

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

684



FROM: Office on Aging

SUBMITTAL DATE:
May 20, 2014

SUBJECT: Ratify the Standard Agreement MI-1314-21 between California Department of Aging (CDA) and County of Riverside Office on Aging (OoA) for Medicare Improvements for Patients and Providers Act (MIPPA III) for a 7 month period, February 14, 2014 – September 29, 2014. [Districts – ALL] [Total Cost: \$81,387] [Source of Funds – 100% Federal].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and Authorize Chair to execute the Standard Agreement MI-1314-21 between CDA and OoA for MIPPA III for a 7 month period, February 14, 2014 – September 29, 2014;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459 to sign renewals, based on the availability of funding, and to sign amendments that do not change the substantive terms of the agreement;
3. Approve and direct the Auditor-Controller to make budget adjustments as shown in Schedule A; and
4. Return four (4) original copies of the Agreement to the Office on Aging for further processing.

Michele Haddock
Michele Haddock
Director

(Continued on Page 2)

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|--------------------------------------|----------------------|-------------------|-------------|-------------------------------|---|
| COST | \$ 48,827 | \$ 32,551 | \$ 81,378 | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ | \$ | \$ | \$ | |
| SOURCE OF FUNDS: 100% Federal | | | | Budget Adjustment: Yes | |
| | | | | For Fiscal Year: 13/14, 14/15 | |

C.E.O. RECOMMENDATION:

APPROVE
BY: *Lani Sioson*
Lani Sioson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: June 3, 2014
Office on Aging, Purchasing, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

3-60

FISCAL PROCEDURES APPROVED
 PAUL LANGULO, CPA, AUDITOR-CONTROLLER
 BY: *[Signature]* 5/14/14
 Esteban Hernandez
 Departmental Concurrence
 DATE: 5/21/14
 APPROVED COUNTY COUNSEL
 BY: NEAL R. KIPNIS

A-30
 4/5: Vote
 Positions Added
 Change Order

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Ratify the Standard Agreement MI-1314-21 between California Department of Aging (CDA) and County of Riverside Office on Aging (OoA) for Medicare Improvements for Patients and Providers Act (MIPPA III) for a 7 month period, February 14, 2014 – September 29, 2014. [Districts – ALL] [Total Cost: \$81,387] [Source of Funds – 100% Federal].

DATE: May 20, 2014

PAGE: 2 of 3

BACKGROUND:

Summary

This agreement assists in expanding Medicare beneficiary enrollment in the Prescription Drug Benefit Low Income Subsidy Program (LIS), the Medicare Savings Program (MSP), and rural outreach activities aimed at preventing disease and promoting wellness.

This agreement reflects the current contract from California Department of Aging and could be subject to modifications based on the State final legislative process.

The County of Riverside Office on Aging will provide enhanced outreach and enrollment assistance to eligible Medicare beneficiaries throughout the County, through a Sub-Contract with the Council on Aging for Health Insurance Counseling and Advocacy Program (HICAP). HICAP is the primary local source for accurate and objective information and assistance with Medicare benefits, prescription drug plans, and health plans.

There is no impact to County General Funds and we are requesting no additional matching requirements.

Impact on Citizens and Businesses

These funds are to be utilized to assist low-income Medicare beneficiaries to access the Part D Low Income Subsidy (LIS/Extra Help) and Medicare Savings Programs (MSPs).

SUPPLEMENTAL:

Additional Fiscal Information

Current fiscal year funds will be increased by the Schedule A below. Additional funds will be included in the County budget process in the consecutive fiscal year.

ATTACHMENTS:

A. BUDGET ADJUSTMENT

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Ratify the Standard Agreement MI-1314-21 between California Department of Aging (CDA) and
County of Riverside Office on Aging (OoA) for Medicare Improvements for Patients and Providers Act (MIPPA
III) for a 7 month period, February 14, 2014 – September 29, 2014. [Districts – ALL] [Total Cost: \$81,387]
[Source of Funds – 100% Federal].

DATE: May 20, 2014

PAGE: 3 of 3

Attachment A

**Office on Aging
Schedule A
FY2013/2014**

Increase Office on Aging Estimated Revenue:

| | | |
|-------------------------|-------------------------|----------|
| 21450-5300100000-767140 | Fed-Misc. Reimbursement | \$48,827 |
|-------------------------|-------------------------|----------|

Increase Office on Aging Appropriation:

| | | |
|-------------------------|-------------------------------------|----------|
| 21450-5300100000-536200 | Contrib. to other Non-County Agency | \$43,944 |
|-------------------------|-------------------------------------|----------|

| | | |
|-------------------------|-------------------------|----------|
| 21450-5300100000-527780 | Special Program Expense | \$ 4,883 |
|-------------------------|-------------------------|----------|

\$48,827

CONTRACTOR/VENDOR CONFIDENTIALITY STATEMENT

CDA 1024 (REV 1/07)

| CERTIFICATION | |
|--|---|
| I hereby certify that I have reviewed this Confidentiality Statement and will comply with the following Statements. | |
| CONTRACTOR/VENDOR NAME: <i>County of Riverside</i> | CONTRACT NUMBER: |
| AUTHORIZED SIGNATURE: <i>Jeff Stone</i> | PRINTED NAME AND TITLE OF PERSON SIGNING: JEFF STONE CHAIRMAN, BOARD OF SUPERVISORS |
| <p>In compliance with Government Code 11019.9, Civil Code 1798 Et. Seq., Management Memo 06-12 and Budget Letter 06-34 the California Department of Aging (CDA) hereby requires the Contractor/Vendor to certify that:</p> <ul style="list-style-type: none">• confidential information shall be protected from disclosure in accordance with all applicable laws, regulations and policies.• all access codes which allow access to confidential information will be properly safeguarded.• activities by any individual or entity that is suspected of compromising confidential information will be reported to CDA by completing a Security Incident Report, CDA 1025.• any wrongful access, inspection, use, or disclosure of confidential information is a crime and is prohibited under State and federal laws, including but not limited to California Penal Code Section 502; California Government Code Section 15619, California Civil Code Section 1798.53 and 1798.55, and Health Insurance Portability and Accountability Act.• any wrongful access, inspection, use, disclosure, or modification of confidential information may result in termination of this Contract/Agreement.• obligations to protect confidential information obtained under this Contract/Agreement will continue after termination of the Contract/Agreement with CDA.• all employees/subcontractors of the Contractor/Vendor will complete the required Security Awareness Training module located at www.aging.ca.gov, within 30 days of the start date of this Contract/Agreement or within 30 days of the start date of any new employee or subcontractor. Contractor/Vendor may substitute CDA's Security Awareness Training program with its Security Training provided such training meets or exceeds CDA's training requirement.• all employees/subcontractors of the Contractor/Vendor will be notified of CDA's confidentiality and data security requirements.• CDA or its designee will be granted access by the Contractor or Vendor to any computer-based confidential information within the scope of the Contract. | |

ATTEST:

KECIA HARPER-IHEM, Clerk
By *[Signature]* DEPUTY

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE

JUN 03 2014 3:00

CONTRACTOR/VENDOR CONFIDENTIALITY STATEMENT

CDA 1024 (REV 1/07)

- I agree to protect the following types of confidential information which include but not limited to:
 - Social Security number
 - Medical information
 - Claimant and employer information
 - Driver License information
 - Information about individuals that relate to their personal life or identifies or describes an individual
 - Other agencies' confidential and proprietary information
 - Criteria used for initiating audit selection
 - Methods agencies use to safeguard their information (computer systems, networks, server configurations, etc.)
 - Any other information that is considered proprietary, a copyright or otherwise protected by law or contract.

- I agree to protect confidential information by:
 - Accessing, inspecting, using, disclosing or modifying information only for the purpose of performing official duties
 - Never accessing, inspecting, using, disclosing, or modifying information for curiosity, personal gain, or any non-business related reason
 - Securing confidential information in approved locations
 - Never removing confidential information from the work site without authorization.

WHEN DOCUMENT IS FULLY EXECUTED RETURN
CLERK'S COPY
 to Riverside County Clerk of the Board, Stop 1010
 Post Office Box 1147, Riverside, Ca 92502-1147
 Thank you.

RECEIVED
 JUN 17 2014

AGREEMENT NUMBER BY: _____
MI-1314-21
 REGISTRATION NUMBER

- 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 RIVERSIDE
- The term of this Agreement is: February 14, 2014 Through September 29, 2014
- The maximum amount of this Agreement is: **\$ 81,378.00**
 Eighty-one thousand three hundred seventy-eight and 00/100 dollars
- 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 | | 7 page(s) |
| Exhibit B – Budget Detail, Payment Provisions, and Closeout | ATTEST: KECIA HARPER-IHEM, Clerk By: <i>[Signature]</i> DEPUTY | 8 page(s) |
| Exhibit C* – General Terms and Conditions | | GTC 610 |
| 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) | | 31 page(s) |
| <input type="checkbox"/> Exhibit - D* Special Terms and Conditions | | |
| Exhibit E – Additional Provisions | | 3 page(s) |

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

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.) COUNTY OF RIVERSIDE | |
| BY (Authorized Signature) <i>[Signature]</i> PRINTED NAME AND TITLE OF PERSON SIGNING JEFF STONE CHAIRMAN, BOARD OF SUPERVISORS | DATE SIGNED (Do not type) 10/31/14 |
| ADDRESS 6296 Rivercrest Drive, Suite K Riverside CA 92507 | |
| STATE OF CALIFORNIA | |
| AGENCY NAME California Department of Aging | |
| BY (Authorized Signature) <i>[Signature]</i> PRINTED NAME AND TITLE OF PERSON SIGNING Dyanne Macias, Manager, Contracts and Business Services | DATE SIGNED (Do not type) 8/14/14 |
| ADDRESS 1300 National Drive, Suite 200, Sacramento CA. 95834 | |

FORM APPROVED COUNTY COUNSEL BY: NEAL R. KIPNIS

California Department of General Services Use Only

[Signature]

APPROVED

AUG 14 2014

DEPT OF GENERAL SERVICES

[Signature]

Exempt per:

SCOPE OF WORK

1. Contractor agrees to provide to the California Department of Aging services, under Agreement No. MI-1314-21, in accordance with this Agreement.
2. The services shall be performed in Planning and Service Area 21.
3. The services shall be provided in accordance with this Agreement.
4. The project representatives during the term of this agreement will be:

| | |
|--|--------------------------------|
| State Agency: California Department of Aging | Contractor COUNTY OF RIVERSIDE |
| Name: June Digten | Name: HILARY CLARKE |
| Phone (916) 419-7556 | Phone: (951) 867-3800 |
| Fax: (916) 928-2500 | Fax: (951) 697-3896 |

Direct all contract inquiries to:

| | |
|---|---|
| State Agency: California Department of Aging | Contractor: COUNTY OF RIVERSIDE |
| Section/Unit: Business Services and Contracts | Section/Unit: Administration |
| Attention: Don Fingado | Attention: |
| Address: 1300 National Drive, Suite 200 Sacramento, CA 95834 | Address: 6296 Rivercrest Drive, Suite K Riverside CA 92507 |
| Phone: (916) 419-7157 | Phone: (951) 867-3800 |
| Fax: (916) 928-2500 | Fax: (951) 697-3896 |
| Email: don.fingado@aging.ca.gov | Email: rcaging@rcaging.org |

ARTICLE I. DEFINITIONS

- A. **Aging and Disability Resource Center (ADRC)** means a program that helps older adults and individuals with disabilities make informed decisions about their service and support options, and serves as a single point of entry to the long-term care system. ADRCs were established through a collaborative effort of the U.S. Administration on Community Living (ACL) and the Centers for Medicare & Medicaid Services (CMS).
- B. **Contractor** means the Area Agency on Aging (AAA) awarded funds 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 for services.
- C. **Eligible Service Population** means individuals defined as Medicare eligible beneficiaries likely to be qualified for Medicare Part D, the Low-Income Subsidy (LIS) Prescription Drug Program, and/or the Medicare Savings Programs (MSP), including individuals in rural areas.
- D. **Enhanced Outreach** means outreach activities above and beyond routine activities planned in response to other funding (e.g., Basic State Health Insurance Assistance Program (SHIP) funds, or Older Americans Act (OAA) outreach funds.
- E. **Enrollment Assistance** means assistance to beneficiaries in completing and submitting LIS and MSP applications. Enhanced outreach alone does not meet the requirement for enrollment assistance.
- F. **Enrollment Assistance Centers** means locations equipped and designated for Medicare Part D, LIS and MSP enhanced outreach and enrollment assistance that have been publicly advertised and identified for these purposes.
- G. **Indirect Costs** means 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.
- H. **Low-Income Subsidy (LIS)** means financial assistance with Part D premiums and cost sharing for certain low-income Medicare beneficiaries.
- I. **Medicare Improvements for Patients and Providers Act (MIPPA) of 2008** means legislation that amended Titles XVIII and XIX of the Social Security Act to extend expiring provisions under the Medicare program, to improve beneficiary access to preventive and mental health services, to enhance low-income benefit programs, and to maintain access to care in rural areas, including pharmacy access.
- J. **Medicare Prescription Drug Improvement and Modernization Act of 2003** (also known as the "Medicare Modernization Act" or "MMA") means legislation that imposed the most sweeping changes to the Medicare program since its

ARTICLE I. DEFINITIONS (Continued)

inception, including the addition of a prescription drug benefit through a new Medicare Part D.

- K. **Medicare Savings Programs (MSP)** means three programs that serve Medicare beneficiaries who do not qualify for Medi-Cal: Qualified Medicare Beneficiaries (QMB), Specified Low-Income Medicare Beneficiaries (SLMB), and Qualified Individuals (QI). Beneficiaries enrolled in one of these Medicare Savings Programs automatically receive the LIS.
- L. **Rural** means all territory, population and housing units not classified as urban. Rural classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.
- M. **State** and **Department** mean the State of California and the California Department of Aging (CDA) interchangeably.
- N. **State Health Insurance Assistance Program (SHIP)** means a national program supported by the federal Centers for Medicare & Medicaid Services (CMS) 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).
- O. **Subcontract** and/or **vendor agreement** means a subcontract and/or vendor agreement supported by funds from this agreement.
- P. **Subcontractor** or **vendor** means the legal entity that receives funds from the Contractor to provide direct services identified in this agreement.
- Q. **Urban** means all territory, population, and housing units in urban areas, which include urbanized areas and urban clusters. An urban area generally consists of a large central place and adjacent densely settled census blocks that together have a total population of at least 2,500 for urban clusters, or at least 50,000 for urbanized areas. Urban classification cuts across other hierarchies and can be in metropolitan or non-metropolitan areas.

ARTICLE II. SCOPE OF WORK

A. General Provisions

1. The Scope of Work shall be performed by the Area Agency on Aging (AAA) and/or its subcontractors, which may include, but not be limited to, the Health Insurance Counseling and Advocacy Program (HICAP) and the Aging and Disability Resource Center (ADRC) (where applicable).

ARTICLE II. SCOPE OF WORK (Continued)

2. All MIPPA contract and subcontract activities must be over and above those related activities provided through other funding sources (e.g. OAA funding and the basic federal SHIP funds), and they must meet performance benchmarks specified by CDA.

B. Contractor Responsibilities

The Contractor, directly or through coordination and collaboration with subcontractors, local aging network resources, and community partners shall:

1. Provide enhanced outreach and enrollment assistance to eligible Medicare beneficiaries regarding their Medicare benefits, including activities aimed at preventing disease and promoting wellness; and provide more intensive outreach and enrollment assistance to eligible individuals residing in rural areas and individuals in other areas who may be eligible for Part D, LIS or MSP.
2. Assume the lead responsibility for developing, updating, and implementing the local MIPPA Project Plan, which is hereby incorporated by reference, that delineates how the AAAs, HICAPs, and ADRCs (where applicable) will coordinate their efforts and resources to achieve the performance objectives identified by CDA.
3. Prepare and submit the AAA MIPPA-related budget(s) and budget reports as specified by CDA. In addition, review, approve, and monitor all MIPPA-related budgets, expenditures and revisions of subcontractors, including, but not limited to, HICAP(s) and ADRC(s) (where applicable).
4. Monitor, on an ongoing basis, all use of MIPPA funds through reporting, site visits, regular contact, or other means to provide reasonable assurance that the MIPPA funds are administered in compliance with laws, regulations, and the provisions of contracts and that performance goals are achieved [Office of Management and Budget (OMB), Circular A-133.400(d)(3)]. Program and fiscal monitoring shall be performed during the term of this Agreement.
5. Provide support and technical assistance to subcontractors and respond in writing to all written requests for direction, guidance, and interpretation of instructions.
6. Maintain and distribute up-to-date CDA requirements so that all responsible persons have ready access to standards, policies, and procedures.

ARTICLE II. SCOPE OF WORK (Continued)

7. Submit:

Two narrative reports to CDA:

- a. The first six-month progress report is due to CDA by April 15, 2014.
- b. The final progress report is due to CDA by October 15, 2014.
- c. Both narrative reports shall specify how the contract funds were used, progress to date in achieving MIPPA Project Plan objectives, barriers encountered, and steps taken to overcome these barriers.

C. Other Provisions and Assumptions

1. Before payments can be made to the AAA, the AAA will submit to CDA a MIPPA Project Plan that clearly distinguishes the activities that will be performed by each of the MIPPA entities (where applicable): AAA, HICAP, and ADRC.
2. This plan will also explain how the AAA will coordinate with its local HICAP and ADRC (where applicable) to meet the data reporting requirements as specified by CDA and to evaluate progress in meeting the contract performance benchmarks identified by CDA.
3. Updates to the MIPPA Project Plan will only be required if substantial changes are proposed by the Contractor.
4. AAAs, ADRCs, and HICAPs may subcontract enhanced outreach activities to other community-based organizations as necessary, in accordance with Exhibit D, Article V.
5. The Contractor, whether providing services directly or through a subcontract, shall ensure:
 - a. Services are provided to the Eligible Service Population as defined in Exhibit A, Article I, section C.
 - b. As applicable, compliance with standards and guidelines for procurement of supplies, equipment, and services as provided in 45 Code of Federal Regulations (CFR), Part 74, and 45 CFR, Part 92, "Procurement Standards."
 - c. Compliance with all standards and regulations identified in Exhibit A, Article I, section J.

ARTICLE II. SCOPE OF WORK (Continued)

D. Performance Benchmarks

CDA has established aggregate benchmarks to be achieved by each AAA for their Planning and Service Area (PSA). The Contractor shall attain the established benchmarks through collaboration with their respective HICAP, ADRC (where applicable), and any other appropriate subcontractor(s).

E. Data Reporting and Collection

1. The Contractor is required to collect and report data as required to CDA for the AAA, HICAP, and ADRC (where applicable).
2. The Contractor shall ensure that all performance data reports submitted use CDA-approved reporting procedures and timelines and are timely, complete, accurate, and verifiable.
3. MIPPA data reports will include aggregate data from each reporting entity (AAA, HICAP, ADRC) that directly assisted Medicare beneficiaries in submitting an application for Medicare Part D, LIS, or MSP.
4. MIPPA data reports will be submitted via email to CDA at hicapteam@aging.ca.gov and are due by April 15, July 15, and October 15, 2014.
5. The Contractor shall ensure participating HICAPs report work completed under the Agreement using the Statewide HICAP Automated Reporting Program (SHARP). This data will also be included in the Contractor's aggregate reports.
6. CDA reserves the right to modify performance reporting terms and conditions to ensure compliance with federal government guidelines and requirements.
7. The Contractor shall ensure that all records containing confidential client information shall be handled in a confidential manner and in accordance with the requirements for monitoring, audits, and confidentiality, as outlined in Exhibit D, Articles VI, IX, X, and XVIII.
8. The Contractor will meet measurable performance goals. The Contractor must submit data that includes, but is not limited to:
 - a. The number of LIS applications submitted.
 - b. The number of MSP assistance sessions completed.

ARTICLE II. SCOPE OF WORK (Continued)

- c. The number of enrollment events conducted during the project period and the number of estimated attendees.
- d. The number and type of LIS/MSP outreach events conducted during the project period, including the number conducted in rural areas, and the number of estimated attendees.
- e. The number and type of prevention and wellness outreach events conducted, and the number of individuals reached at those events;
- f. The number of training and technical assistance sessions held for ADRC, AAA, and HICAP programs on outreach, screening, enrollment, and follow-up strategies, where the sessions were held, and the number of individuals who participated in these sessions.

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.
 - a. 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>
 - b. 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 this Department, 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. [CCR, Title 2 Section 599.615 et seq.)

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

3. The Department reserves the right to refuse payment to the Contractor or disallow costs for any expenditure, as determined by the Department 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.

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 kept in accordance with Generally Accepted Accounting Principles and Procedures and the Office of Management and Budget's Cost Principles.
2. Financial Management Systems

The Contractor shall meet the following standards for its financial management systems, as stipulated in 45 CFR, Section 92.20 (governmental) or 45 CFR, Section 74.21 (nonprofits):

- a. Financial Reporting
- b. Accounting Records
- c. Internal Control
- d. Budgetary Control
- e. Allowable Costs
- f. Source Documentation
- g. Cash Management

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 that are not payable for goods or services delivered prior to the termination, cancellation, or expiration of this Agreement or the dissolution of the entity.

D. Availability of Funds

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.

ARTICLE I. FUNDS (Continued)

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 the purpose of these programs. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
3. Payment for performance by the Contractor is contingent upon appropriation 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:
 - Terminate the Contract pursuant to Exhibit D, Article XII, A
 - Offer a contract amendment to the Contractor to reflect the reduced funding for this contract
 - b. In the event that the State elects to offer an amendment, it shall be mutually understood by both parties that (1) the State reserves the right to determine which contracts, if any, under this program shall be reduced and (2) some contracts may be reduced by a greater amount than others, and (3) 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. Contractor may keep interest amounts earned on advances of federal funds up to \$100 per year for Local Government Agencies or \$250 for nonprofit organizations for administrative expenses. Interest earned above the stated limit shall be remitted at least quarterly to the Department's Accounting Section. [45 CFR 92.21(i); 45 CFR 74.22(l)]

ARTICLE I. FUNDS (Continued)

2. Interest earned on advances of federal and non-federal funds shall be identified as non-match cash.
3. The Contractor may retain interest on non-federal funds if it reasonably demonstrates that such interest was earned on non-federal funds. If the Contractor fails to adequately demonstrate the source of the interest, then such interest will be considered earned on federal funds and shall be remitted, at least quarterly, to the Department's Accounting Section.
4. Nonprofit entities shall maintain advances of federal funds in interest bearing accounts, unless (a), (b), or (c) apply.
 - a. The recipient 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 \$250 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.

F. Matching Contributions and Maximum Administration

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

- G. MIPPA Administration shall be no more than 10 percent of the total MIPPA allocation.

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 transfers as noted in F.1.(a), below, and shall not be entitled to payment for these expenses until the Budget is reviewed and approved by the Department. 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.

ARTICLE II. BUDGET AND BUDGET REVISION (Continued)

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 original Budget is due to the Contractor's CDA Fiscal Team Specialist no later than 30 days from the date of the transmission of the Budget Display and Contract.
- D. The Contractor shall submit electronically a budget revision 30 days after receiving an amended Contract Budget Display with changes in funding levels unless otherwise instructed by the Department.
- E. 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.
- F. Line Item Transfers
1. The Contractor may transfer contract funds between line items under the following terms and conditions:
 - a. The Contractor shall submit a revised budget to the Department for any line item transfer of funds that is 10 percent or more of the total budget.
 - b. The Contractor shall maintain a written record of all budget changes and clearly document line item changes. The record shall include the date of the transfer, the amount, and the purpose. This record shall be available to the Department upon request and shall be maintained in the same manner as all other financial records.

ARTICLE II. BUDGET AND BUDGET REVISION (Continued)

2. The Contractor's costs for AAA administration are limited to ten percent of the total MIPPA funding allocation. The maximum allowable AAA administration will be identified on the MIPPA Budget Display.
- G. In the event that programs are changed from DIRECT to CONTRACTED or CONTRACTED to DIRECT, the Contractor shall submit a revised budget to the Department prior to implementation of the change. An amendment to this Agreement shall be required in accordance with Exhibit D, Article XV.
- H. The final date to submit budget revisions is no later than 30 days prior to the end of the contract period unless otherwise specified by the Department. The Department will not accept any budget revision after the contract period has expired.
- I. Indirect Costs
1. The maximum reimbursement amount allowable for indirect costs is 8 percent of the Contractor's direct costs, excluding in-kind contributions and nonexpendable equipment.
 2. Contractor agrees to include this requirement in all contracts it enters into with subcontractors/vendors to provide services pursuant to this Agreement.
 3. 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.
 4. Indirect costs exceeding the 8 percent maximum may be budgeted as in-kind.

ARTICLE III. PAYMENTS

- A. The Contractor shall prepare and submit a MIPPA Report of Expenditures/Request for Funds by the 30th of each month to the CDA Fiscal Team in electronic format, using the calendar provided, unless otherwise specified by the Department.

Budget Detail, Payment Provisions, and Closeout – Exhibit B
MI 1314 Contract

ARTICLE III. PAYMENTS (Continued)

Monthly Contract Fiscal Reporting Due Dates*

| RFF Month | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|--------------|------|------|------|------|------|-------|-------|-------|------|------|------|------|
| RFF Due Date | 5/30 | 6/30 | 7/30 | 8/30 | 9/30 | 10/30 | 11/30 | 12/30 | 1/30 | 2/28 | 3/30 | 4/30 |

| Expenditure Month | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar |
|-----------------------------|------|------|------|------|------|-------|-------|-------|------|------|------|------|
| Expenditure Report Due Date | 5/30 | 6/30 | 7/30 | 8/30 | 9/30 | 10/30 | 11/30 | 12/30 | 1/30 | 2/28 | 3/30 | 4/30 |

*The table is a standard request for funds (RFF) and expenditure reporting schedule. If the effective date of this contract is not July 1, the Contractor's RFF and expenditure reporting will commence with the first month of the term of the contract period and end with the month preceding the last month of the contract.

- B. During the contract period, the Department shall advance funds based on an analysis of current cash needs.

ARTICLE IV. CLOSEOUT

All contractors must submit two final Closeout Reports at the end of the contract period, September 29, 2014. A Closeout Report for the period (State Fiscal Year 2013-14) February 14, 2014 to June 30, 2014, and a Closeout Report for the period (State Fiscal Year 2014-15) July 1, 2014 to September 29, 2014.

All contractors must submit Closeout Reports to the Department 30 days following the end of the contract period unless otherwise notified by the Department.

All contractors must submit the Report of Property Purchased with Agreement Funds (CDA 32) with the closeout report.

Closeout reporting documents must be addressed to the CDA Fiscal Team.

**Exhibit B - Budget Detail, Payment Provisions, and Closeout
 Medicare Improvements for Patients and Providers Act (MIPPA)
 Budget Display
 State Fiscal Years (SFY) 2013-14 & 2014-15
 February 14, 2014 - September 29, 2014
 County of Riverside**

| | | ALLOCATED FUNDS |
|---|--|-----------------|
| STATE FISCAL YEAR 2013-14 | | |
| MIPPA Federal Funds (February 14, 2014 - June 30, 2014)* | | |
| AAA MIPPA ¹ | | 13,579 |
| HICAP MIPPA ² | | 12,236 |
| ADRC MIPPA ¹ | | 23,012 |
| Total SFY 2013-14 MIPPA Funds | | 48,827 |
| STATE FISCAL YEAR 2014-15 | | |
| MIPPA Federal Funds (July 1, 2014 - September 29, 2014)* | | |
| AAA MIPPA ¹ | | 9,053 |
| HICAP MIPPA ² | | 8,157 |
| ADRC MIPPA ¹ | | 15,341 |
| Total SFY 2014-15 MIPPA Funds | | 32,551 |
| GRAND TOTAL | | |
| Total MIPPA Federal Funds (February 14, 2014 - September 29, 2014) | | |
| AAA MIPPA ¹ | | 22,632 |
| HICAP MIPPA ² | | 20,393 |
| ADRC MIPPA ¹ | | 38,353 |
| Grand Total MIPPA Funds | | 81,378 |

*The maximum allowable for Administration from the allocations above is 10%.

| Maximum Allowable for Administration | SFY 2013-14 | SFY 2014-15 |
|---|--------------------|--------------------|
| The maximum amount of AAA MIPPA is: | 1,358 | 905 |
| The maximum amount of HICAP MIPPA is: | 1,224 | 816 |
| The maximum amount of ADRC MIPPA is: | 2,301 | 1,534 |

¹ Funds for this contract are provided by using the following Administration for Community Living grants:

| CFDA# | Project Title | Award # | Effective Date |
|--------|------------------------------|------------|----------------|
| 93.071 | MIPPA: Priority Area 2 AAAs | 13AACAMAAA | 9/30/2013 |
| 93.071 | MIPPA: Priority Area 3 ADRCs | 13AACAMADR | 9/30/2013 |

² Funds for this contract are provided by using the following Centers for Medicare & Medicaid Services grant:

| CFDA# | Project Title | Award # | Effective Date |
|--------|--|--------------------|----------------|
| 93.071 | MIPPA: MSP, LIS & Prescription Drug Enrollment Assistance through the Aging Network, SHIP, and ADRCs | IX0CMS331268-01-00 | 9/30/2013 |

ARTICLE I. DEFINITIONS AND RESOLUTIONS OF LANGUAGE CONFLICTS

A. Definitions

1. "Agreement" or "Contract" means the Standard Agreement (Std. 213), exhibits A, B, C, D, and E, and an approved MIPPA Budget, which is 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 awarded funds under this Agreement and which is accountable to the State and/or federal government for use of these funds and which is responsible for executing the provisions for services of this Agreement
3. "CCR" means California Code of Regulations
4. "CFR" means Code of Federal Regulations
5. "Data Universal Numbering System (DUNS) number" means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities
6. "GC" means Government Code
7. "PCC" means the Public Contract Code
8. "Reimbursable item" also means allowable cost and compensable item
9. "State" and "Department" mean the State of California and the California Department of Aging (CDA) interchangeably
10. "Subcontractor" or "vendor" means the legal entity that receives funds from the Contractor to provide direct services identified in this Agreement. Subcontract and/or vendor agreement means a subcontract and/or vendor agreement supported by funds from this Agreement.
11. "USC" means United States Code
12. "W & I" means Welfare and Institutions Code

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:

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

1. Section 119 of MIPPA 2008, Public Law 110-275, as amended by Section 3306 of the Affordable Care Act of 2010 and Section 610 of the American Taxpayer Relief Act of 2012
2. Other applicable federal statutes and their implementing regulations; program regulations; and terms and conditions of award
3. Standard Agreement (STD 213), all exhibits and any amendments thereto
4. Any other documents incorporated herein by reference
5. Program memos and other guidance issued by the Department

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.

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, 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, Section 2000d; 45 CFR Part 80], which prohibits

ARTICLE II. ASSURANCES (Continued)

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 Government Code sections 11135-11139.5, and Section 98000 et seq. of Title 22 of the California Code of Regulations, 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, Chapter 182, Statutes of 2006]

3. 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 U.S.C. Sections 12101 et seq.]

4. 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, funds 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

ARTICLE II. ASSURANCES (Continued)

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, the State 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.

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.

H. 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 276c] [29 CFR, Part 3]
 - b. Davis-Bacon Act [40 USC 276a to 276a-7] [29 CFR, Part 5]
 - c. Contract Work Hours and Safety Standards Act [40 USC 327-333] [29 CFR, Part 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, Part 60]
2. The Contractor shall not use payments for construction, renovation, alteration, improvement, or repair of privately-owned property which would

ARTICLE II. ASSURANCES (Continued)

enhance the owner's value of such property to the benefit of the owner except where permitted by law and by the Department.

3. When funding is provided for construction and non-construction activities, the Contractor or subcontractor must obtain prior written approval from the State before making any fund or budget transfers between construction and non-construction.

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 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]
5. Public Contract Code Section 10295.3

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

ARTICLE II. ASSURANCES (Continued)

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

K. 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. 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.

ARTICLE II. ASSURANCES (Continued)

M. DUNS Number and Related Information

1. The DUNS number must be provided to CDA prior to the execution of this Agreement.
2. The contractor must have complied with the federal requirement to keep DUNS number and related updates on the website at <http://fedgov.dnb.com/webform>.
3. The contractor shall review all DUNS information annually to ensure it is up to date.
4. If CDA cannot access the Contractor's DUNS information related to this federal subaward on the Federal Funding Accountability and Transparency Act Subaward Reporting System due to errors in the Contractor's data entry for their DUNS number, the Contractor must immediately update the information as required.

N. Corporate Status

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

ARTICLE II. ASSURANCES (Continued)

O. Lobbying Certification

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

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 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 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 subcontracts at all tiers (including subgrants, and contracts under grants, loans, and cooperative agreements which exceed \$100,000) and that all subrecipients 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.
6. 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 copy of this 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.

ARTICLE V. SUBCONTRACTS OR VENDOR AGREEMENTS

- A. The Contractor shall satisfy, settle, and resolve all administrative, programmatic, and fiscal aspects of the program(s), including issues that arise out of any subcontracts and/or vendor agreements, 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.
- B. In the event any subcontractor is utilized by the Contractor for any portion of this Agreement, the Contractor shall 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, and retention of records of subcontractors in accordance with Article VI of this exhibit.
- C. Funds for this Agreement shall not be obligated in subcontracts and/or vendor agreements for services beyond the ending date of this Agreement, unless all funding under this Agreement is appropriated without regard for fiscal year, and the Department has agreed in writing to permit the specific expenditure for a specified period of time.
- D. The Contractor shall have no authority to contract for, or on behalf of, or incur obligations on behalf of the State.
- E. Copies of subcontracts, vendor agreements, Memorandums and/or Letters of Understanding shall be on file with the Contractor and shall be made available for review at the request of the Department.
- F. The Contractor shall monitor the insurance requirements of its subcontractors and/or vendors in accordance with Article XI, Section E of this exhibit.
- G. The Contractor shall require language in all subcontractor and/or vendor agreements to indemnify, defend, and save harmless the Contractor, its officers, agents, and employees from any and all claims and losses accruing to or

ARTICLE V. SUBCONTRACTS OR VENDOR AGREEMENTS (Continued)

resulting from any subcontractors, vendors, 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 and/or vendor in the performance of this Agreement.

- H. The Contractor shall ensure that the subcontractor and/or vendor 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.
- I. Prior to the awarding of a subcontract to any for-profit entity, the Contractor shall submit the following to the Department for review and approval [CCR, Title 22, Division 1.8, Section 7362]:
 - 1. The RFP or IFB
 - 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

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 the subcontractor 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 the guidance in OMB Circular A-133 Section 210 in making a determination of whether a subcontractor and/or vendor relationship exists. If a vendor relationship exists, then the Contractor shall follow the procurement requirements in the applicable OMB guidance and record the vendor expenditures on Page 1 of the closeout under consultant or equipment costs if the Contractor purchased services or property, respectively.

ARTICLE VI. RECORDS

- A. The Contractor shall maintain complete records (which shall include, but not be limited to, accounting records, contracts, agreements, reconciliation of the “Financial Closeout Report” to the audited financial statements, a summary worksheet of results from the audit resolutions performed for all subcontractors with supporting documentation, letters of agreement, insurance documentation in accordance with this Article, Memorandums and/or Letters of Understanding, patient or client 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 this Agreement, or by Sections B, and C of this Article, 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 or transferred to another Contractor as instructed by 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 shredded and disposed of in a manner that will maintain confidentiality.

ARTICLE VII. PROPERTY

- A. Unless otherwise provided for in this Article, property refers to all assets, used in operation of this Agreement.

ARTICLE VII. PROPERTY (Continued)

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, file folders, etc.
- B. Property meeting all of the following criteria are subject to the reporting requirements:
1. Has a normal useful life of at least 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 the Department 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 Project Property Furnished/Purchased with Agreement Funds (CDA 32), unless otherwise directed by the Department.

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

1. Date acquired

ARTICLE VII. PROPERTY (Continued)

2. Item description (include model number)
 3. CDA tag number or other tag identifying it as CDA 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 the Department 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 the Department. The Contractor shall e-mail to the Department 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. 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 (PDAs), cellular or smart phones, multi-function printers, and laptops.
- G. The Contractor shall immediately investigate and within five (5) days fully document the loss, destruction, or theft of such property.
- 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 the Department regarding the final disposition of the property.
- 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

ARTICLE VII. PROPERTY (Continued)

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 120 days after termination of the 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. Another Department program providing the same or similar service
 - 2. Another Department-funded program
- M. The Contractor may share use of the property and equipment or allow use by other programs, upon written approval of the Department. As a condition of the approval, the Department may require reimbursement under this Agreement for its use.
- N. The Contractor or subcontractor 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.
- 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 agency, the California State Auditor, 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 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, policies and procurement, audits, inspections of project

ARTICLE IX. MONITORING AND EVALUATION (Continued)

premises, inspection of food preparation sites, and interviews of project staff and participants.

- 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, subcontracts or grant agreements to ensure compliance with laws, regulations, and the provisions of contracts or grant agreements that may have a direct or material effect on each of its major programs.
- D. The Contractor is responsible for maintaining supporting documentation including financial and statistical records, contracts, subcontracts, or grant agreements 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 the Department.

ARTICLE X. AUDITS

- A. The Contractors that expend \$500,000 or more in Federal Awards shall arrange for an audit to be performed as required by the Single Audit Act of 1984, Public Law 98-502, Single Audit Act Amendments of 1996, Public Law 104-156, and Office of Management and Budget (OMB) Circular A-133, and a copy submitted to the:

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

The copy shall be submitted within 30 days after receipt of the auditor's report or nine 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.

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 appropriate Catalog of Federal Domestic Assistance (CFDA) number as referenced in Section B of this Article.

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

ARTICLE X. AUDITS (Continued)

appropriate program name, identifying grant/contract number, and as passed-through the California Department of Aging.

- B. The Contractor shall identify the CFDA titles and numbers to the independent auditor conducting the organization's single audit along with each of its subrecipients. The funding source (Federal Grantor) for the following programs is the U.S. Department of Health and Human Services, Administration on Aging and Centers for Medicare and Medicaid Services.

93.071 Priority Area 1: SHIP, Priority Area 2: AAAs, Priority Area 3: ADRCs

Expenditures will also be identified separately as separate rows on the Form SF-SAC by Catalog of Federal Domestic Assistance number, also known as CDFA number. For questions and information concerning the submission process, please visit <http://harvester.census.gov/sac/>.

- C. The Contractor shall perform a reconciliation of the "Financial Closeout Report" to the audited financial statements. The reconciliation shall be maintained and made available for Department review.

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 a subcontractor expending \$500,000 or more in Federal Awards during the subcontractor's fiscal year has met the audit requirements of OMB Circular A-133 as summarized in D
2. Issuing a management decision on audit findings within six 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 Department 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 who did not obtain another type of audit, the reconciliation of expenditures reported to the Department must be accomplished through the performance of alternative procedures (e.g., expense verification reviews/fiscal monitoring assessments)

ARTICLE X. AUDITS (Continued)

4. When alternative procedures are used, the Contractor shall perform financial management system testing per existing federal requirements [45 CFR, Subpart C, Part 92.20 and 45 CFR, Part 74.21) which state in part that financial reporting must be accurate, current, and complete; and, accounting records must adequately identify the source and application of funds and must be supported by source documentation. The Contractor shall document system and expense testing to show an acceptable level of reliability, including a review of actual source documents
 5. Determining whether the results of the reconciliations performed necessitate adjustment of the Contractor's own records
- D. The Contractor shall ensure that the subcontractor single audit reports meet 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 30 days after receipt of the auditor's report or nine months after the end of the audit period, whichever occurs first.
 2. Properly procured – use procurement standards provided for in OMB Circular A-133 and provide maximum opportunities to small and minority audit firms.
 3. Performed in accordance with Generally Accepted Government Auditing Standards – shall be performed by an independent auditor and be organization-wide.
 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 or grant agreements; and the schedule of findings and questioned costs.
 5. Performed in accordance with provisions applicable to this program as identified in OMB Circular A-133 Compliance Supplement.
- E. Requirements identified in D of this Article shall be included in contracts/agreements 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, the Department shall have access to all audit reports and supporting work papers, and the Department has the option to perform additional work, as needed.

ARTICLE X. AUDITS (Continued)

- F. The Contractor shall prepare a summary worksheet of results from the contract resolutions performed of all subcontractors. The summary worksheet shall include, but not limited to, contract amount; amount resolved; variances; 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.
- G. Unless prohibited by law, the cost of audits completed in accordance with provisions of the Single Audit Act Amendments of 1996, are allowable charges to Federal Awards. The cost may be considered a direct cost or an allocated indirect cost, as determined in accordance with the provisions of applicable OMB cost principle circulars.
- H. The Contractor may not charge to Federal Awards the cost of any audit under the Single Audit Act Amendments of 1996 not conducted in accordance with the Act. The Contractor may not charge to Federal Awards the cost of auditing a non-federal entity which has Federal Awards expended of less than \$500,000 per year, and is thereby exempted under OMB Circular A-133, Subsection __200(d). However, this does not prohibit the Contractor from charging Federal Awards for the cost of conducting a limited-scope audit to monitor its subcontractor to address compliance requirements provided the subcontractor is not required to obtain a single audit. These costs must be charged as an Administrative expense of the Contractor.
- 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 Department 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, contractors and subcontractors shall comply with the Public Utilities

ARTICLE XI. INSURANCE (Continued)

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
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.
- 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.
- D. The Contractor shall notify the State within 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. The Department shall be named as the certificate holder and the 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 the Department, 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, the

ARTICLE XI. INSURANCE (Continued)

Department may, in addition to any other remedies it may have, terminate this Agreement.

- G. The Contractor shall require its subcontractors or vendors 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 its subcontractors and vendors to hold the Contractor harmless. The subcontractor's Certificate of Insurance shall also name the Contractor, not the State, as the certificate holder and additional insured. The Contractor shall maintain certificates of insurance for all its subcontractors.
- H. A copy of each appropriate Certificate of Insurance referencing this Agreement number, or letter of self-insurance, shall be submitted to the Department with this Agreement.
- 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 Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement (Labor Code Section 3700).

ARTICLE XII. TERMINATION

A. Termination Without Cause

The Department may terminate performance of work under this Agreement, in whole or in part, without cause, if the Department determines that a termination is in the State's best interest. The Department may terminate the Agreement upon 90 days written notice to the Contractor. The Notice of Termination shall specify the extent of the termination and shall be effective 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, Legislature or Congress, the Notice of Termination shall be effective 30 days from the delivery of the notice. The Contractor shall submit to the Department a Transition Plan as specified in Exhibit E. 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

The Department may terminate, in whole or in part, for cause the performance of work under this Agreement. The Department may terminate the Agreement upon 30 days written notice to the Contractor. The Notice of Termination shall be

ARTICLE XII. TERMINATION (Continued)

effective 30 days from the delivery of the Notice of Termination unless the ground for termination is 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 the Department a Transition Plan as specified in Exhibit E. 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
5. 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
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
11. The Contractor's organizational structure has materially changed
12. The Department determines that a Contractor may be considered a "high risk" agency as described in 45 CFR 92.12 local government and 45 CFR 74.14 for non-profit organizations. If such a determination is made, the Contractor may be subject to special conditions or restrictions

ARTICLE XII. TERMINATION (Continued)

C. Contractor's Obligation After Notice of Termination

After receipt of a Notice of Termination, and except as directed by the Department, 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)

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 30 days and Termination without Cause is 90 days subsequent to written notice to the Contractor. The notice shall describe the action being taken by the Department, the reason for such action and, any conditions of the termination, including the date of termination. Said notice shall also inform the Contractor of its right to appeal such decision to the Department and the procedure for doing so.

E. Voluntary Termination of MIPPA Agreement

Contractor may voluntarily terminate its contract prior to its expiration either by mutual agreement with the Department or upon 30 days written notice to the Department.

In case of voluntary termination, the Contractor shall allow the Department up to 180 days to transition services. The Contractor shall submit a Transition Plan in accordance with Exhibit E.

In the event of a termination, the Department will present written notice to the Contractor of any condition, such as, but not limited to, transfer of clients, care of

Special Terms and Conditions – Exhibit D
MI 13-14 Contract

ARTICLE XII. TERMINATION (Continued)

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 the Department as a result of breach of this Agreement by the Contractor, whether such breach occurs before or after completion of the project.

ARTICLE XIV. DISSOLUTION OF ENTITY

The Contractor shall notify the Department 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, or overnight mail, provided 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 director shall be addressed to the Director of the Department on the Contractor's letterhead.
- C. All other notices with the exception of those identified in Article VII. B. 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.

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 upon the request of CDA, submit the name of its Agency Contract Representative (ACR), for this Agreement by submitting an Agency Contract Representative form to the CDA's Contracts and Business Services Section. This form requires the ACR's address, phone number, e-mail 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 the Contracts and Business Services Section.

ARTICLE XVIII. INFORMATION INTEGRITY AND SECURITY

A. Information Assets

The 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 5300-5365.3, GC Section 11019.9, Department of General Services (DGS) Management Memo 06 12, DOF Budget Letter (06-34), and Program Memorandum 07-18 Protection of Information Assets.

Information assets include (but are not limited to):

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

B. Encryption on Portable Computing Devices

The Contractor is required to encrypt 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 backup media) and/or portable electronic storage media (including but not limited to, discs and thumb/flash drives, portable hard drives, and backup media).

C. Disclosure

1. The 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

ARTICLE XVIII. INFORMATION INTEGRITY AND SECURITY (Continued)

policies. The requirement to protect information shall remain in force until superseded by laws, regulations or policies.

2. The 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, symbol or other identifying characteristic assigned to the individual, such as finger or voice print or a photograph.
4. The 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. The 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 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 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. The Contractor must provide ongoing education and training, at least annually, to all employees and subcontractors who handle personal, sensitive, or confidential information. The Contractor's employees, subcontractors, and volunteers must complete the required Security Awareness Training module located at www.aging.ca.gov within 30 days of the start date of the Contract/Agreement or within 30 days of the start date of any new employee, subcontractor or volunteer. The Contractor must maintain certificates of completion on file and provide them to 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

ARTICLE XVIII. INFORMATION INTEGRITY AND SECURITY (Continued)

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. The Contractor may substitute CDA's Security Awareness Training program with its own Security Training provided such training meets 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 and volunteers who handle personal, sensitive, or confidential information relating to CDA's programs must participate in Security Awareness Training.

E. Health Insurance Portability and Accountability Act (HIPAA)

The Contractor agrees to comply with the privacy and security requirements of the HIPAA to the extent applicable and to take all reasonable efforts to implement HIPAA requirements. Contractor will make reasonable efforts to ensure that subcontractors 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 Contractor/Vendors are aware of, and agree 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 accessed, modified, destroyed, or disclosed without proper authorization, or are lost, or stolen. The Contractor must report all security incidents to the appropriate CDA Program Manager immediately upon detection. A Security Incident Report form (CDA 1025) must be submitted to the CDA Information Security Officer 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

ARTICLE XVIII. INFORMATION INTEGRITY AND SECURITY (Continued)

2. Notice must be given in the most expedient time possible and without unreasonable delay except when notification would impede a 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

The 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

The 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. The Contractor shall ensure that any portable electronic media used for backups is 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.

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 subdivisions (b) and (c) of this section.
2. 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. If the material is copyrighted with the consent of the Department, the State and federal awarding department reserve 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. At any time during the contract period, the Contractor shall

ARTICLE XIX. COPYRIGHTS AND RIGHTS IN DATA (Continued)

deliver to the CDA upon request, any materials, systems or other items developed, refined, or enhanced under the grant award.

3. Materials published or transferred by the Contractor, funded solely or in part by funds from this Agreement shall include the express acknowledgement: "This publication has been created or produced by a project funded by a contract with the California Department of Aging with financial assistance, in whole or in part, through a grant from the Administration for Community Living and the Centers for Medicare & Medicaid Services. Contractors undertaking projects under government sponsorship are encouraged to express their findings and conclusions. These contents do not necessarily represent the policy of the U.S. Department of Health and Human Services or the Department of Aging and the contractor should not assume endorsement by the Federal or State Government." All SHIP contractors and subcontractors are expected to use the SHIP Logo and Tagline on all SHIP publications.
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.

B. Rights in Data

1. The Contractor shall not publish or transfer any materials, as defined in item 2 below, produced or resulting from activities supported by this Agreement without the express written consent of the Director of the Department. 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 the Department. The Department may request a copy of the material for review prior to approval of the request. This subsection is not intended to prohibit contractors 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

ARTICLE XIX. COPYRIGHTS AND RIGHTS IN DATA (Continued)

exchange of that information between Area Agencies on Aging to facilitate uniformity of contract and program administration on a statewide basis.

3. Subject only to the provisions of Article XVIII and Article XIX of this Exhibit, 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 [GC 11135-11139.5]
[Title 22 CCR Sections 98211, 98310-98314, 98324- 98326, 98340-98370]

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. [Title 22 CCR 98310, 98314]
2. The group needs assessment shall take into account the following four factors:
 - a. Number or proportion of Limited English Proficient (LEP) persons eligible to be served or encountered by the program.
 - b. Frequency with which LEP individuals come into 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 Government Code (GC) Section 11135 et seq., and Section 98000-98382 of Title 22 of the California Code of Regulations (CCR).

3. The Contractor shall prepare and make available a report of the findings of the group needs assessment that summarizes:
 - a. Methodologies used.

ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES (Continued)

- 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. [Title 22 CCR 98310]
4. 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. [Title 22 CCR 98310, 98313]

B. Provision of Services

- 1. The Contractor shall take reasonable steps, based upon the group needs assessment identified in subdivision A of this section, to ensure that "alternative communication services" are available to non-English speaking or LEP beneficiaries of services under this Agreement. [Title 22 CCR 98211]
- 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.
 - 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. [Title 22 CCR 98211]

ARTICLE XX. BILINGUAL AND LINGUISTIC PROGRAM SERVICES (Continued)

4. 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. [Title 22 CCR 98310]
5. 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. [Title 22 CCR 98324]
6. Noncompliance with this section may result in suspension or termination of funds and/or termination of this Agreement. [Title 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. [Title 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. [Title 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. [Title 22 CCR 98314]

D. Complaint Monitoring

1. The Contractor shall designate an employee to whom initial complaints or inquiries can be directed. [Title 22 CCR 98325]
2. The Contractor shall make available to beneficiaries of contracted services and programs information regarding the Department's procedure for filing a complaint and other information regarding the provisions of GC Section 11135 et seq. [Title 22 CCR 98326]
3. The Contractor shall notify the Department immediately of a complaint alleging discrimination based upon a violation of State or federal law. [Title 22 CCR 98211, 98310, 98340]

ARTICLE I. DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) AND MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT (MIPPA) OF 2008 SPECIFIC TERMS AND CONDITIONS

A. Department of Health and Human Services Specific

1. This Agreement is subject to the requirements of Section 106(g) of the Trafficking Victim's Protection Act of 2000, as amended (22 U.S.C. 7104).
2. The Hatch Act restricts political activity of executive branch employees of the federal government and District of Columbia government employees (5 U.S.C. 7321-7328) and State or local officers or employees (5 U.S.C. 1501-1528). "State or local officer or employee" means an individual employed by a State or local agency whose principal employment is in connection with an activity that is financed in whole or in part by loans or grant made by the United States or a Federal Agency. Certain State education or research institutions are excluded from this definition.
3. Under the Resource Conservation and Recovery Act (RCRA) (42 U.S.C. 6901 et seq.), any State agency or agency of a political subdivision of a State using appropriated Federal funds must comply with 42 U.S.C. 6962. This includes State and local institutions of higher education or hospitals that receive direct HHS awards. Section 6962 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by EPA (40 CFR parts 247–254).
4. As required by HHS appropriations acts, all HHS recipients must acknowledge Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds. Recipients are required to state (1) the percentage and dollar amounts of the total program or project costs financed with Federal funds and (2) the percentage and dollar amount of the total costs financed by nongovernmental sources.

B. MIPPA Specific

This Agreement is subject to the requirements applicable under the Medicare Improvements for Patients and Providers Act of 2008, Section 119, PL 110-275, as amended by Section 3306 of the Patient Protection and Affordable Care Act of 2010 and Section 610 of the American Taxpayer Relief Act of 2012.

ARTICLE II. CONTINUITY OF SERVICE AND TRANSITION PLAN

- A. In the event of a change in Contractors or subcontractors during the term of this Contract, the Contractor shall assure that a subsequent subcontractor is

ARTICLE II. CONTINUITY OF SERVICE AND TRANSITION PLAN (Continue)

available to complete any open cases or transactions during the transition period. This shall include all requirements specified in Exhibits A, B, C, D, and E of this Agreement.

B. Transition Plan

The Contractor shall submit a transition plan to the Department for approval within 15 days of a written Notice of Termination by CDA or Notice of Intent to Terminate by the Contractor or subcontractor. The transition plan must be approved by the Department prior to implementation 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 or subcontractor.
2. A description of how names, addresses, and telephone numbers of current clients will be handled and transferred to the new contractor or subcontractor.
3. A description of how clients will be notified about the change and how their services will be continued.
4. A description of how communications with other HICAP sites, ADRCs (where applicable), local agencies and advocacy organizations may be made to assist in locating alternative services as needed.
5. A description of how community referral sources will be informed of the change of contractor or subcontractor and the continuation of services.
6. A description of how sensitive, confidential records, including personal health information, will be transferred to ensure adequate protection of the records.
7. A description of the qualifications of the requisite staff that would ensure continued provision of services through the term of the existing contract.
8. A plan that specifies a timeline for the transition.
9. A plan to conduct a property inventory and transfer, or return to the Department, all equipment purchased with this Contract funds as directed by the Department.
10. Additional information as necessary to effect a safe transition of clients from the outgoing Contractor to the new Contractor.

ARTICLE II. CONTINUITY OF SERVICE AND TRANSITION PLAN (Continue)

- C. The Contractor shall implement the transition plan as approved by the Department.
- D. The Department will monitor the Contractor's progress in carrying out all elements of the transition plan.