

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



ITEM
3.69
(ID # 4863)

MEETING DATE:

Tuesday, July 25, 2017

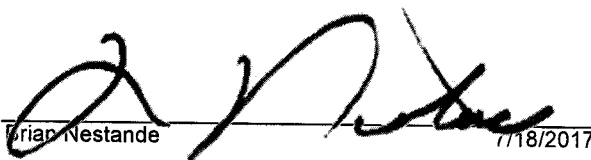
FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Acceptance of Grant Agreement with Social Finance, Inc. to provide technical assistance services for the development of an Outcomes Rate Card, All Districts [\$0].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Grant Agreement with Social Finance, Inc. (SFI) (sub-recipient of Corporation for National and Community Services (CNCS) grant) for technical assistance services in the development of an Outcomes Rate Card.
2. Authorize Executive Office to administer all actions necessary and sign all documents related to the administration of this Grant Agreement on behalf of the County of Riverside.

ACTION: Policy



Brian Nestande 7/18/2017


Paul McDonnell, County Finance Director 7/20/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: July 25, 2017
xc: E.O.

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	17/18

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND:

Summary

An Outcomes Rate Card (ORC) is a type of Pay for Success (PFS) model, also referred to as Social Impact Bond (SIB). PFS models involve private funders who provide an upfront capital investment for a government entity to contract with service providers in order to achieve an agreed upon outcome. On April 10, 2017, with the support of community members, former County Executive Officer Jay Orr, Assemblymember Jose Medina, and Chairman of the Board of Supervisors John Tavaglione, the Executive Office applied for a nation-wide grant competition held by Social Finance, Inc. (SFI). The Executive Office was selected as the winner of the competition and was awarded free technical assistance services for the development of an ORC. The Executive Office plans to use the ORC as an evaluation and financing tool to connect Children of Incarcerated Parents (CIP) to wraparound health and wellness services in Riverside County. The Executive Office has the option to terminate the Agreement upon thirty days written notification to SFI if they choose not to pursue the use of an ORC.

The need for programs to address and prevent trauma in Riverside County was addressed at the Building Resilient Communities: A Town Hall Meeting on Adverse Childhood Experiences (ACEs) on June 15, 2017. Through the development of an ORC, the Executive Office will mitigate trauma's negative and, in many cases, lifelong impacts on CIP, a group that disproportionately experiences trauma. The particular trauma CIP face often increases their susceptibility to becoming incarcerated later in life, causing negative and costly impacts for their communities and the county.

The Agreement with SFI will begin July 25, 2017 and end on June 30, 2018, or upon completion of the scope of work, timeline and deliverables. During the timeframe of the Agreement, SFI will engage in the following activities with the Executive Office: data requests and analysis, identification of the provider landscape, outcome selections, economic modeling, Request for Proposal (RFP) design, and provider selection.

SFI, a not for profit organization specializing in PFS models that form partnerships with governments, nonprofits, foundations, impact investors, and financial institutions to create innovative financing solutions to improve social outcomes. SFI has facilitated multiple PFS models in the United States that focus on effectively addressing pressing social issues. PFS models connect government entities to private funders who provide an upfront capital investment, allowing the government entity to contract with service providers to achieve an

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agreed upon outcome. If the specific outcome is achieved, the government is obligated to pay back the private investor. However, if the outcome is not met, the government is not liable for repaying the investor. PFS models operate under the theory that programs will generate savings by preventing the specific social issue from continuing at the same magnitude. One of the newest variations of the PFS model is an ORC, a menu of outcomes the government seeks to achieve with corresponding prices that will be paid back if the outcome is met. The ORC is used to contract with service providers to achieve the specified outcomes.

As of June 2016, 60 SIBs have been launched in 15 countries. 22 of the 60 SIBs have reported performance data, and 21 of those projects indicate positive social outcomes. One of the first SIBs in California, "AIM4Fresno," was implemented in Fresno in 2013 and sought to reduce childhood asthma emergencies and costs. The California Endowment awarded grant funding to Social Finance and Collective Health to collaborate with local service providers in Fresno to offer an evidence-based, in-home intervention for low-income children with asthma. A cost-benefit analysis of the project found a return of \$3.63 for every \$1 invested.

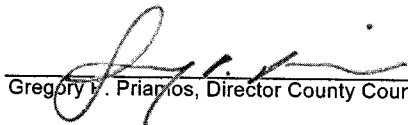
In Southern California, nine SIBs are currently being developed: three in Los Angeles County, three in Orange County, two in San Diego County, and one in Ventura County. The SIBs will address a range of social and health issues, including: connecting homeless and frequently incarcerated individuals to jail in-reach services and supportive housing, expanding services to prevent child maltreatment, providing skills training and job placement assistance to formerly incarcerated individuals, and expanding access to pre-school.

Impact on Residents and Businesses

The ORC will provide a financing and evaluation tool that will be used to improve health and wellness of CIP in Riverside County, upon implementation.

ATTACHMENT:

ATTACHMENT A. GRANT AGREEMENT



Gregory L. Priamos, Director County Counsel 7/19/2017

**RIVERSIDE COUNTY OUTCOMES RATE CARD DEVELOPMENT
SERVICE GRANT AGREEMENT**

This Service Grant Agreement (the "Agreement") is effective as of July 14, 2017 (the "Effective Date") by and between Social Finance, Inc. ("SFI"), a Massachusetts not for profit corporation, having its principal office in Boston Massachusetts and Riverside County (the "Service Recipient"), a political subdivision of the State of California. SFI and Service Recipient are sometimes hereinafter referred in the singular as "Party," and collectively as the "Parties."

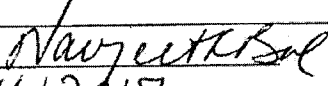
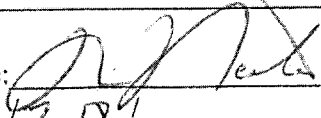
RECITALS

WHEREAS, SFI received a grant from the Corporation for National and Community Service ("CNCS") for the Pay for Success and Outcomes Rate Cards Development Program (the "Program"), which was created to provide technical assistance services to governmental and nonprofit Service Recipients; and

WHEREAS, SFI and Service Recipient desire to enter into this Agreement defining in general each Party's roles and responsibilities under the Program, and setting forth some of the terms and conditions of the grant award that will be imposed in connection with such award.

Please sign both original copies of this Agreement to acknowledge your receipt and acceptance of the grant terms and conditions set forth below, and return one original to SFI at the address indicated on the Overview page.

NOW, THEREFORE, the Parties hereto agree that the following sets forth the obligations, terms and conditions of the Agreement.

FOR SFI	
Name: Navjeet Bal Title: VP and General Counsel Organization: Social Finance, Inc.	Signature:  Date: 7/14/2017
Riverside County Executive Office	
ACCEPTED AND CERTIFIED: As a legally authorized representative of the Service Recipient, by signing this Agreement, the Service Recipient hereby certifies and agrees to comply with the terms and conditions set forth in the Agreement and the Exhibits listed on the Overview Page, which are incorporated as part of this Agreement.	
RECIPIENT DUNS NO.:	
Name: Brian Nestande Title: Deputy County Executive Officer Organization: Riverside County	Signature:  Date: 7-18-17

FORM APPROVED COUNTY COUNSEL

BY  **7-11-17**
KRISTINE BELL-VALDEZ **DATE**

OVERVIEW PAGE

ISSUED BY: Social Finance, Inc.

Technical Contact:

Casey Littlefield
Director
Social Finance, Inc.
Email: clittlefield@socialfinance.org
Contact No.:

Annie Dear
Associate
Social Finance, Inc.
Email: adear@socialfinance.org
Contact No.: (617) 939-9900 x39

Finance/Grants Contact:

Seb Nazary
Federal Grants Manager
Social Finance, Inc.
Email: snazary@socialfinance.org
Contact No.: (617) 939-9900 x35

RECIPIENT: Riverside County Executive Office

Technical Contact:

Brian Nestande
Deputy County Executive Officer
Riverside County bnestande@rivco.org
(951)955-1110

Finance/Grants Contact:

Kristine Bell-Valdez
Deputy County Counsel
Riverside County
kbvaldez@rivco.org
(951)955-6300

PERIOD OF GRANT: 07/01/2017 – 06/30/2018

TYPE OF GRANT: Service Award

PRIME CONTRACT NO.: 16PS188309

COOPERATIVE AGREEMENT TITLE: SIF Round 2 – Outcomes Rate Card Development Grant

AGREEMENT TITLE: **Riverside County Outcomes Rate Card Development Service Grant Agreement**

CONTENTS: Terms and Conditions
 EXHIBIT A: Scope of Work
 EXHIBIT B: Time and Deliverable Matrix
 EXHIBIT C: Milestone Certification
 EXHIBIT D: Documentation of Service Recipient Contribution
 EXHIBIT E: Standard Provisions (Mandatory and Required as Applicable)
 EXHIBIT F: Certifications, Assurances, Other Statements of the Recipient

Terms and Conditions

1. **SFI's Scope of Services.** The Parties intend that SFI will work with the Service Recipient to develop an outcomes rate card, including:
 - a. **Outcome rate card design:** SFI will work with the Service Recipient to access and analyze local administrative data and secondary research to select outcomes associated with the identified issue area and target population. SFI will perform a cost-benefit analysis to define the value of each outcome and select set of outcomes for the rate card that will incentivize strong performance by service providers and support a strong service provider ecosystem. At 4-month and 6-month design check points, the Parties will assess progress on milestones (see Exhibit B) and determine if an outcomes rate card procurement is feasible.
 - b. **Service provider Request for Proposals:** If an outcomes rate card procurement is feasible, the Parties will use the outcomes rate card to design a Request for Proposals (RFP) and procure service providers to enter into outcomes-based PFS contracts. SFI will support the Service Recipient with RFP design and service provider education about outcomes rate cards and PFS.
 - c. **Service provider selection:** SFI will support the Service Recipient in the selection of service providers and the development of PFS contracts with selected service providers following the close of the outcomes rate card procurement.
2. **Term.** The period of this Agreement shall begin on July 1, 2017 and end on June 30, 2018 or upon completion of the Scope of Work, Timeline and Deliverables identified in Exhibit A and Exhibit B, respectively, whichever is sooner ("Term").
3. **Funding.** Amount of Award and Payment: SFI, through the execution of this Agreement is entering into a Service Award agreement with the Service Recipient and therefore will not pass-through funds to the Service Recipient.
4. **In-Kind and/or Cash Match Requirement.** The Service Recipient has committed to provide and document approximately \$28,000 per year of the total awarded technical assistance grant with sources from non-federal funds. Documentation of match amounts shall be submitted quarterly and on forms supplied by SFI. In-Kind matching contributions must meet the following criteria: 1) verifiable; 2) necessary and reasonable for proper and efficient accomplishment of Program objectives; 3) allowable; and 4) not paid by the federal government under another award or used as a match for another award.

5. **Availability of Funds.** Provision of the services provided by SFI pursuant to this Agreement is contingent upon the availability of funds from CNCS. In the event such funds are not provided or not available to SFI, SFI may immediately terminate this Agreement due to unavailability of funds. In such event, SFI shall inform the Service Recipient of such unavailability within five (5) business days.
6. **Financial Management.** The Service Recipient shall maintain financial management systems that include standard accounting practices, sufficient internal controls, a clear audit trail, and written cost allocation procedures, as necessary. The Service Recipient's financial management systems shall be capable of distinguishing receipts and expenditures attributable to the In-Kind contribution for the purposes of providing documentation for the required match. The financial management systems shall be able to identify costs by budget category and to differentiate between direct and indirect costs or administrative costs.
7. **Reporting Requirements.**
- a. **Criminal History Check.** Prior to beginning work on the Agreement a criminal history check which complies with CNCS requirements will be completed by the Service Recipient and successful results will be reported to SFI for all individuals whose salaries are part of the in-kind match requirement.
 - b. **Financial Reporting.** The Service Recipient shall submit to SFI quarterly financial reports on match or in-kind documentation, substantially in the form of the report attached hereto as Exhibit D: Documentation of Service Recipient Contribution. Such reporting requirements are subject to change throughout the course of the term of the Agreement. The Service Recipient shall provide all required documentation on a quarterly basis. The Financial Report must be submitted to SFI within twenty (20) calendar days after the end of the last day of each quarter with the final reports due within forty- five (45) days of the last day of the term of this Agreement unless there is an agreed-upon written extension by SFI.
 - c. **Programmatic Reporting.** SFI will submit quarterly performance reports to CNCS that provide a status update on its activities under this Agreement. The first quarter will cover the period beginning July 1, 2017 and ending September 30, 2017. The performance reports shall assess progress with respect to agreed-upon performance metrics, including but not limited to: programmatic success, challenges, stories, progress to-date on activities and shall include an analysis of progress toward items identified in Exhibit B "Scope of Work, Timeline and Deliverables Matrix." The Service Recipient agrees to support SFI as needed in the development of such quarterly performance reports.
8. **Examination of Records.** The Service Recipient agrees that any duly-authorized representative of SFI shall, until the expiration of five (5) years after the final payment under this Agreement, or such longer period as may be required due to an audit finding, have access to and the right to examine any books, documents, papers and records of the Service Recipient involving transactions related to this Agreement. SFI and CNCS, through authorized representatives, have the right, at all reasonable times, to make site visits to review Program accomplishments and to provide such technical assistance as may be required. If any site visit is made on the premises of the Service Recipient, the Service Recipient shall provide all reasonable facilities and assistance for the safety and convenience of SFI and CNCS in the performance of their duties. All site visits and evaluations

shall be performed in such a manner as will not unduly interfere with or delay the work performed under this Agreement.

SFI is responsible for monitoring the Service Recipient as required by CNCS and 2 CFR Appendix XI to part 200 – Compliance Supplement or OMB Circular A-133, Compliance Supplement, Section M on behalf of SFI. SFI's monitoring will involve Service Recipient reporting (programmatic and financial) to SFI, monthly or more frequent contact between the Parties, desk reviews and site visits. Consequently, SFI has the right to review and evaluate Service Recipient records, activities, organizational procedures and financial control systems, to conduct interviews and other assessment techniques pertaining to this Agreement.

The Service Recipient shall be subject to various monitoring and evaluation requirements to assure compliance with applicable federal requirements and that performance goals are being achieved. The Service Recipient's performance may be reviewed quarterly, or more often, by the appropriate SFI personnel who have Program management responsibility. All records required to perform such monitoring shall be made available to the authorized SFI staff by the Service Recipient. All reports submitted by the Service Recipient shall be utilized as part of the monitoring of the Service Recipient's performance hereunder.

9. **Confidentiality.** The Parties will enter into a separate confidentiality and data sharing agreement with respect to all data, including confidential data, subject in all cases to applicable federal and state privacy laws, as well as applicable public records laws.
10. **No Discrimination in Employment.** In connection with the performance of services under this Agreement, the Service Recipient shall take vigorous and appropriate action to assure that all employment-related practices and decisions are made without discrimination, harassment, or prejudicial treatment because of race, ethnicity, color, religion, national origin, sex, sexual orientation, gender identity/expression, age, disability, or protected veteran status.
11. **Defense and Indemnifications.** The Service Recipient hereby agrees to defend, indemnify, and hold harmless SFI, its directors, trustees, officers, employees, volunteers, and agents against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to the services performed under this Agreement ("Claim" or "Claims"), unless and until such Claims have been specifically determined by the trier of fact to be due to the sole gross negligence or willful misconduct of SFI, as applicable. This indemnity shall be interpreted in the broadest possible manner to indemnify SFI for any acts or omissions of the Service Recipient, either passive or active, irrespective of fault, including SFI's concurrent negligence whether active or passive, except for the sole gross negligence or willful misconduct of SFI, as applicable.

The Service Recipient's duty to defend and indemnify SFI, as applicable, shall arise at the time written notice of the Claim is first provided to SFI, regardless of whether Claimant has filed suit on the Claim. The Service Recipient's duty to defend and indemnify SFI, as applicable, shall arise even if SFI is the only party sued by Claimant and/or Claimant alleges SFI's negligence or willful misconduct was the sole cause of Claimant's damages.

This defense and indemnification obligation shall survive the expiration or termination of this Agreement. Nothing in this Agreement shall be construed to constitute SFI and the Service Recipient as being in a joint venture or legal partnership.

12. **Liability for Negligence.** Service Recipient shall be responsible for damages to the extent caused by the negligence of its officers, agents or employees arising from the performance of this Agreement. SFI shall be responsible for damages to the extent caused by the negligence of its officers, agents, or employees arising from the performance of this Agreement.
13. **Assignment and Subcontracting.** SFI shall not be obligated or liable under this Agreement to any party other than the Service Recipient named herein. The Service Recipient understands and agrees that it shall not assign or subcontract with respect to any of its rights, benefits, obligations, or duties under this Agreement and the Service Recipient herein named shall in any and all events be and remain responsible to SFI according to the terms of this Agreement. It is the express intention of SFI and the Service Recipient that any person other than SFI or the Service Recipient receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only, and not a third party beneficiary under this Agreement.
14. **Publicity.** All parties agree that Service Recipient is responsible for procuring SFI's approval prior to release of any public communications or releases concerning this Agreement, including but not limited to the following:
 - a. any fact sheet on the Program (the "Fact Sheet")
 - b. Frequently Asked Questions document(s) (the "FAQs")
 - c. press releases;
 - d. announcements; or
 - e. the release of relevant documents, except when the release is required by law or court order. If the release of documents is required by law or court order, the Service Recipient shall notify SFI as soon as reasonable.
15. **Modification/Termination.** SFI reserves the right to discontinue or modify the terms of this Agreement if, in SFI's sole discretion, such action is necessary. In the event that SFI determines that the Service Recipient has breached or failed to carry out any material provision of this Agreement, SFI may, in addition to other legal remedies, exercise its revocation rights. These include the right to terminate this Agreement and the right to refuse to provide any further services to the Service Recipient.

If the Service Recipient does not adhere to the compliance requirements as stipulated in this Agreement, including CNCS's terms and conditions as detailed in Sections 4, 6, 7, 8 and 10 of this Agreement, such as non-compliance on audits, SFI reserves the right to suspend or terminate this Agreement, until the Service Recipient remedies such non-compliance to the satisfaction of SFI. Such suspension or termination for non-compliance with CNCS's terms and conditions shall be immediate, per written notification from SFI.

SFI shall terminate or suspend this Agreement for failure to make good-faith efforts to comply with the stated Scope of Services and/or Timeline and Deliverable Matrix detailed in Section 2 and attached as Exhibits A and B, respectively, of this Agreement. Such a suspension or termination would include the withholding of any further services.

Either SFI or the Service Recipient may terminate this Agreement upon thirty (30) days written notification to the other Party. In the event that CNCS terminates its award to SFI pursuant to Section 5 of this Agreement, this Agreement shall be immediately terminated.

- 16. Acknowledgment of Support.** Publications created or developed and funded under this Agreement must be consistent with the purposes of this Agreement and must in every instance be pre-approved by SFI in its sole discretion. The CNCS's and SIF's logos must be included on such documents. The Service Recipient is responsible for assuring that the following acknowledgment and disclaimer appears in any external report or publication of material based upon work supported by this Agreement.

"This material is based upon work supported by the Corporation for National and Community Service through its Social Innovation Fund, and Social Finance, Inc. Opinions or points of view expressed in this document are those of the authors and do not necessarily reflect the official position of, or a position that is endorsed by, CNCS, the Social Innovation Fund Program, or Social Finance, Inc."

Additionally, the portions of the Service Recipient's website that discuss the Program shall include the SIF logo, and SFI's logo.

To publicize the relationship between the program and the SIF, the Service Recipient must use one of the following phrases when describing their program: "a Social Innovation Fund (SIF) program" or "a proud Service Recipient of the Social Innovation Fund (SIF) program."

The Service Recipient is strongly encouraged to place signs that include the SIF name and logo at its service sites and may use the slogan "Powered by the Social Innovation Fund (SIF)." Service Recipient representatives should include a reference to the organizations with the SIF, and SFI during public speaking opportunities.

- 17. Sharing Results.** SFI reserves the right to use at its sole discretion any and all data, research, publications, and stories submitted by Service Recipient Program and outcome data shall be collected and shared for the benefit of SFI, CNCS, and the community at large. This data shall be used for research, analysis, and/or program effectiveness. As the data is made available publicly, it will be subjected to all applicable requirements regarding privacy and confidentiality. Service Recipient is responsible for coordinating with SFI before any data, research, publications, or stories are shared with the general community. SFI reserves the right to pre-publication review thirty (30) days prior to submission for review of any such publication or release.
- 18. Cooperation.** The Service Recipient shall cooperate with SFI in the mutual effort to disseminate information concerning the Program, and its results, including, but not limited to, providing the assistance SFI reasonably requests in complying with any dissemination plan SFI may adopt.
- 19. Electronic Signatures and Electronic Records.** The Service Recipient consents to the use of electronic signatures by the Parties. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by SFI in the manner specified by SFI. The Parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic

document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

- 20. Legal Requirements.** The implementation of any provision in this Agreement shall not include any action which the legal counsel of any Party determines, in good faith and relying on substantial legal authority, will violate or create substantial risk of violating any of (i) the state or federal antitrust laws; (ii) state or federal laws and regulations imposed upon tax-exempt entities; (iii) binding and enforceable contracts to which either is a party; or (iv) any other state or federal law which governs the activities of either Party. Each Party is excused from engaging in such action, and the Parties agree, where possible, to seek mutually acceptable alternatives to assure completion of this Agreement.

In the event the Service Recipient attempts to bring a suit, action, or other proceeding under this Agreement against SFI, such suit, action, or other proceeding shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts, and the Parties agree to the exclusive jurisdiction of the state or federal courts located within Boston, Massachusetts. Any suit, action or other proceeding under this Agreement against the Service Recipient will be governed and construed in accordance with the laws of its jurisdiction, and the Parties agree to the exclusive jurisdiction of the state or federal courts located within such jurisdiction.

- 21. Severability.** If any provision of this Agreement becomes or is declared illegal, invalid, or unenforceable, the provisions shall be divisible from this Agreement and deemed to be deleted from this Agreement. If the deletion substantially alters the basis of this Agreement, the Parties shall negotiate in good faith to amend the provisions of the Agreement to give effect to the original intent of the Parties.
- 22. Amendments or Changes.** Amendments or changes to this Agreement must be in writing and signed by each Party's authorized representative. The Parties will enter into a written amendment to this Agreement prior to making any changes to: 1) the activities being supported by this Agreement; 2) the milestones; or 3) change in the Agreement completion date.
- 23. Agreement Close Out.** The close out of this Agreement will be accomplished with SFI acceptance of the final milestone, certification by SFI, and at SFI's discretion, may also include independent verification by SIF that all milestones were completed.
- 24. Representations & Certifications.** Service Recipient agrees to exercise its reasonable efforts to ensure that compliance, assurances and certifications required by CNCS are met.
- By signing this Agreement, the Service Recipient agrees to maintain current the annexed representations and certifications for the duration of the conduct of this program.
- 25. Authority.** The authorized signatory certifies that he or she is a duly authorized officer of the Service Recipient and, as such, is authorized to execute this Agreement on behalf of the Service Recipient, to obligate the Service Recipient to observe all of the terms and conditions contained in this Agreement, and in connection with this Agreement to make, execute, and deliver on behalf of the Service Recipient all contract agreements, representations, receipts, reports, and other instruments of every kind.

- 26. Notices.** All notices required by the terms of the Agreement must be hand delivered, sent by overnight courier service, mailed by certified mail, return receipt requested, or mailed via United States mail, postage prepaid, to Service Recipient at:

Service Recipient:

{Insert Subgrantee information}

And to SFI at: Social Finance, Inc.

10 Milk Street, Suite 1010

Boston, MA 02108

Attn: Casey Littlefield, Director

Email: clittlefield@socialfinance.org

Notices hand delivered or sent by overnight courier are effective upon delivery. Notices sent by certified mail are effective upon receipt. Notices sent by mail are effective upon deposit with the U.S. Postal Service.

- 27. Entire Agreement.** This Agreement represents the entire agreement and understandings between the Parties with respect to its subject matter. It supersedes all prior or contemporaneous discussions, representations, or agreements, whether written or oral, of the Parties regarding this subject matter.

Exhibit A: SCOPE OF WORK

1. Brief Statement of Purpose / Project Summary

The Riverside County Outcomes Rate Card Development Service Grant Agreement will provide technical assistance to develop an outcomes rate card. The result of that work is a procurement process run by the Service Recipient, based on the outcomes rate card, to launch PFS projects.

2. Background

An outcomes rate card is a procurement tool through which government defines a menu of outcomes it wishes to “purchase” (e.g. improving student achievement, low-income citizens completing a degree/training program, increased earnings for at-risk youth) and the amount it is willing to pay each time a given outcome is achieved. The rate card can then be used in a procurement process to select multiple service providers to launch PFS projects to achieve the defined outcomes. This approach to procure PFS projects, which is common in the UK, allows for governments to a) test the efficacy of multiple providers with one procurement; b) standardize performance based contracts; and c) achieve greater impact on a faster timeline.

Like all PFS approaches, outcomes rate cards allow government to contract for outcomes. Similarly, to be used effectively, they require detailed and diligent work to specify a target population, understand the local service provider ecosystem, select outcome metrics, conduct economic analysis, calculate appropriate prices, and design an effective and verifiable measurement methodology. However, when PFS projects are developed in response to an outcomes rate card, the typical PFS development process is re-ordered.

In an outcomes rate card, the outcome payor (typically government) sets the outcomes, terms, prices, measurement methodology and timelines before publishing the outcomes rate card. After publishing the outcomes rate card, the outcome payor issues an RFP, and selects service provider partners to delivery services to achieve outcomes. If a service provider chooses to apply, it is confirming that it is able to operate under the described terms. As a result, the PFS process becomes more standardized, development timelines are cut, and governments can contract with multiple providers at once. In the U.K., each rate card procurement process has led to the launch of four to seven distinct PFS outcomes-based contracts with high quality nonprofit service providers – vastly advancing the efficiency and scale of the traditional PFS development process.

3. Program goals and Objectives

By introducing outcomes rate cards as an innovative new approach for PFS, SFI and the Service Recipient will (1) increase the ability of governments to generate, analyze and manage data for outcomes-based contracts, (2) improve outcomes in the SIF priority issue area of youth development, and (3) increase the uptake of outcomes-based contracting and evidence-based policymaking throughout the country. The project will encourage the implementation of PFS projects to enhance the impact of innovative community-based solutions in low-income communities.

Description of Program Activities

SFI's Scope of Services. The Parties intend that SFI will work with the Service Recipient to develop an outcomes rate card, including:

- a. **Outcome rate card design:** SFI will work with the Service Recipient to access and analyze local administrative data and secondary research to select outcomes associated with the identified issue area and target population. SFI will perform a cost-benefit analysis to define the value of each outcome and select set of outcomes for the rate card that will incentivize strong

performance by service providers and support a strong service provider ecosystem. At 4-month and 6-month design check points, the Parties will assess progress on milestones (see Exhibit B) and determine if an outcomes rate card procurement is feasible.

- b. **Service provider Request for Proposals:** If an outcomes rate card procurement is feasible, the Parties will use the outcomes rate card to design a Request for Proposals (RFP) and procure service providers to enter into outcomes-based PFS contracts. Social Finance will support selected Service Recipients with RFP design and service provider education about outcomes rate cards and PFS.
- c. **Service provider selection:** SFI will support the Service Recipient in the selection of service providers and the development of PFS contracts with selected service providers following the close of the outcomes rate card procurement.

4. **Expected Outcomes**

As a result of this process, SFI and each of the Service Recipient will develop an outcomes rate card, which will then be used by the Service Recipient to procure service providers to enter into outcomes-based PFS contracts.

5. **Service Recipient Management Team** *(Include when project determines that it is critical for successful Program implementation that specific individuals remain working on the Program as part of the management team.)*

- 1.
- 2.
- 3.

6. **Reporting Requirements** *(Include when applicable.)*

EXHIBIT B: TIME AND DELIVERABLE MATRIX

Following is the Schedule of Milestones for each associated with the program which has been agreed upon between SFI and the Service Recipient under this Agreement.

#	Description of Milestone Activities	Required Deliverable	Evidence of Completion Required	Completion Date (if applicable)
1	Data sharing: Submit data request, iterate request, receive data, initial data analysis	<ul style="list-style-type: none"> Service Recipient shares requested data with SFI 	<ul style="list-style-type: none"> SFI receipt of data 	9/1/2017
2	4 month design check point: Description of service provider landscape; preliminary list of outcomes and outcomes prioritization for the rate card	<ul style="list-style-type: none"> SFI completes service provider landscape assessment SFI and Service Recipient complete list of outcomes by priority 	<ul style="list-style-type: none"> SFI report on service provider landscape SFI and Service Recipient's list of outcomes by priority shared among the Parties 	11/1/2017
3	6 month design check point: Select outcomes and define outcome prices; identify source of outcome payments; identify authority to enter into PFS projects via outcomes rate card procurement	<ul style="list-style-type: none"> SFI produces list of selected outcomes with prices Service Recipient documents authority and/or identification of funds for outcome payments Service Recipient documents authority and/or plan to obtain authority to enter into PFS projects via outcomes rate card procurement 	<ul style="list-style-type: none"> SFI list of selected outcomes with prices shared among the Parties Service Recipient reports to SFI on documented authority and/or identification of funds for outcome payments Service Recipient reports to SFI on authority and/or plan to obtain authority to enter into PFS via outcomes rate card procurement 	1/1/2018
4	Final outcomes rate card: Select outcomes, define outcome prices, define target population and other conditions for participation	<ul style="list-style-type: none"> SFI and Service Recipient produce outcomes rate card for defined target population and geography 	<ul style="list-style-type: none"> Outcomes rate card approved by the Parties 	1/1/2018
Pending strong indication of project feasibility at 4 and 6 month design check point and completion of the outcomes rate card:				
4	Service provider Request for Proposals: Using the outcomes rate card, issue a Request for Proposals (RFP) for eligible providers to enter into outcomes-based contracts.	<ul style="list-style-type: none"> Service Recipient public release of RFP 	<ul style="list-style-type: none"> Service Recipient public release of RFP 	3/1/2018
6	Service provider selection process and contracting: Based on responses to the RFP, select service providers and enter into outcomes-based contracts (with payment based on the prices in the outcomes rate card)	<ul style="list-style-type: none"> Service Recipient execution of outcomes-based service provider contracts 	<ul style="list-style-type: none"> Service Recipient execution of outcomes-based service provider contracts 	7/1/2018

EXHIBIT C: MILESTONE CERTIFICATION

The following is included as template milestone reporting materials for the Service Recipient, to be submitted as milestones are achieved.

Service Grant Award NO.	
Service Recipient:	
Activity Name:	
Prime Grant Agreement No.:	
Prime Grant Agreement Title:	

This is to certify that the milestone below has been achieved or completed as required under this Agreement for the implementation of Riverside County Outcomes Rate Card Development Service Grant Agreement. A list of the evidence of completion documentation provided is included below as well as the submission date. The specific documentation required for each milestone is specified in *Exhibit B: Time and Deliverable Matrix*.

MILESTONE NO.		[XX]	
Milestone Item	Evidence of Completion Documents Submitted (Reports, Documents, sign-in log, etc.)	Submission Date	Attached here or otherwise submitted? (Detail method, to whom and date)

Certified by: Riverside County Executive Office

Service Recipient Authorized Representative (Service Recipient staff verifying completion)

Name

Title

Signature of Authorized Representative

Date

Milestone Completion Verified by: SFI

SFI's Authorized Representative (SFI staff verifying completion)

Name

Title

Signature of Authorized Representative

Date

Exhibit D: DOCUMENTATION OF SERVICE RECIPIENT CONTRIBUTION

The following is included as a template for documenting the in-kind Service Recipient contribution materials for the Service Recipient, to be submitted as in-kind costs are expended.

Service Grant Award NO.	
Service Recipient:	
Activity Name:	
Prime Grant Agreement No.:	
Prime Grant Agreement Title:	

This is to certify that Service Recipient contributed the following labor/materials/goods/use of equipment or room as part of its counterpart contribution in support of the above referenced Grant during the milestone period.

MILESTONE NO.	[XX]		
Description of Item, Labor, etc. Contributed	Evidence of Service Recipient Contribution Submitted	Submission Date	Attached here or otherwise submitted? (Detail method, to whom and date)

Certified by: Riverside County Executive Office

Service Recipient Authorized Representative (Service Recipient staff verifying completion)

Name

Title

Signature of Authorized Representative

Date

Milestone Completion Verified by: SFI

SFI's Authorized Representative (SFI staff verifying completion)

Name

Title

Signature of Authorized Representative

Date

EXHIBIT E: Standard Provisions (Mandatory and Required as Applicable)

The following set of Provisions, Certifications and Assurances are imposed by CNCS on SFI as the prime recipient of federal funds. These requirements must flow down to its Subrecipients and Service Recipients who received federally sponsored services from SFI.

PROHIBITED PROGRAM ACTIVITIES

The Awardee must comply with, and require all subgrantees to comply with, the prohibitions on use of CNCS funds in section 174 of the NCSA (42 U.S.C. §12634).

While charging time to this Award, the Awardee, and anyone acting under the supervision or authority of the Awardee, may not engage in the following activities:

1. Attempting to influence legislation.
2. Organizing or engaging in protests, petitions, boycotts, or strikes.
3. Assisting, promoting or deterring union organizing.
4. Impairing existing contracts for services or collective bargaining agreements.
5. Engaging in partisan political activities or other activities designed to influence the outcome of an election to any public office.
6. Conducting a voter registration drive or using CNCS funds to conduct a voter registration drive.
7. Participating, in or endorsing, events or activities that is likely to include advocacy for or against political parties, political platforms, political candidates, proposed legislation, or elected Officers.
8. Engaging in religious instruction; conducting worship services; providing instruction as part of a program that includes mandatory religious instruction or worship; constructing or operating facilities devoted to religious instruction or worship; maintaining facilities primarily or inherently devoted to religious instruction or worship; or engaging in any form of religious proselytization.
9. Providing a direct benefit to:
 - a. A for-profit entity;
 - b. A labor union;
 - c. A partisan political organization;
 - d. An organization engaged in the religious activities described in the preceding sub-clause, unless Agreement funds are not used to support the religious activities; or
 - e. A nonprofit entity that fails to comply with the restrictions contained in section(c)(3) of U.S.C. Title 26.
10. Providing abortion services or referrals for receipt of such services.
11. Grant funds may not be used for international travel or projects where the primary beneficiaries of an activity are outside the United States.
12. Such other activities as CNCS may prohibit.

Individuals may exercise their rights as private citizens and may participate in the above activities on their own initiative, on non-CNCS time, and using non-CNCS funds.

THE OFFICE OF INSPECTOR GENERAL

CNCS's Office of Inspector General (OIG) conducts and supervises independent and objective audits, evaluations, and investigations of CNCS programs and operations. Based on the results of these audits, reviews, and investigations, the OIG recommends policies to promote economy and efficiency and to prevent and detect fraud, waste, and abuse in CNCS's programs and operations.

The OIG conducts and supervises audits of CNCS grantees, as well as legislatively mandated audits and reviews. The legislatively mandated audits include the annual financial statement audit, and fulfilling the requirements of the Government Information Security Reform Act and its successor, the Federal

Information Security Management Act. A risk-based approach, along with input received from CNCS management, is used to select grantees and grants for audit. The OIG hires audit firms to conduct some of its audits. The OIG audit staff is available to discuss its audit function, and can be reached at (202) 606-9390. The OIG is available to offer assistance to CNCS grantees that become aware of suspected criminal activity in connection with CNCS's programs. Awardees should immediately contact OIG when they first suspect that a criminal violation has occurred. The OIG investigative staff is available to provide guidance and ensure that the appropriate law enforcement agency is notified, if required. The OIG may be reached by email at hotline@cncsoig.gov or by telephone at (800) 452-8210.

REPORTING OF FRAUD, WASTE, AND ABUSE

Grantees must immediately contact the OIG and their program officer when they first suspect that:

1. A criminal violation has occurred (see 18 U.S.C. Part I for more information on criminal conduct - <http://www.gpo.gov/fdsys/pkg/USCODE-2012-title18/html/USCODE-2012-title18-partI.htm>), such as:
 - a. criminal fraud,
 - b. theft or embezzlement,
 - c. forgery, and
 - d. corruption, bribery, kickbacks, or acceptance of illegal gratuities or extortion.
2. Actual or suspected fraud, waste, or abuse has occurred.
 - a. Fraud involves obtaining something of value through willful misrepresentation.
 - b. Waste involves the taxpayers not receiving reasonable value for money in connection with any government funded activities due to an inappropriate act or omission by players with control over or access to government resources.
 - c. Abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate.
3. Non-Discrimination Public Notice and Records Compliance
 - a. **Public Notice of Non-discrimination.** The grantee must notify service recipients, community beneficiaries, applicants, program staff, and the public, including those with impaired vision or hearing, that it operates its program or its activity subject to the non-discrimination requirements of the applicable statutes. The notice must summarize the requirements, note the availability of compliance information from the grantee and CNCS, and briefly explain procedures for filing discrimination complaints with CNCS. Sample language is:

This program is available to all, without regard for race, color, national origin, disability, age, sex, political affiliation, or, in most instances, religion. It is also unlawful to retaliate against any person who, or organization that, files a complaint about such discrimination. In addition to filing a complaint with local and state agencies that are responsible for resolving discrimination complaints, you may bring a complaint to the attention of CNCS. If you believe that you or others have been discriminated against, or if you want more information, contact:

(Name, address, phone number – both voice and TDD, and preferably toll free – FAX number and email address of the grantee) or

Office of Civil Rights and Inclusiveness

*Corporation for National and Community Service
1201 New York Avenue, NW
Washington, DC 20525
(800) 833-3722 (TTY and reasonable accommodation line)
(202) 565-3465 (FAX); eo@cns.gov (email)*

The grantee must include information on civil rights requirements, complaint procedures, and the rights of beneficiaries in handbooks, manuals, pamphlets, and post in prominent locations, as appropriate. The grantee must also notify the public in recruitment material and application forms that it operates its program or activity subject to the non-discrimination requirements. Sample language, in bold print, is **This program is available to all, without regard to race, color, national origin, disability, sex, age, political affiliation, or, in most instances, religion.** Where a significant portion of the population eligible to be served needs services or information in a language other than English, the grantee shall take reasonable steps to provide written material of the type ordinarily available to the public in appropriate languages.

- a. **Records and Compliance Information.** The grantee must keep records and make available to CNCS timely, complete and accurate compliance information to allow CNCS to determine if the grantee is complying with the civil rights statutes and implementing regulations. When applicable, where a grantee extends federal financial assistance to sub-recipients/subgrantees, the sub-recipients/subgrantees must make available compliance information to the grantee so it can carry out its civil rights obligations.
- b. **Obligation to Cooperate.** The grantee must cooperate with CNCS so that CNCS can ensure compliance with the civil rights statutes and implementing regulations. The grantee shall permit access by CNCS during normal business hours to its books, records, accounts, staff, facilities, and other sources of information as may be needed to determine compliance.

4. Trafficking in Persons

This Grant is subject to requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104).

- a. Provisions applicable to an Awardee other than a private entity.
We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—
 - i. Is determined to have violated an applicable prohibition of paragraph a.i of this Grant term; or
 - ii. has an employee who is determined by the agency official authorized to terminate the Grant to have violated an applicable prohibition in paragraph a.1 of this Grant term through conduct that is –
 - (a) Associated with performance under this Grant; or
 - (b) Imputed to you using the standards and due process for imputing conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 2200.
- b. Provisions applicable to any grantee.
 - i. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.i of this grant term.
 - ii. Our right to terminate unilaterally that is described in paragraph a.ii or b of this section:

- (a) Implements section 106(g) of the TVPA of 2000, as amended (22 U.S.C. 7104(g)), and
 - (b) Is in addition to all other remedies for noncompliance that are available to us under this Grant.
- iii. You must include the requirements of paragraph a.i of this Grant term in any subgrant you make to a private entity.
- c. Definitions. For purposes of this grant term:
 - i. **"Employee"** means either:
 - (a) An individual employed by you or a subgrantee who is engaged in the performance of the project or program under this Grant; or
 - (b) Another person engaged in the performance of the project or program under this Grant and not compensated by you including, but not limited to, a volunteer or individual whose service are contributed by a third part as an in-kind contribution toward cost sharing or matching requirements.
 - ii. **"Forced labor"** means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
 - iii. **"Private entity"**:
 - (a) Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR Part 175.25.
 - (b) Includes:
 - a. A non-profit organization, including any non-profit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR Part 175.25(b).
 - b. A for-profit organization.

"Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

EXHIBIT F: Certifications, Assurances, Other Statements of the Recipient

Grant Program Civil Rights and Non-Harassment Policy

The Corporation for National and Community Service (CNCS) has zero tolerance for the harassment of any individual or group of individuals for any reason. CNCS is committed to treating all persons with dignity and respect. CNCS prohibits all forms of discrimination based upon race, color, national origin, gender, age, religion, sexual orientation, disability, gender identity or expression, political affiliation, marital or parental status, or military service. All programs administered by, or receiving Federal financial assistance from CNCS, must be free from all forms of harassment.

Whether in CNCS offices or campuses, in other service-related settings such as training sessions or service sites, or at service-related social events, such harassment is unacceptable. Any such harassment, if found, will result in immediate corrective action, up to and including removal or termination of any CNCS employee or volunteer. Recipients of Federal financial assistance, be they individuals, organizations, programs and/ or projects are also subject to this zero tolerance policy. Where a violation is found, and subject to regulatory procedures, appropriate corrective action will be taken, up to and including termination of Federal financial assistance from all Federal sources.

Slurs and other verbal or physical conduct relating to an individual's gender, race, ethnicity, religion, sexual orientation or any other basis constitute harassment when it has the purpose or effect of interfering with service performance or creating an intimidating, hostile, or offensive service environment. Harassment includes, but is not limited to: explicit or implicit demands for sexual favors; pressure for dates; deliberate touching, leaning over, or cornering; offensive teasing, jokes, remarks, or questions; letters, phone calls, or distribution or display of offensive materials; offensive looks or gestures; gender, racial, ethnic, or religious baiting; physical assaults or other threatening behavior; or demeaning, debasing or abusive comments or actions that intimidate.

CNCS does not tolerate harassment by anyone including persons of the same or different races, sexes, religions, or ethnic origins; or from a CNCS employee or supervisor; a project, or site employee or supervisor; a non-employee (e.g., client); a co-worker or service member.

I expect supervisors and managers of CNCS programs and projects, when made aware of alleged harassment by employees, service participants, or other individuals, to immediately take swift and appropriate action. CNCS will not tolerate retaliation against a person who raises harassment concerns in good faith. Any CNCS employee who violates this policy will be subject to discipline, up to and including termination, and any grantee that permits harassment in violation of this policy will be subject to a finding of non-compliance and administrative procedures that may result in termination of Federal financial assistance from CNCS and all other Federal agencies.

Any person who believes that he or she has been discriminated against in violation of civil rights laws, regulations, or this policy, or in retaliation for opposition to discrimination or participation in discrimination complaint proceedings (e.g., as a complainant or witness) in any CNCS program or project, may raise his or her concerns with our Office of Civil Rights and Inclusiveness (OCRI). Discrimination claims not brought to the attention of OCRI within 45 days of their occurrence may not be accepted in a formal complaint of discrimination. No one can be required to use a program, project or sponsor dispute resolution procedure before contacting OCRI. If another procedure is used, it does not affect the 45-day time limit. OCRI may be reached at (202) 606-7503 (voice), (202) 606-3472 (TTY), eo@cns.gov, or through www.nationalservice.gov.


Wendy Spencer, Chief Executive Officer 5/1/2014
Date

Assurances

As the duly authorized representative of the Service Recipient, I assure, to the best of my knowledge and belief, that the Service Recipient:

Has the legal authority to apply for federal assistance, and the institutional, managerial, and financial capability (including funds sufficient to pay the non-federal share of project costs) to ensure proper planning, management, and completion of the project described in this application.

Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the state, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

Will establish safeguards to prohibit employees from using their position for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).

Will comply with all federal statutes relating to nondiscrimination. These include but are not limited to: Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of disability (d) The Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290dd-3 and 290ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the National and Community Service Act of 1990, as amended; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of federal participation in purchases.

Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C 276a and 276a-77), the Copeland Act (40 U.S.C 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction sub-agreements.

Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires the recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved state management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C 1451 et seq.); (f) conformity of federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).

Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.

Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984, as amended, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, application guidelines, and policies governing this program.

For Social Innovation Fund Applicants ONLY

Will use the funds received through the award in order to make subgrants to community organizations that will use the funds to replicate or expand proven initiatives, or support new initiatives, in low-income communities.

Will consult with a diverse cross section of community representatives in making decisions about subgrants for communities (including individuals from the public, nonprofit private, and for-profit private sectors).

Will make subgrants of a sufficient size and scope to enable the community organizations to build their capacity to manage initiatives, and sustain replication or expansion of the initiatives;

Will not make any subgrants to--

- the parent organizations of the applicant,
- a subsidiary organization of the parent organization of the applicant, or,
- if the applicant applied for a SIF award as a partnership, any member of the partnership.

Commits to meeting the matching cash fund requirements of section 198k(i) of the National and Community Service Act of 1990 (42 U.S.C. §12653k(i)).

Commits to use data and evaluations to improve the applicant's own model and to improve the initiatives funded by the applicant. Commits to cooperate with any evaluation activities undertaken by CNCS.

Certifications

Certification – Debarment, Suspension, and Other Responsibility Matters

This certification is required by the government-wide regulations implementing Executive Order 12549, Debarment and Suspension, 2 CFR Part 180, Section 180.335, *What information must I provide before entering into a covered transaction with a Federal agency?*

As the duly authorized representative of the applicant, I certify, to the best of my knowledge and belief, that neither the applicant nor its principals:

Is presently excluded or disqualified;

Has been convicted within the preceding three years of any of the offenses listed in § 180.800(a) or had a civil judgment rendered against it for one of those offenses within that time period;

Is presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission or any of the offenses listed in § 180.800(a); or

Has had one or more public transactions (Federal, State, or local) terminated within the preceding three years for cause or default.

Definitions

The terms “debarment”, “suspension”, “excluded”, “disqualified”, “ineligible”, “participant”, “person”, “principal”, and “voluntarily excluded” as used in this document have the meanings set out in 2 CFR Part 180, subpart I, “Definitions.” A transaction shall be considered a “covered transaction” if it meets the definition in 2 CFR part 180 subpart B, “Covered Transactions.”

Assurance requirement for subgrant agreements

You agree by submitting this proposal that if we approve your application you shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by us.

Assurance inclusion in subgrant agreements

You agree by submitting this proposal that you will obtain an assurance from prospective participants in all lower tier covered transactions and in all solicitations for lower tier covered transactions that the participants are not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction.

Assurance of subgrant principals

You may rely upon an assurance of a prospective participant in a lower-tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless you know that the assurance is erroneous. You may decide the method and frequency by which you determine the eligibility of your principals. You may, but are not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

Non-assurance in subgrant agreements

If you knowingly enter into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, we may terminate this transaction for cause or default.

Certification – Drug Free Workplace

This certification is required by CNCS's regulations implementing sections 5150-5160 of the Drug-Free Workplace Act of 1988 (P.L. 100-690), 2 CFR Parts 182 and 2245. The regulations require certification by grantees, prior to award, that they will make a good faith effort, on a continuing basis, to maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when the agency determines to award the grant. False certification or violation of the certification may be grounds for suspension of payments, suspension or termination of grants, or government-wide suspension or debarment (see 2 CFR Part 180, Subparts G and H).

As the duly authorized representative of the grantee, I certify, to the best of my knowledge and belief, that the grantee will provide a drug-free workplace by:

- A. Publishing a drug-free workplace statement that:
 - a. Notifies employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace;
 - b. Specifies the actions that the grantee will take against employees for violating that prohibition; and
 - c. Informs employees that, as a condition of employment under any award, each employee will abide by the terms of the statement and notify the grantee in writing if the employee is convicted for a violation of a criminal drug statute occurring in the workplace within five days of the conviction;
- B. Requiring that a copy of the statement described in paragraph (A) be given to each employee who will be engaged in the performance of any Federal award;
- C. Establishing a drug-free awareness program to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that the grantee may impose upon them for drug abuse violations occurring in the workplace;
- D. Providing us, as well as any other Federal agency on whose award the convicted employee was working, with written notification within 10 calendar days of learning that an employee has been convicted of a drug violation in the workplace;
- E. Taking one of the following actions within 30 calendar days of learning that an employee has been convicted of a drug violation in the workplace:
 - a. Taking appropriate personnel action against the employee, up to and including termination; or
 - b. Requiring that the employee participate satisfactorily in a drug abuse assistance or rehabilitation program approved for these purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

F. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (A) through (E).

Certification - Lobbying Activities

As required by Section 1352, Title 31 of the U.S. Code, as the duly authorized representative of the applicant, I certify, to the best of my knowledge and belief, that:

No funds received from CNCS have been or will be paid, by or on behalf of the applicant, to any person or agent acting for the applicant, related to activity designed to influence the enactment of legislation, appropriations, administrative action, proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the applicant will submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

The applicant will require that the language of this certification be included in the award documents for all subcontracts at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients will certify and disclose accordingly.

Erroneous certification or assurance

The assurances and certifications are material representations of fact upon which we rely in determining whether to enter into this transaction. If we later determine that you knowingly submitted an erroneous certification or assurance, in addition to other remedies available to the federal government, we may terminate this transaction for cause or default.

Notice of error in certification or assurance

You must provide immediate written notice to us if at any time you learn that a certification or assurance was erroneous when submitted or has become erroneous because of changed circumstances.

Prudent person standard

Nothing contained in the aforementioned may be construed to require establishment of a system of records in order to render in good faith the assurances and certifications required. Your knowledge and information is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

42 U.S.C.

United States Code, 2011 Edition

Title 42 - THE PUBLIC HEALTH AND WELFARE

CHAPTER 129 - NATIONAL AND COMMUNITY SERVICE

SUBCHAPTER I - NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

Division H - Investment for Quality and Innovation

Part III - Social Innovation Funds Pilot Program

Sec. 12653k - Funds

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