLE VII (Allotments for Vulnerable Elder Rights Protection Activities)

1. **Chapter 2. Ombudsman Program** means advocacy services provided to or on behalf of residents of long-term care facilities, including, but not limited to: investigation and resolution of complaints; training of personnel; promotion of and attendance at resident and family councils; representation of residents' interests before governmental agencies;

Scope of Work – Exhibit A
Title III and Title VII

4. Meet the requirements under the Older Americans Act, Section 301(a)(1) to secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive and nutrition services.
5. Remove individual and social barriers to economic and personal independence for older individuals to the extent possible.
6. Provide a continuum of care for vulnerable older individuals.
7. Secure the opportunity for older individuals to receive managed in-home and community-based long-term care services.
8. Maintain or improve community-based services to meet the physical and mental health of older persons, as required under the Older Americans Act, Section 361(a) through funding that includes Title III D Disease Prevention and Health Promotion.
9. Conduct and/or promote activities to prevent, treat, and remedy elder abuse, neglect, and exploitation, as required under the Older Americans Act, Section 721.
10. If federal and/or State funds for meal programs increase, the number of Title III C-1 and C-2 meals served shall be maintained or increased. This program shall promote and maintain high standards of food safety and sanitation as required by the California Uniform Retail Food Facilities Law (CURFFL).

B. Administrative requirements include:

1. Initiate/procure subcontracts, as needed, pursuant to Title 22, California Code of Regulations, Sections 7352 through 7364.
2. Review, approve, and monitor subcontractor budgets and expenditures and any subsequent amendments and revisions to budgets.
3. Annually monitor, evaluate, and document subcontractor performance and compliance with this Agreement.
4. Provide support and technical assistance to subcontractors and respond in writing to all written requests for direction, guidance, and interpretation of instructions to include client and service data.
5. Distribute and maintain up-to-date Department requirements so that all responsible persons have ready access to standards, policies, and procedures.

Scope of Work – Exhibit A
Title III and Title VII

8. Ombudsman performance indicators and assessment criteria are enumerated in the document *LTC Ombudsman Core Elements* and will be used by the Office of the State Long-Term Care Ombudsman as a guide in evaluating the success of a local program.

Budget Detail, Payment Provisions, and Closeout – Exhibit B
Title III and Title VII

TITLE III/VII BUDGET DETAIL, PAYMENT PROVISIONS, AND CLOSEOUT

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 Department of Personnel Administration's rules and regulations. This is not to be construed as limiting the Contractor from paying any differences in costs, from funds other than those provided by this Department, between the Department of Personnel Administration 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.
(CCR, Title 2 Section 599.615 et seq.)
3. The Department reserves the right to refuse payment to the Contractor or later disallow costs for any expenditure, as determined by the Department not to be in compliance with this Agreement, unrelated or inappropriate to contract activities, or when inadequate supporting documentation is presented, or where prior approval was required but was either not requested or not granted.

B. Accountability for Funds

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 kept in accordance with Generally Accepted Accounting Principles and Procedures.

C. Unexpended Funds

Upon termination, cancellation, or expiration of this Agreement, of 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
Title III and Title VII

- B. The Contractor shall comply with those provisions and restrictions regarding revisions to the approved Area Plan Budget.
- C. The final date to submit budget revisions is April 30 of the contract period unless otherwise specified by the Department.

ARTICLE III. PAYMENT

- A. To receive payment, the Contractor shall prepare and submit monthly to the AAA-Based Team, in electronic format, a Detailed Expenditure Data File (SPR 107) and a Request for Funds Data file (SPR 108), unless otherwise specified by the Department.
- B. The Department shall review requests for payment to ensure compliance with the approved Area Plan Budget.
- C. During the contract period, the Department shall advance funds based on an analysis of current cash needs. The Department shall pay the Contractor a total not to exceed the amount shown on the Budget Display, which is hereby incorporated by reference.

D. Financial Management Systems

The Contractor shall meet the following standards for its financial management systems, as stipulated in federal regulations:

- 1. Financial Reporting
 - 2. Accounting Records
 - 3. Internal Control
 - 4. Budgetary Control
 - 5. Allowable Costs
 - 6. Source Documentation
- E. The Department may require financial reports more frequently than indicated above or with more detail (or both), upon written notice to the Contractor, until such time as the Department determines that the financial management standards are met.

Title III/VII Budget Display
 Fiscal Year 2001/02

COUNTY OF SAN MATEO

Page 1 - Federal Funds		BASELINE	TRANSFERS	OTO	TOTAL	NET CHANG
Title IIIB:	Administration	80,128			80,128	
	LTC-Ombudsman-Program	25,782			25,782	
	Other Supportive Services - Progr.	550,955			550,955	
	Total Title IIIB	656,865	0	0	656,865	
Title III C-1:	Administration	87,738			87,738	
	Congregate Nutrition - Program	683,818			683,818	
	Total Title III C-1	771,556	0	0	771,556	
Title III C-2:	Administration	36,660			36,660	
	Home Delivered Nutrition - Program	285,728			285,728	
	Total Title III C-2	322,388	0	0	322,388	
Title IIID	Preventive Health - Program	33,526			33,526	
	Medication Management - Program	11,276			11,276	
	Total Title III D	44,802	0	0	44,802	
						0
	Total Title III	1,795,611	0	0	1,795,611	
USDA:	Congregate Meals - C-1	132,840			132,840	
	Home-Delivered Meals- C-2	96,786			96,786	
	Total USDA	229,626	0	0	229,626	
Title VII-(a)	Ombudsman - Program	23,984			23,984	
Title VII-(b)	Elder Abuse Prevention - Program	10,889			10,889	
	Total Title VII	34,873	0	0	34,873	
	Total Federal Funds	2,060,110	0	0	2,060,110	
Comments:	The maximum amount of Title III/VII Baseline expenditures allowable for the first quarter is:				457,621	

State of California
 California Department of Aging
 CDA #1 (Rev. 4/98)

Award #: FF 0102
 Date: July 1, 2001
 Amendment #: N/A
 Date: N/A

Title III/VII Budget Display
 Fiscal Year 2001/02

COUNTY OF SAN MATEO

Page 2 - State Funds		BASELINE	TRANSFERS	OTO	TOTAL	NET CHANGES
Title IIIB:	Ombudsman - Program	90,328			90,328	
	Other Supportive Services - Progr.	28,331			28,331	
	Total Title IIIB	118,659	0	0	118,659	
Title III C-1:	Administration	530			530	
	Congregate Nutrition - Program	52,716			52,716	
	Total Title III C-1	53,246	0	0	53,246	
Title III C-2:	Administration	141			141	
	Home Delivered Nutrition - Program	44,074			44,074	
	Total Title III C-2	44,215	0	0	44,215	
Title IIID	Preventive Health - Program	2,068			2,068	
	Total Title III	218,188	0	0	218,188	
Title VII-(a)	Ombudsman - Program	593			593	
Title VII-(b)	Elder Abuse Prevention - Program	530			530	
	Total Title VII	1,123	0	0	1,123	
	Total State Funds	219,311	0	0	219,311	
Grand Total, Federal & State Funds		2,279,421	0	0	2,279,421	

Comments:

**Special Terms and Conditions - Exhibit D
Title III and Title VII**

TITLE III/VII SPECIAL TERMS AND CONDITIONS

ARTICLE I. DEFINITIONS AND RESOLUTIONS OF LANGUAGE CONFLICTS

- A. The term "Agreement" shall mean the coversheet, Std. 213, all exhibits, the Budget Display, the Area Plan, Area Plan Budget, attachments and amendments, unless otherwise provided in this Article.
- B. The Contractor shall comply with program memos and other guidance issued by the Department. In the event of conflict between the program memos and/or other Department guidance, the provisions listed in this Agreement shall prevail.
- C. "State" and "Department," mean the State and the California Department of Aging interchangeably.
- D. "Contractor" means the Area Agency on Aging to which funds are awarded under this Agreement and which is accountable to the State and/or federal government for use of these funds and is responsible for executing its provisions and services.
- E. "Subcontractor" means the legal entity that receives funds from the Contractor under this Agreement.
- F. "Reimbursable item" also means "allowable cost" and "compensable item."
- G. "CFR" means Code of Federal Regulations. "CCR" means California Code of Regulations. "GC" means Government Code. "W & I" means Welfare and Institutions Code. "USC" means United States Code. "PCC" means the Public Contract Code.
- H. "Program income" means revenue generated by the Contractor or service provider from contract-supported activities. Program income is:
 - 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.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE II. ASSURANCES (Continued)

3. pursuant to this Agreement, except for statistical information not identifying any participant.
4. The Contractor shall not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
5. The Contractor shall not disclose, except as otherwise specifically permitted by this Agreement or authorized by the participant, any such identifying information to anyone other than the State without prior written authorization from the State, except when subpoenaed by a court.
6. The Contractor may allow participants 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 from any participant.

C. Copyrights and Rights in Data

1. Copyrights

- a. 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 lines (b) and (c).
- b. The Contractor may request permission to copyright material by writing to the Director of the Department. The Director shall consent to or give the reason for denial to the Contractor in writing within sixty (60) days of receipt of the request.
- c. If the material is copyrighted with the consent of the Department, 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 the author.
- d. 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
Title III and Title VII

ARTICLE II. ASSURANCES (Continued)

D. 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, 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 judgement. The Contractor and its subcontractors shall keep in effect all licenses, permits, notices, and certificates that are required by law.

E. 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.

F. Code of Conduct

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 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.

G. 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.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE II. ASSURANCES (Continued)

J. 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 1857).
2. Clean Water Act, as amended (33 USC 1368).
3. Federal Water Pollution Control Act, as amended (33 USC 1251, et seq.).
4. Environmental Protection Agency Regulations (40 CFR, Part 15 and Executive Order 11738).

K. Debarment

1. The Contractor must not make any award or permit any award at any time to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal/State assistance programs.
2. The Contractor shall timely execute any and all amendments to this Agreement or certificates or other required documentation relating to their subcontractors debarment/suspension status.

L. Agreement Authorization

1. If a public entity, the Contractor shall submit to the Department a copy of the resolution, order, or motion referencing this Agreement number authorizing execution of this Agreement. If a private nonprofit entity, the Contractor shall submit to the Department an authorization by the board of directors to execute this Agreement, referencing this Agreement number.
2. Documentation in the form of a resolution by the Governing Board of the Area Agency on Aging 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 Area Agency Director or designee to execute the original and all subsequent amendments to this Agreement.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE II. ASSURANCES (Continued)

1. No federal 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.
2. If any funds other than federal appropriated funds have been paid or will be paid 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 this federal contract, grant, loan or cooperative Agreement, the undersigned 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 subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. This certification is a prerequisite for making or entering into this transaction imposed by 31 USC 1352. 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.

ARTICLE III. AGREEMENT

- A. All elements of this Agreement, as defined in Article I, Section A of this exhibit, and as approved by the Department in making this award, are hereby incorporated by reference, as if fully set forth herein.
- B. A copy of this Agreement is on file and available for inspection at the California Department of Aging, 1600 K Street, Sacramento, California 95814.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE V. SUBCONTRACTS (Continued)

- H. The Contractor shall ensure that the subcontractor will complete all reporting and expenditure documents requested by the Department. These reporting and expenditure documents shall be sent to the Contractor in a timely manner and at intervals as determined by the Department.

ARTICLE VI. RECORDS

- A. The Contractor shall maintain complete records (which shall include, but not be limited to, accounting records, contracts, agreements, letters of agreement, insurance documentation in accordance with this Article, Memorandums and/or Letters of Understanding, patient records, and electronic files) of its activities and expenditures hereunder in a form satisfactory to the State and shall make all records pertaining to this Agreement available for inspection and audit by the State or its duly authorized agents, at any time during normal business hours. All such records must be maintained and made available by the Contractor; (a) until an audit has occurred and an audit resolution has been issued or unless otherwise authorized in writing by the Department's Audit Branch, (b) for such longer period, if any, as is required by applicable statute, by any other clause of Agreement, or by Sections B, C, and (c) for such longer period as the Department deems necessary.
- B. 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 the Department upon termination of this Agreement, and are returned to the Department.
- C. 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 so stated in writing to the Contractor.
- D. 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 Generally Accepted Accounting Principles and Procedures, the expenditures will be questioned in the audit and may be disallowed by the State during the audit resolution process.
- E. After the authorized period has expired, confidential records shall be destroyed by shredding and disposed of in a manner that will maintain confidentiality.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE VII. PROPERTY (Continued)

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

1. Date acquired;
2. Property description (include model number);
3. Property identification number (serial number);
4. Cost or other basis of valuation;
5. Fund source; and
6. Rate of depreciation (or depreciation schedule), if applicable.

The Contractor shall keep track of property purchased with Contract funds, whether capitalized or not. The Contractor shall submit to the Department, annually with the Closeout, a current inventory of property furnished or purchased by the Contractor with funds awarded under the terms of this Agreement or any predecessor agreement for the same purpose. The Contractor shall maintain an annual inventory of property furnished or purchased by the subcontractor with funds awarded under the terms of this Agreement or any predecessor agreement for the same purpose. The Contractor shall use the Report of Project Property Furnished/Purchased with Agreement Funds (CDA 32) to report property to the Department.

- G. Prior to disposal of any property purchased by the Contractor or the subcontractor with funds from this Agreement, the Contractor must obtain approval from the Department regardless of the acquisition value. Disposition, which includes sale, trade-in, discarding, or transfer to another agency may not occur until approval is received from the Department. The Contractor shall use the Request to Dispose of Property (CDA 248) to dispose of property.
- H. The Contractor shall immediately investigate and within five (5) days fully document the loss, destruction, or theft of such property.
- I. 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.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE VIII. ACCESS

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

ARTICLE IX. MONITORING, ASSESSMENT, AND EVALUATION

- A. Authorized State representatives shall have the right to monitor, assess, and evaluate the Contractor's performance pursuant to this Agreement. Said monitoring, assessment, and evaluation may include, but is not limited to, audits, inspections of project premises, inspection of food preparation sites, and interviews of project staff and participants.
- B. The Contractor shall cooperate with the State in the monitoring, assessment, and evaluation processes, which include making any Administrative program, and fiscal staff available during any scheduled process.

ARTICLE X. AUDITS

- A. Contractor will arrange for an audit to be performed as required by the Single Audit Act Amendments of 1996, Public Law 98-502, OMB Circular A-133, and a copy submitted to the:

California Department of Aging
Attention: Audit Branch
1600 K Street
Sacramento, California 95814

- B. The following closely related programs identified by Catalog of Federal Domestic Assistance (CFDA) number are to be considered as an "Other cluster" for purposes of determining major programs or whether a program specific audit may be elected. The contractor shall communicate this information to the independent auditor conducting the organization's single audit. This Section B applies to Title III/VII only.

US Department of Agriculture
10.570 Nutrition Programs for the Elderly
US Department of Health and Human Services, Administration on Aging
93.041 Special Programs for the Aging-Title VII, Chapter 3-
Programs for Prevention of Elder Abuse, Neglect,
and Exploitation (Title VII-B)

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE X. AUDITS (Continued)

4. Subcontractors expending less than \$300,000 in total federal funds are exempt from federal audit requirements but records must be available for review.
- D. Ensuring that the requirements of the OMB Circular A-133 are met, is generally interpreted to mean that the Contractor will ensure that the subcontractor's audit was:
1. Performed timely – not less frequently than annually and a report submitted timely. The audit is required to be completed not later than 9 months after the end of the subcontractor's fiscal year. The audit report is due to the Contractor not later than 30 days after the completion of the audit.
 2. Properly procured – use OMB Circular A-110 procurement standards; and provide maximum opportunities to small and minority audit firms.
 3. Performed in accordance with Government Auditing Standards – should be performed by an independent audit; and be organization-wide.
 4. All inclusive – includes an audit of the financial statements; an assessment of internal controls, including tests of transactions; and a determination of compliance with laws and regulations of all major federal programs and selected non-major program transactions.
 5. All audits shall be performed in accordance with and address all issues contained in any federal OMB Compliance Supplement that applies to this program.
 6. All audits or subcontractor shall consider the programs identified in "B" as a cluster for purposes of determining major programs or whether a program specific audit may be elected. This paragraph applies to Title III/VII only.
- E. These requirements should be included in subcontractor Agreements. Further, subcontractor should be required to include in their contracts with the auditors selected by subcontractors, that the auditors will comply with all applicable audit requirements.
- F. The Contractor shall have the responsibility of resolving audits of its subcontractors.

Special Terms and Conditions - Exhibit D
Title III and Title VII

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:

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 Department in cases of higher than usual risks.

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.

If applicable, contractors and subcontractors shall comply with the Public Utilities Commission (PUC) 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:

\$750,000 if seating capacity is under 8
\$1,500,000 if seating capacity is 8 – 15
\$5,000,000 if seating capacity is over 15

unless otherwise amended by future regulation.

Professional liability of not less than \$1,000,000 as it appropriately relates to the services rendered. Coverage may include medical malpractice and/or errors and omissions.

- B. The insurance will be obtained from an insurance company acceptable to the Department of General Services, Office of Risk and Insurance Management, or be provided through partial or total self-insurance acceptable to the Department of General Services.
- C. Evidence of insurance shall be in a form and content acceptable to the Department of General Services, Office of Risk and Insurance Management. Insurance obtained through commercial carriers shall meet the following requirements:
1. The Certificate of Insurance shall provide that the insurer will not cancel the insured's coverage without thirty (30) days prior written notice to the State, or ten (10) days written notice if the reason for cancellation is for non-payment of insurance premium.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE XII. SUSPENSION OR TERMINATION

- A. The State may suspend or terminate this Agreement or, at the option of the Department, suspend the services rendered under this Agreement with a commensurate reduction in funding, as a consequence of any of the following events:
1. A violation of the law or failure to comply with any condition of this Agreement.
 2. Inadequate performance.
 3. Failure to comply with reporting requirements.
 4. Evidence that the Contractor is in an unsatisfactory financial condition as determined by an audit of the Department or evidence of a financial condition that endangers performance of this Agreement and/or the loss of other funding sources.
 5. Delinquency in payment of taxes or payment of costs for performance of this Agreement in the ordinary course of business.
 6. 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.
 7. Service of any writ of attachment, levy of execution, or commencement of garnishment proceedings against the Contractor's assets or income.
 8. The commission of an act of bankruptcy.
 9. Finding of debarment or suspension.
 10. That the Contractor's organizational structure has materially changed.
- B. Such suspension or termination of this Agreement, or suspension of services rendered under this Agreement, shall take effect immediately in the case of threat to life, health, or safety of the public or, in all other cases, upon thirty (30) days subsequent to written notice to the Contractor. The notice shall describe the action being taken, the reason for such action and, any conditions of the suspension or termination, including the date of suspension or termination. Said notice shall also inform the Contractor of its right to appeal such decision to the State and of the procedure for doing so.

Special Terms and Conditions - Exhibit D
Title III and Title VII

ARTICLE XVI. NOTICING

- 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, or overnight mail, provided Contractor retains receipt, and shall be communicated as of actual receipt.
- B. Notices mailed to the State shall be addressed to the California Department of Aging, AAA Based Teams, 1600 K Street, Sacramento, California 95814. Notices mailed to the Contractor shall be to the address indicated on the coversheet of this Agreement.
- C. Either party may change its address by written notice to the other party in accordance with this Article.

ARTICLE XVII. DEPARTMENT CONTACT

- A. The name of the Department'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 present the name of its contact for this Agreement to the Department. The Contractor shall immediately notify the State, in writing, of any change of its contact or address.